

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
)	Chapter 11
Fleming Companies, Inc., et al.,)	
)	Case No. 03-10945 ()
)	(Jointly Administered)
Debtors.)	

**AFFIDAVIT IN SUPPORT OF THE DEBTORS' APPLICATION
FOR AN ORDER AUTHORIZING EMPLOYMENT AND
RETENTION OF FTI CONSULTING, INC. AS
FINANCIAL ADVISORS FOR THE DEBTORS**

STATE OF TEXAS)	
)	ss.
COUNTY OF DALLAS)	

I, Jeffery J. Stegenga, being duly sworn, hereby deposes and says:

1. I am a Senior Managing Director with FTI Consulting, Inc. ("FTI"), a financial advisory services firm with numerous offices throughout the country. I submit this Affidavit on behalf of FTI (the "Affidavit") in support of the application (the "Application") of Fleming Companies, Inc., et al., the debtors and debtors-in-possession in the above-captioned chapter 11 cases (collectively, the "Debtors"), for an order authorizing the employment and retention of FTI as financial advisors under the terms and conditions set forth in the Application. Except as otherwise noted¹, I have personal knowledge of the matters set forth herein.

¹ Certain of the disclosures herein relate to matters within the personal knowledge of other professionals at FTI and are based on information provided by them.

Disinterestedness and Eligibility

2. In connection with the preparation of this Affidavit, FTI professionals conducted a review of its contacts with the Debtors, their affiliates and certain entities holding large claims against or interests in the Debtors that were reasonably known to FTI. A listing of the parties reviewed is reflected on Exhibit A to this Affidavit. FTI's review, completed under my supervision, consisted of a query of the Exhibit A parties within an internal computer database containing names of individuals and entities that are present or recent former clients of FTI. A summary of such relationships that FTI has identified to date is set forth on Exhibit B to this Affidavit.

3. Based on the results of its review, except as otherwise discussed herein FTI does not have a relationship with any of the parties on Exhibit A in matters related to these proceedings. FTI has provided and likely will continue to provide services unrelated to the Debtors' case for the various entities shown on Exhibit B. FTI's assistance to these parties has been related to providing various financial restructuring, litigation support and/or engineering and scientific investigation consulting services. To the best of my knowledge, no services have been provided to these parties in interest which involve their rights in the Debtors' case, nor does FTI's involvement in this case compromise its ability to continue such consulting services.

4. FTI is currently engaged as the financial advisor to the Official Committee of Unsecured Creditors in the K-Mart Corporation bankruptcy proceedings. It is my understanding that any disputes that may have existed with regard to the claims that the Debtors previously had with the K-Mart estate have been resolved and no open issues remain. However, to ensure that

no confidential information passes between the teams with respect to these two matters, formal ethical walls have been established between the two teams until the completion of these proceedings.

5. As the Court is aware, Kirkland & Ellis is engaged as counsel to the Debtors in connection with these proceedings. Mr. George P. Stamas, a partner of Kirkland & Ellis, is currently a member of the Board of Directors of FTL. To the best of my knowledge, Mr. Stamas is in no way involved with the Kirkland & Ellis team in these proceedings, nor does Mr. Stamas have any professional involvement in this matter in any capacity.

6. Further, as part of its diverse practice, FTL appears in numerous cases, proceedings and transactions that involve many different professionals, including Kirkland & Ellis and other attorneys, accountants and financial consultants, who may represent claimants and parties-in-interest in the Debtors' chapter 11 cases. Also, FTL has performed in the past, and may perform in the future, advisory consulting services for various attorneys and law firms, and has been represented by several attorneys and law firms, some of whom may be involved in these proceedings. In addition, FTL has in the past, may currently and will likely in the future be working with or against other professionals involved in these cases in matters unrelated to the Debtors and these cases. Based on our current knowledge of the professionals involved, and to the best of my knowledge, none of these relationships create interests materially adverse to the Debtors herein in matters upon which FTL is to be employed, and none are in connection with these cases.

7. FTI is not a "Creditor" of any of the Debtors within the meaning of Section 101(10) of the Bankruptcy Code.

8. To the best of my knowledge, no one within FTI generally has any connection to the U.S. Trustee or any person employed in the Office of the U.S. Trustee in this District.

9. As such, to the best of my knowledge, FTI is a "disinterested person" as that term is defined in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code, in that FTI:

- (a) is not a creditor, equity security holder or insider of the Debtors;
- (b) is not and was not an investment banker for any outstanding security of the Debtors;
- (c) has not been, within three years before the date of the filing of the Debtors' chapter 11 petition, (i) an investment banker for a security of the Debtors or (ii) an attorney for such an investment banker in connection with the offer, sale, or issuance of a security of the Debtors; and
- (d) was not, within two years before the date of filing of the Debtors' chapter 11 petitions, a director, officer, or employee of the Debtors or of any investment banker as specified in subparagraph (b) or (c) of this paragraph.

In addition, to the best of my knowledge and based upon the results of the relationship search described above and disclosed herein, FTI neither holds nor represents an interest adverse to the Debtors within the meaning of Section 327(a) of the Bankruptcy Code.

10. It is FTI's policy and intent to update and expand its ongoing relationship search for additional parties in interest in an expedient manner. If any new relevant facts or relationships are discovered or arise, FTI will promptly file a Bankruptcy Rule 2014(a) Supplemental Affidavit.

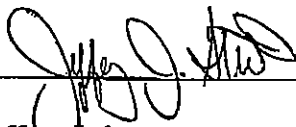
Professional Compensation

11. Subject to Court approval and in accordance with the applicable provisions of title 11 of the United States Code (the "Bankruptcy Code"), the Federal Rules of Bankruptcy Procedure, applicable U.S. Trustee guidelines and the local rules of this District, FTI will seek payment for compensation on an hourly basis, plus reimbursement of actual and necessary expenses incurred by FTI. FTI's customary hourly rates as charged in bankruptcy and non-bankruptcy matters of this type by the professionals assigned to this engagement are outlined in the Application for the employment of FTI. These hourly rates are adjusted annually. Such rate adjustments will be disclosed to this Court and the Debtors.

12. According to FTI's books and records, during the ninety day period prior to the Debtors' petition date, FTI received \$1,756,000 from the Debtors for professional services performed and expenses incurred. Further, FTI has received unapplied advance payments from the Debtors in the amount of approximately \$375,000. The Debtors and FTI have agreed that any portion of the advance payments not used to compensate FTI for its pre-petition services and expenses will be applied against its final post-petition fee application and will not be placed in a separate account.

13. To the best of my knowledge, a) no commitments have been made or received by FTI, nor any employee thereof, with respect to compensation or payment in connection with these cases other than in accordance with the provisions of the Bankruptcy Code and b) FTI has no agreement with any other entity to share with such entity any compensation received by FTI in connection with these chapter 11 cases.

Dated this 1st day of April 2003.



Jeffery J. Stegenga

SUBSCRIBED AND SWORN TO BEFORE ME this 1 day of April 2003.



Notary Public

My Commission Expires:

