Exhibit (c)(9)  
  
 MEMORANDUM OF UNDERSTANDING  
  
 This MEMORANDUM OF UNDERSTANDING is entered into as of May 19, 1999 among  
the plaintiff ("Plaintiff") in the Action (as defined herein), and Supermarkets  
General Holdings Corporation ("SMG"), SMG-II Holdings Corporation ("SMG-II"),  
members of SMG's Board of Directors, and Ahold Acquisition, Inc. ("Ahold")  
(collectively, "Defendants") by the undersigned attorneys.  
  
 WHEREAS, there is now pending an action in the Court of Chancery of the  
State of Delaware, styled Xxxxxxx v. Supermarkets General Holdings Corp., et  
al., C.A. No. 17047 (the "Action"); and  
  
 WHEREAS, the Action was filed as a putative class action on behalf of the  
public holders of SMG's $3.52 Cumulative Exchangeable Redeemable Preferred  
Stock, par value $0.01 per share (the "Preferred Stock"), relating to the  
proposed acquisition of SMG-II and SMG, the ultimate corporate parents of  
Pathmark Stores, Inc. ("Pathmark"), via a tender offer and merger (the  
"Transaction"), and an alternative transaction structure whereby, under certain  
circumstances, Ahold will acquire the Pathmark stock owned by PTK Holdings, Inc.  
("PTK"), a wholly-owned subsidiary of SMG (the "Alternative Transaction"); and  
  
  
 WHEREAS, the Action names as defendants SMG, SMG-II, Ahold, and individual  
members of the SMG Board of Directors; and  
  
 WHEREAS, the Action seeks injunctive and declaratory relief and/or  
monetary damages with respect to the Transaction and the Alternative Transaction  
based upon the allegation, inter alia, that the conduct of SMG-II (as majority  
shareholder of SMG) and the members of the SMG Board of Directors in connection  
with the Transaction and the Alternative Transaction constitutes a breach of  
their fiduciary duties, aided and abetted by Ahold; and  
  
 WHEREAS, the Defendants deny that they have committed or have attempted to  
commit any violation of law or breach of duty, including breach of any duty to  
SMG's shareholders, or have otherwise acted in any improper manner; and  
  
 WHEREAS, following expedited document production, depositions, briefing  
and arms-length negotiations between the parties, counsel for the parties have  
reached an agreement in principle providing for the proposed settlement of the  
Action on the terms and conditions set forth below (the "Settlement"); and  
  
 WHEREAS, counsel for the parties believe that the proposed Settlement is  
in the best interests of the holders of the Preferred Stock;  
  
 NOW THEREFORE, IT IS HEREBY AGREED IN PRINCIPLE AS FOLLOWS:  
  
  
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 1. Principal Terms of Settlement. Subject to the additional conditions,  
terms and limitations described herein, as a result of the bringing of the  
Action, the parties agree in principle as follows:   
  
 (a) The price in Ahold's March 15, 1999 tender offer as set forth in  
its Offer to Purchase (the "Offer to Purchase"), and as thereafter extended (the  
"Tender Offer"), is $38.25 per share of Preferred Stock (the "Per Share  
Amount"). In consideration of the Settlement and release set forth herein and as  
a result of the Action, subject to Final Court Approval (as defined below), the  
Defendants agree to an increase of the Per Share Amount, such that Ahold will  
revise its Tender Offer to increase the Per Share Amount to $40.25 per share of  
Preferred Stock, less the total amount awarded as fees and expenses to  
Plaintiff's counsel by the Court divided by the total number of outstanding  
shares of Preferred Stock (the "New Per Share Amount"). Promptly following  
approval of the Settlement by the Delaware Court of Chancery, (1) the SMG-II  
Merger Agreement (as defined in the Schedule 14D-9 dated March 15, 1999) shall  
be amended (i) to permit either party to the SMG-II Merger Agreement, in the  
event that Final Court Approval is not obtained on or prior to November 15,  
1999, to extend unilaterally the December 15, 1999 date set forth in Section  
8.1(c) of such agreement to a new date thirty (30) days after  
  
