

TRANSITION AGREEMENT

This Transition Agreement ("Agreement") is made by and between Jerry's Enterprises, Inc. (the "Company") and United Food & Commercial Workers Local 1189, including its affiliate the United Food & Commercial Workers International Union (the "Union"), collectively the "Parties".

WHEREAS, the Company has discussed with the Union its interest in acquiring the assets of certain Rainbow stores;

WHEREAS, the employees of those Rainbow stores are currently represented by the Union pursuant to a collective bargaining agreement ("Rainbow CBA");

WHEREAS, employees of the Company's Cub banner are also represented by the Union pursuant to a collective bargaining agreement ("Jerry's Cub CBA");

WHEREAS, following the asset purchase, the Company will continue to operate the following Rainbow stores as Cub Foods (the "Stores"):

- 1201 W. Larpenteur Ave. Roseville, Minnesota
- 7053 10th St. Oakdale, Minnesota

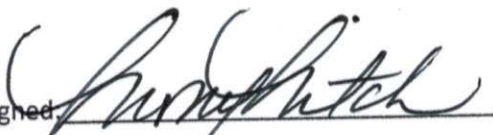
WHEREAS, the Parties have a mutual interest in ensuring a smooth transition and labor peace following the acquisition, including minimizing the risk of any grievances, litigation or other disputes regarding their contractual rights and obligations in connection with the acquisition;

NOW THEREFORE, the Parties agree as follows:

1. Following the execution of an Asset Purchase Agreement ("APA"), the Company will begin the hiring process.
2. In order to facilitate the hiring process, the Company shall be permitted to hold job fairs for affected Rainbow employees at the Union Hall.
3. While the Company is not required to interview or hire Rainbow employees, the Company will give consideration, on a store-by-store basis, to hiring those applicants that have been continuously employed at the acquired Rainbow stores prior to January 1, 2013.
4. All applicants will be subject to the Company's normal screening procedures for applicants, including but not limited to post-offer, pre-employment drug tests, background checks, and employment verification.
5. If the Union is entitled to recognition as the collective bargaining representative of the employees at any of the Stores pursuant to the National Labor Relations Act ("NLRA"), the terms of the Jerry's Cub CBA will apply to such Store except as follows:
 - a. All former Rainbow Foods employees who are applicants and who are hired will be required to pass a 90 calendar day probationary period, which can be extended by an additional 30 calendar days as mutually agreed between the parties.

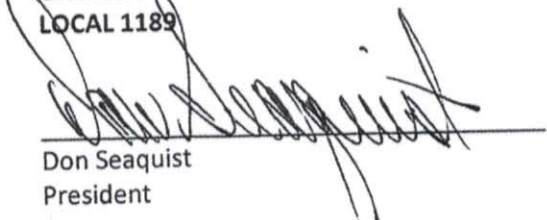
- b. All former Rainbow employees who are applicants and who are hired will be treated as a new hire; their seniority date after completing the probationary period will be their date of hire by the Company, except that, to the extent the employee remains in his or her original Rainbow store after hire, they will be able to exercise their former Rainbow seniority against each other for purposes of scheduling, and after one year of employment, for selection and scheduling of vacation. In the event the employee subsequently transfers stores, he or she will lose their original Rainbow store seniority, and their effective seniority date will be the date of hire by the Company, except for purposes of paragraph c below.
 - c. New hires from Rainbow Foods will not have any paid vacation during their first year of employment but may take unpaid vacations. Credit for prior service with Rainbow Foods may be granted only for purposes of determining eligibility for unpaid vacation during the first year of employment and for paid vacation in subsequent years.
- 6.
- a. The Jerry's Cub CBA will be amended and modified wherever and to the extent necessary to continue in full force and effect the initial terms set forth in Paragraph 5(a) through (c) above;
 - b. The Company will continue to make contributions the National Meat Cutters Pension Fund in accordance with the terms of the Jerry's Cub CBA, but the Company reserves its right, in its sole discretion, to withdraw from participation in said fund at any time during the effective dates of the Jerry's Cub CBA.
7. This is a complete statement of the Parties' Agreement.

JERRY'S ENTERPRISES, INC.

Signed: 
 Name: Mandy Mizell
 Title: Director HR

Date: 7/16/2014

**UNITED FOOD AND COMMERCIAL WORKERS
 LOCAL 1189**


 Don Seaquist
 President

Date: 7/16/2014