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BASIC INFORMATION

1. Why Did I Get This Notice?

You held shares of Foodarama common stock. In or after July 2006, you tendered or otherwise relinquished by operation of law such shares as a result of the Going-Private Transaction, which involved a tender offer by Saker Holdings Corp., a share exchange between Foodarama and FSM-Delaware, Inc., and the merger of FSM-Delaware, Inc. with and into Saker Holdings Corp.

The Court ordered this Notice because you have a right to know about a proposed Settlement of a class action lawsuit, and related matters, before the Court decides whether to approve the Settlement and rules on the related matters.

This Notice explains the lawsuit, the Settlement, the related matters, and your legal rights.

The Court in charge of the case is the Superior Court of New Jersey, Chancery Division, Monmouth County, and the case is known as *Alan Kahn v. Joseph J. Saker, et al.*, Docket No. C-214-06.

2. What Is This Lawsuit About?

This case was brought as a class action. Plaintiff alleges that Defendants breached their fiduciary duties to, or aided and abetted the breach of fiduciary duties to, the public shareholders of Foodarama common stock in connection with the Going-Private Transaction. Plaintiff further alleges that Defendants violated the provisions of the New Jersey Shareholders' Protection Act. Plaintiff challenged the fairness of the price paid to the public shareholders and the process employed to effect the Going-Private Transaction, and alleged that Defendants' public statements regarding the Going-Private Transaction omitted and misrepresented information necessary for Foodarama's public shareholders to decide whether to tender their shares.

Defendants contend that the allegations are meritless. They contend that they did not violate their duties to the public shareholders and did not violate the New Jersey Shareholders' Protection Act. The Defendants further contend that their public statements and descriptions of the Going-Private Transaction included all information that reasonable investors would consider material or important.

3. Why Is This a Class Action?

In a class action, one or more persons or entities (in this case, Alan Kahn), sue as class representatives on behalf of persons and entities who are similarly situated. These similarly situated persons and entities are called a Class or Class Members, if the Court determines that the lawsuit should proceed as a class action. One court resolves the issues for all Class Members.

One of the issues for the Court to decide is whether to certify the Class for purposes of the Settlement. Certification of the Class would mean that the Settlement, if approved by the Court, would bind all of the Class Members (the public shareholders of Foodarama at the time of the Going-Private Transaction), except for Class Members who exclude themselves from the Class. As described elsewhere in this Notice, you have the right to exclude yourself from the Class.

4. Why Is There a Settlement?

The Court did not decide in favor of Plaintiff or Defendants. Instead, both sides agreed to a Settlement, thereby avoiding the costs and risks of a trial. Following completion of discovery, Plaintiff and Defendants entered into settlement negotiations. Shortly before trial was scheduled to begin, an agreement as to settlement terms was reached. A written agreement settling this action (the "Settlement Agreement") was signed by the attorneys for the parties on April 4, 2008.

5. How Do I Know if I Am Part of the Class?

The Class includes all holders of Foodarama common stock who, in or after July 2006, tendered or otherwise relinquished by operation of law such shares as a result of the Going-Private Transaction pursuant to a tender offer by Saker Holdings Corp., a share exchange between Foodarama and FSM-Delaware, Inc., and a merger of FSM-Delaware, Inc. with and into Saker Holdings Corp. Excluded from the Class are Defendants, their officers, directors, parent companies, subsidiaries, heirs and assigns.

THE SETTLEMENT

6. What Does the Settlement Provide?

The Settlement provides that Defendants will pay \$6,900,000 (the “Settlement Fund”) on behalf of the Class. The moneys in the Settlement Fund are earning interest. The Court will be asked to award legal fees and expenses to Plaintiff’s counsel, if and to the extent granted by the Court. In addition, expenses incurred in providing notice to the Class and in Class administration will be paid from the Settlement Fund. The moneys remaining in the Settlement Fund will be distributed to Class Members who have not excluded themselves from the Class.

7. What Does It Mean to Be Part of the Class?

If you are in the Class, (and you do not exclude yourself from the Class), that means you cannot sue or be part of any other lawsuit, if one is filed, against Defendants or other Released Persons (as defined below) about the legal issues in this case. It also means that all of the Court’s orders will apply to you and legally bind you.

