



Code (the "Bankruptcy Code") and Rule 2014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") in support of the application (the "Application") of the Official Committee of Unsecured Creditors of Fleming Companies, Inc., et al. (the "Committee") for an order authorizing the retention and employment of KPMG as accountants and restructuring advisors to the Committee. Unless otherwise stated, I have personal knowledge of the facts set forth herein.

### BACKGROUND

3. The Committee selected KPMG to provide accounting and restructuring advisory services *nunc pro tunc* to April 14, 2003. KPMG has consented to employment by the Committee and has agreed to provide these services in connection with the chapter 11 cases of Fleming Companies, Inc. and their direct and indirect subsidiaries and affiliates (the debtors in these chapter 11 cases as captioned above, collectively, the "Debtors").

### PROFESSIONAL SERVICES

4. KPMG is nationally recognized for, among other things, working with financially troubled companies in complex financial reorganizations in both chapter 11 cases and out-of-court restructurings. Although the scope of services that may be provided to the Committee by KPMG in these cases are detailed in the Application and in my Original Affidavit, as a general matter KPMG will assist the Committee with the investigation, analysis and assessment of historical, present and projected financial information, the analysis and assessment of the Debtors' business operations, projections and plans, and with the assessment the Debtors' business judgment in matters brought before the Court, and with the formulation of positions the Committee may take in these cases. Compass, on the other hand, will as a general matter provide financial advice of an investment banking nature regarding the sale of certain or all of the Debtors' business enterprises,

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Wiggly Company; Progressive Realty, Inc.; Rainbow Food Group, Inc.; Retail Investments, Inc.; Retail Supermarkets, Inc.; RFS Marketing Services, Inc.; and Richmar Foods, Inc.

exit financing, and issuance of debt and/or equity securities in connection with a plan of reorganization.

5. Since being retained by the Committee, KPMG and Compass have coordinated their activities and have allocated their responsibilities to avoid duplication of effort. In the matter of basic due diligence, we expect that both KPMG and Compass will attend due diligence sessions with the Debtors. We also expect that KPMG and Compass will attend Committee meetings and Committee conference calls as well as support the Committee as requested in negotiations with the Debtors and/or other parties. Beyond that, the delineation of duties will remain carefully defined and adhered to and KPMG will, and believes that Compass will, work closely to avoid duplication and overlap.

#### CONNECTIONS WITH DEBTORS AND OTHER PARTIES


6. As noted in the Original Affidavit, prior to the Petition Date the Canadian member firm of KPMG International (“KPMG Canada”) provided to one of the Debtors’ subsidiaries, Core-Mark International Inc. (“Core-Mark”), transfer pricing tax compliance and planning services. Core-Mark has advised KPMG Canada that it will require KPMG Canada to provide additional services related to that prior tax work, and KPMG Canada has agreed to do so. KPMG will have no involvement with, access to or control over the work product of KPMG Canada in that matter. As noted above, KPMG is the United States member firm of KPMG International, a Swiss association of member firms. Each member firm of KPMG International is a separate legal entity and each member firm maintains separate and distinct business operations. As a result, KPMG and KPMG Canada are separate and distinct legal entities.

7. In addition, and again as noted in the Original Affidavit, KPMG performed services pre-petition on behalf of J. Michael Walsh, an officer and/or director of certain of the

Debtors. Those services consisted of the preparation of individual tax returns for the 1998 through 2002 tax years. KPMG is no longer performing services for Mr. Walsh.

8. KPMG expressly reserves the right to amend and/or supplement this Affidavit and the disclosures contained herein.

Dated: May 30, 2003

By:   
Larry H. Lattig  
Principal

State of Texas ) ss:  
County of Tarrant )

On the 30 day of May, 2003 before me personally appeared Larry H. Lattig to me known to be the individual(s) described in and who executed the foregoing instrument, and acknowledged that they executed the same.

  
Notary Public