  
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the date of Final Court Approval or a final determination that does not  
constitute Final Court Approval (the "New Drop Dead Date"), provided, however,  
that the New Drop Dead Date shall not in any event be later than April 17, 2000  
unless otherwise mutually agreed by the parties to the SMG-II Merger Agreement,  
and (ii) to reflect that, during the time the Settlement remains operative only,  
a condition precedent to the obligations of the parties to the SMG-II Merger  
Agreement to consummate the Tender Offer shall be obtaining Final Court  
Approval, and (2) the Alternative Stock Purchase Agreement (as defined in the  
Schedule 14D-9) shall be amended to permit either party to the Alternative Stock  
Purchase Agreement, in the event that Final Court Approval is not obtained on or  
prior to November 15, 1999, to extend unilaterally the December 15, 1999 date  
set forth in Section 8.1(c) of such agreement to the New Drop Dead Date,  
provided, however, that the New Drop Dead Date shall not in any event be later  
than April 17, 2000 unless otherwise mutually agreed by the parties to the  
Alternative Stock Purchase Agreement. Each party to the SMG-II Merger Agreement  
shall sign such additional instruments and agreements necessary to give effect  
to such amendment, and, in the case of the Alternative Stock Purchase Agreement,  
SMG-II shall cause PTK to sign such additional instruments and agreements  
necessary to give effect to such amendment. Promptly following Final Court  
Approval of   
  
  
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the Settlement, (1) the SMG-II Merger Agreement shall be amended (i) to reflect  
the New Per Share Amount and corresponding reduction in merger consideration to  
be received by holders of capital stock of SMG-II pursuant to the SMG-II Merger  
Agreement, as set forth in the Settlement as approved, and (ii) to require  
SMG-II to obtain the necessary stockholder approval promptly in accordance with  
Section 5.4 of the SMG-II Merger Agreement but in no event later than ten (10)  
business days after Final Court Approval, (2) the Tender Offer shall be revised  
to increase the Per Share Amount to the New Per Share Amount, and (3) the  
Company Merger Agreement (as defined in the Schedule 14D-9) shall be amended to  
reflect the New Per Share Amount, as necessary. The aggregate amount of merger  
consideration allocated to the capital stock of SMG-II pursuant to the SMG-II  
Merger Agreement shall be reduced by (1) an amount equal to the increase in the  
aggregate price to be paid to the holders of the Preferred Stock pursuant to the  
Tender Offer and the Company Merger Agreement and (2) any fees and expenses  
awarded to Plaintiff's counsel by the Court. Under no circumstances shall Ahold  
be required to increase the amount of overall consideration it is paying in  
connection with the transactions contemplated by the SMG-II Merger Agreement,  
the Alternative Stock Purchase Agreement, and related documents.  
  
  
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 Ahold, at its sole option, may elect on any date during the period from  
March 1, 2000 through April 1, 2000, if prior to such date neither Final Court  
Approval nor a final determination that does not constitute Final Court Approval  
(an "Adverse Determination") has been received, to cause the SMG-II Merger  
Agreement to be amended to reduce the merger consideration to be received by  
holders of the capital stock of SMG-II pursuant to the SMG-II Merger Agreement  
by $9,781,342 (being the amount equal to the difference between $40.25 per share  
and the Per Share Amount multiplied by the number of currently outstanding  
shares of Preferred Stock) (the "Escrow Amount"), which Escrow Amount shall be  
held in escrow for the benefit of the holders of the Preferred Stock pending  
Final Court Approval (less the total amount awarded as fees and expenses to  
Plaintiff's counsel by the Court), upon which election (i) Ahold shall be deemed  
to have waived on behalf of all parties any requirement under this Settlement of  
obtaining Final Court Approval prior to closing the Transaction (or the  
Alternative Transaction, if applicable), and (ii) SMG-II shall be required to  
obtain the necessary stockholder approval no later than ten (10) business days  
after notice of such election by Ahold. Upon such election, Ahold will revise  
the Tender Offer and proceed accordingly. Ahold's election to proceed with the  
Tender Offer prior to obtaining Final Court Approval shall   
  