In addition, you are permanently releasing your claims against Defendants and/or their respective family members, parent entities, associates, affiliates or subsidiaries, and each and all of their respective past, present or future officers, directors, stockholders, agents, representatives, employees, attorneys, financial or investment advisors, consultants, accountants, investment bankers, commercial bankers, trustees, or agents, insurers, co-insurers and reinsurers, heirs, executors, trustees, general or limited partners or partnerships, (including their past, present or future officers, directors, and trustees), limited liability companies, members, joint ventures, personal or legal representatives, estates, administrators, predecessors, successors and assigns, including but not limited to Amper Politziner & Mattia, P.A.; Conway, DelGenio, Gries & Co., LLC; Day Pitney LLP (formerly known as Pitney Hardin, LLP); Giordano, Halleran & Ciesla, P.C.; and William Blair & Company (the “Released Persons”) from any claim or cause of action against the Released Persons, whether or not any such Released Persons were named, served with process or appeared in this action, whether for damages, injunctive relief, or otherwise, you ever had, now have, or hereafter can, shall, or may have by reason of, arising out of, or relating to any of the facts, transactions, actions, or conduct, actual or purported, that have been alleged or that could have been alleged in this action, or that have arisen, could have arisen, arise now or hereafter arise out of, or relate in any manner to the allegations, facts, events, transactions, matters, acts, occurrences, statements, representations, misrepresentations, omissions, or any other matter, thing or cause whatsoever embraced, involved or set forth in, or referred to or otherwise related, directly or indirectly, in any way to the Going-Private Transaction, or the aiding and abetting thereof, except that you retain the right to enforce the terms of the Settlement Agreement.

In addition, in connection with claims arising out of this particular action, all Defendants release you, along with all other Class Members, Plaintiff, and Plaintiff’s Counsel.

THE LAWYERS REPRESENTING YOU

8. Do I Have a Lawyer in This Case?

The law firms of Cohn Lifland Pearlman Herrmann & Knopf LLP; Berger & Montague, P.C; and Harold B. Obstfeld, P.C., represent you and other Class Members. These lawyers are called Plaintiff’s Counsel. You will not be charged for these lawyers, except (as discussed below) as they seek to have fees and expenses paid from the Settlement Fund. If you want to be represented by your own lawyer, you may hire one at your own expense. If you want to speak at the final hearing, that lawyer may enter your appearance as a Class Member in this case.

9. How Will the Lawyers Be Paid?

Plaintiff’s Counsel will apply to the Court for an award of legal fees for their services in this action and for reimbursement of expenses incurred in the prosecution of this action. Plaintiff’s Counsel may apply for attorney’s fees of no more than one-third of the Settlement Fund, and for litigation expenses up to \$250,000.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you don’t agree with the Settlement or some part of it.

10. How Do I Tell the Court that I Don’t Like the Settlement or Related Matters?

If you are a Class Member, you can object to the Settlement if you don’t like any part of it. In addition, you can object to the proposed certification of the Class for Settlement purposes, and/or the application for attorney’s fees and expenses. You can give reasons why you think the Court should not approve the Settlement, Class,

proposed certification, and/or attorney's fees and expenses. You can also tell the Court that you approve of the Settlement. The Court will consider your views. Even if you object, if the Court approves the Settlement, you will receive your share of the Settlement Fund. To object, you must send a letter saying that you object in *Alan Kahn v. Joseph J. Saker, et al.*, Docket No. C-214-06. Be sure to include your name, address, telephone number, your signature, the number of shares of Foodarama common stock that you held and the reasons you object to the Settlement. Mail the objection to the following six different places post-marked no later than June 26, 2008.

<i>Court:</i>	<i>Counsel for Plaintiff:</i>		
Clerk of the Court Re: <i>Objection to Kahn v. Saker Class Settlement</i> Superior Court of New Jersey Monmouth County, Chancery Division Hall of Records 1 East Main Street Freehold, NJ 07728-1266	LEONARD Z. KAUFMANN, ESQ. COHN LIFLAND PEARLMAN HERRMANN & KNOPF LLP Park 80 Plaza West-One Saddle Brook, NJ 07663 lzk@njlawfirm.com	TODD S. COLLINS, ESQ. ELIZABETH W. FOX, ESQ. BERGER & MONTAGUE, P.C. 1622 Locust Street Philadelphia, PA 19103 tcollins@bm.net efox@bm.net	HAROLD B. OBSTFELD, ESQ. HAROLD B. OBSTFELD P.C. 100 Park Avenue, 20th Floor New York, NY 10017 hobsd@erols.com
<i>Counsel for Defendants Joseph Saker, Richard Saker, Joseph Saker, Jr., Gloria Saker, Nadine Saker Mockler, Denise Saker Marder, Richard James Saker, Joseph Saker Family Limited Partnership, Saker Holdings Corp. and FSM Delaware, Inc.:</i>		<i>Counsel for Defendants Saker ShopRites, Inc. (f/k/a Foodarama Supermarkets, Inc.), Charles Parton, Albert Zager and Robert Hutchins:</i>	
EDWARD T. KOLE, ESQ. WILENTZ, GOLDMAN & SPITZER 90 Woodbridge Center Drive Suite 900 Woodbridge, New Jersey 07095-0958		BENJAMIN E. HAGLUND, ESQ. ELIZABETH J. SHER, ESQ. DAY PITNEY LLP P.O. Box 1945 Morristown, New Jersey 07962-1945	

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want to be part of the Settlement, but you want to keep the right to sue or continue to sue the Defendants on your own about the same legal issues in this case, then you must take steps to get out of the Class. This is called excluding yourself or is sometimes referred to as opting out of the Class. If a person or persons holding a specified total number of shares exclude themselves, Defendants will be permitted to call off or stop the entire Settlement.

