

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re	:	Chapter 11
	:	
OLD FENM INC., <i>et al.</i> , ¹	:	Case No. 13-12569 (KJC)
	:	
Debtors.	:	(Jointly Administered)
	:	
	:	Re: Docket Nos. 308 and 380

**NOTICE OF CANCELLATION OF AUCTION
OF CERTAIN OF THE DEBTORS' ASSETS**

PLEASE TAKE NOTICE that on November 13, 2013, the above-captioned debtors and debtors in possession (collectively, the “Debtors”) filed the *Debtors’ Motion for: (I) an Order (A) Approving Procedures in Connection With the Sale of Certain of the Debtors’ Assets, (B) Authorizing the Debtors to Enter Into a Stalking Horse APA in Connection Therewith and (C) Granting Certain Related Relief; and (II) an Order (A) Approving the Sale of Certain of the Debtors’ Assets Free and Clear of Liens, Claims, Encumbrances, and Interests, (B) Approving the Assumption and Assignment of Certain Contracts and Leases and (C) Granting Certain Related Relief* (the “Sale Motion”) ² [Docket No. 308] with the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”). By the Sale Motion, the Debtors were seeking, *inter alia*, entry of an order (the “Bidding Procedures Order”) approving the Bidding Procedures to be used in connection with the sale of certain Real Property Assets, establishing the Bid Deadline and scheduling the Auction.

PLEASE TAKE FURTHER NOTICE that on November 22, 2013, the Bankruptcy Court entered the Bidding Procedures Order [Docket No. 380], which set the Bid Deadline as December 10, 2013 at 12:00 p.m. (EST) and, in the event of the receipt of any Qualified Bids, scheduled the Auction for December 12, 2013 at 10:00 a.m. (PST).

PLEASE TAKE FURTHER NOTICE that the Debtors did not receive any Qualified Bids (other than the Qualified Bid received from EM-80 UAV Darkco LLC (the “Proposed Buyer”)) prior to the Bid Deadline. **ACCORDINGLY, PURSUANT TO THE BIDDING PROCEDURES ORDER, THE DEBTORS WILL NOT CONDUCT AN AUCTION.**

¹ The Debtors are the following two entities (the last four digits of their respective taxpayer identification numbers follow in brackets): Old FENM Inc. (f/k/a Fresh & Easy Neighborhood Market Inc.) [7028] and Old FEPC LLC (f/k/a Fresh & Easy Property Company LLC) [9636]. The address of each of the Debtors is 2120 Park Place, Suite 200, El Segundo, California 90245.

² Capitalized terms used but not otherwise defined herein have the meaning ascribed to them in the Sale Motion.

PLEASE TAKE FURTHER NOTICE that the hearing to approve the sale of the Real Property Assets to the Proposed Buyer is currently scheduled to be held on December 19, 2013 at 2:00 p.m. (EST) at the Bankruptcy Court, 824 North Market Street, 5th Floor, Courtroom #5, Wilmington, Delaware 19801, before The Honorable Kevin J. Carey, United States Bankruptcy Judge.

Dated: December 11, 2013
Wilmington, Delaware

/s/ Lee E. Kaufman

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