  
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not prejudice or affect Ahold's right to proceed with the Alternative  
Transaction if the Minimum Condition is not satisfied. If Ahold makes such  
election but Final Court Approval ultimately is not obtained, the Escrow Amount,  
(i) if the Tender Offer closes, shall remain in escrow and be available for  
satisfaction of an adverse judgment against Defendants, if any, or (ii) if the  
Alternative Transaction closes, shall be released to PTK. In the event that  
neither Final Court Approval nor an Adverse Determination has been received  
prior to April 1, 2000 (whether or not the Minimum Condition has been  
satisfied), and Ahold does not make the election described above, then the  
Tender Offer shall remain open until the New Drop Dead Date (it being understood  
that Ahold shall not waive the condition of Final Court Approval without the  
approval of SMG-II, which SMG-II may withhold in its sole discretion) and, if  
Final Court Approval is not obtained prior to the New Drop Dead Date (whether or  
not the Minimum Condition has been satisfied), the SMG-II Merger Agreement and  
the Alternative Stock Purchase Agreement shall terminate with the effect set  
forth therein. In the event Ahold makes such election to waive for all parties  
any requirement or condition of Final Court Approval prior to closing the  
Transaction or the Alternative Transaction, each party to the SMG-II Merger  
Agreement and the Alternative Stock Purchase Agreement shall sign amendments or  
such additional   
  
  
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instruments and agreements necessary to give effect to such election.  
  
 In the event that an Adverse Determination is received at any time before  
termination or closing of the Tender Offer, then the parties shall proceed with  
the Transaction and the Alternative Transaction on the terms set forth in the  
original SMG-II Merger Agreement or original Alternative Stock Purchase  
Agreement; provided, however, that if Ahold has made the election described in  
the preceding paragraph and subsequent to such election, but prior to the  
closing of the Tender Offer or the Alternative Transaction, an Adverse  
Determination is received, then the parties shall proceed with the Transaction  
or Alternative Transaction on the terms set forth in the original SMG-II Merger  
Agreement and original Alternative Stock Purchase Agreement only if SMG-II  
provides notice to Ahold by April 1, 2000 of its election to proceed on those  
terms.  
  
 Except as expressly set forth in this paragraph 1(a), none of the rights  
or obligations of the parties set forth in the SMG-II Merger Agreement, the  
Alternative Stock Purchase Agreement, and related documents shall in any way be  
changed, modified, abridged or amended, including, without limitation, Ahold's  
right to proceed with the Alternative Transaction under the terms of the SMG-II  
Merger Agreement and the Alternative Stock Purchase Agreement. It is the  
intention of the parties   
  
  
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that Ahold's participation in this Settlement is primarily to accommodate the  
reallocation of the consideration it is offering between the various classes of  
securities which make up the capital structure of SMG.   
  
 (b) Regardless of whether SMG is legally required to do so, SMG  
agrees that it will amend the Schedule 14D-9 dated March 15, 1999 to provide  
supplemental disclosures. The parties shall use their reasonable best efforts to  
agree upon the substance of the supplemental disclosures.  
  
 (c) Reasonably promptly following the execution of this Memorandum  
of Understanding by the parties, Defendants shall publicly disclose the terms of  
the proposed Settlement set forth herein in a manner deemed reasonable by  
Defendants, with prior notice to Plaintiff's counsel.  
  