11. How Do I Get Out of the Class?

To exclude yourself from the Class, you must send a letter by mail stating that you want to be excluded from the Class. Write to *Foodarama Shareholder Litigation*, c/o Notice Administrator, P.O. Box 58216, Philadelphia, PA 19102-8216. You must include your name, address, telephone number, the number of shares tendered or relinquished and your signature. You must mail your exclusion request post-marked no later than June 26, 2008.

You cannot exclude yourself by telephone or by e-mail. If you ask to be excluded, you cannot object to the Settlement. You will not be legally bound by anything that happens in this lawsuit, and you will not share in any of the Settlement Fund.

12. If I Do Not Exclude Myself, Can I Sue the Defendants for the Same Thing Later?

No. If the Court approves the Settlement, unless you exclude yourself, you give up any right to sue the Defendants for the claims resolved by this lawsuit. If you have a pending lawsuit against any of the Defendants, speak to your lawyer in that case immediately. Remember, the exclusion deadline is June 26, 2008.

THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the Settlement, whether to certify the Class for purposes of the Settlement, and whether to grant the applications for attorney's fees and expenses. You may attend and you may ask to speak, but you don't have to.

13. When and Where Will the Court Decide?

The Court will hold a hearing at 9:00 a.m. on July 16, 2008 at the Superior Court of New Jersey, Monmouth County, Chancery Division, Hall of Records, 1 East Main Street, Freehold, New Jersey 07728-1266. At this hearing the Court will consider all relevant matters, including whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will listen to people who have asked to speak

at the hearing. The Court may decide these issues at the hearing or take them under consideration. We do not know how long the Court's decision will take. The Court has reserved the right to adjourn or continue the hearing without further notice to you.

14. Do I Have to Come to the Hearing?

No. Plaintiff's Counsel will answer questions the Court may have, but you are welcome to come at your own expense. If you send an objection, you don't have to come to Court to talk about it. As long as you submitted your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

15. May I Speak at the Hearing?

You may ask the Court for permission to speak at the hearing or to have a lawyer speak on your behalf. To do so, you must send a letter saying that it is your intention to appear in *Alan Kahn v. Joseph J. Saker, et al.*, Docket No. C-214-06. Be sure to include your name, address, telephone number, and your signature. Your notice of intention to appear must be post-marked no later than June 26, 2008 and mailed to Clerk of the Court, Plaintiff's Counsel, and Defendants' Counsel, at the addresses listed in question 10.

GETTING MORE INFORMATION

16. Are There More Details About the Settlement?

This Notice summarizes the proposed Settlement and related matters. This summary is qualified by, and subject to, the detailed terms of the Settlement Agreement together with its exhibits entered into as of April 4, 2008. You can get a copy of the Settlement Agreement during business hours at the Clerk of the Court, Monmouth County, Chancery Division, Hall of Records, 1 East Main Street, Freehold, New Jersey 07728-1266, or by writing to Plaintiff's Counsel listed in paragraph 10.

17. How Do I Get More Information?

You can e-mail or write to Plaintiff's Counsel listed at paragraph 10 above.

SPECIAL NOTICE TO NOMINEES

If you held any shares of Foodarama common stock as nominee for a beneficial owner who tendered or relinquished by operation of law such shares as a result of a Going-Private Transaction, then, within five (5) calendar days after you receive this Notice, you must either: (1) send a copy of this Notice by first-class mail to all such persons or entities; or (2) provide a list of the names and addresses of such persons or entities to the Notice Administrator:

Foodarama Shareholder Litigation
c/o Notice Administrator
P.O. Box 58216
Philadelphia, PA 19102-8216

If you choose to mail the Notice yourself, you may obtain from the Notice Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing. To request additional copies, you may send a written request to the address above or call 800-335-2852. Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for, or advancement of, reasonable administrative costs actually incurred or expected to be incurred in connection with forwarding the Notice and which would not have been incurred but for the obligation to forward the Notice, upon submission of appropriate documentation to the Notice Administrator.

DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE

Dated: May 7, 2008

BY ORDER OF THE COURT
SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION
MONMOUTH COUNTY

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Notice Administrator
In re Foodarama Shareholder Litigation
c/o Heffler, Radetich & Saitta LLP
P.O. Box 58216
Philadelphia, PA 19102-8216

FIRST CLASS MAIL

PLEASE FORWARD—IMPORTANT LEGAL NOTICE