



To: Market Basket Associates

From: William F. Marsden

Date: November 21, 2013

Everyone is doing a great job at trying to stay focused on taking care of our customers and business. Despite the very competitive environment we operate in, with competition cutting profit margins and lowering prices and targeting and even emulating our business model, we recognize the steel resolve of our associates to put forth their best efforts every day for this company. As we head into the busy holiday season we want you to know how much we appreciate and value your outstanding service and loyalty to Market Basket.

Over the last several months and more so recently, associates have voiced a significant amount of concern and inquiry regarding the future of our company and its potential impact on associates and their families. In particular, there has been much speculation about the bonus program and profit sharing contribution, its present status and going forward. Out of this concern, Mr. Demoulas has asked me to explain to you the current status of these two valuable benefit and compensation programs that we have all come to rely on.

Management has put forth its proposal to the Board for a December bonus pool of \$56 million dollars for associates to share in compared to a \$35 million pool for last year. Additionally for year 2013, management is strongly recommending to the Board that the profit sharing contribution be 20% of eligible wages.

We are strongly recommending these benefits because you all deserve them.

The Board will vote on our proposals on Monday, November 25th and we will let you know of their decision as soon as possible. We wish everyone a healthy and happy holiday season.

W. F. Marsden