 2. Stipulation of Settlement. The parties to the Action will attempt in  
good faith to agree upon and execute an appropriate Stipulation of Settlement  
(the "Stipulation") and such other documentation as may be required in order to  
obtain Final Court Approval of the Settlement and the dismissal of the Action  
upon the terms set forth in this Memorandum of Understanding (collectively, the  
"Settlement Documents"). The Stipulation will expressly provide, inter alia,  
that:  
  
 (a) Plaintiff will petition the Court for certification of a non-opt  
out settlement class pursuant to   
  
  
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Delaware Court of Chancery Rules 23(b)(1) and (b)(2) of all record and  
beneficial owners of SMG Preferred Stock from and including March 9, 1999  
through and including the consummation of the Transaction, or, if the  
Transaction fails to close, the Alternative Transaction, including their  
successors in interest, predecessors, legal representatives, trustees, heirs,  
assigns or transferees, immediate and remote (the "Class");  
  
 (b) Plaintiff will petition the Court for entry of a judgment  
dismissing the Action "with prejudice";  
  
 (c) Plaintiff will petition the Court for a complete and final  
compromise, settlement, discharge and release of all claims, demands, rights,  
actions, causes of action, liabilities, damages, losses, obligations, judgments,  
suits, matters and issues of any kind or nature whatsoever, whether known or  
unknown, contingent or absolute, suspected or unsuspected, disclosed or  
undisclosed, hidden or concealed, matured or unmatured, arising under federal,  
state or any other law, that have been, could have been, or in the future can or  
might be asserted in the Action or in any court, tribunal or proceeding by or on  
behalf of any member of the Class (the "Releasing Parties"), whether individual,  
class, derivative, representative, legal, equitable or any other type or in any  
other capacity, against Defendants or any of their families, parent entities,  
affiliates, subsidiaries, predecessors,   
  
  
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successors or assigns, and each and all of their respective past, present or  
future officers, directors, associates, stockholders, controlling persons,  
representatives, employees, attorneys, financial or investment advisors,  
consultants, accountants, investment bankers, commercial bankers, engineers,  
advisors, insurers or agents, heirs, executors, trustees, general or limited  
partners or partnerships, personal representatives, estates or administrators,  
predecessors, successors and assigns (collectively, the "Released Persons"),  
which have arisen, could have arisen, or will arise out of, or which are related  
in any manner to, the allegations, facts, events, transactions, acts,  
occurrences, statements, representations, misrepresentations, omissions or any  
other matter, set forth or otherwise related, directly or indirectly, to the  
complaint filed in the Action, the Transaction, the Alternative Transaction,  
public filings or statements by Defendants or their representatives in  
connection with the Transaction or the Alternative Transaction, or any other  
actions of the Defendants relating in any way to the Transaction or the  
Alternative Transaction (collectively, the "Settled Claims"); provided, however,  
that the Settled Claims shall not include (i) any claims for appraisal pursuant  
to 8 Del. C. ss.262 of the Delaware General Corporation Law, or (ii) the right  
of any members of the   
  
  
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Class, Releasing Parties or Released Persons to enforce the terms of the  
Settlement;  
  
 (d) that Defendants have denied and continue to deny that they have  
committed or attempted to commit any violations of law or breaches of duty of  
any kind; that Defendants are entering into the Stipulation solely because the  
proposed Settlement as described above would eliminate the burden, risk and  
expense of further litigation, and is in the best interests of SMG and all of  
its shareholders; and  
  
 (e) that any of the Defendants shall have the right to withdraw from  
the proposed Settlement in the event that (i) any claims related to the  
Transaction, the Alternative Transaction, or the subject matter of the Action  
(whether direct, derivative or otherwise) are commenced by any member of the  
Class against any Released Persons in any court prior to Final Court Approval of  
the Settlement, and the court in which such claims are pending denies  
Defendants' application to dismiss or stay such action in contemplation of  
dismissal or (ii) any of the additional conditions set forth in paragraph 4  
below shall not have been satisfied. The parties agree to use their best efforts  
to obtain the dismissal or stay in contemplation of dismissal of any action  
covered by clause (i) in the foregoing sentence on the terms set forth herein  
and further agree that the Defendants shall have the right to   
  
  
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withdraw from this Memorandum of Understanding if such efforts do not result in  
the dismissal or stay in contemplation of dismissal of such an action.   
  
 3. Notice and Court Approval. Subject to prior Court approval of the  
Stipulation and the form of the Settlement Documents, the parties to the  
respective Action will present the Settlement Documents to the Delaware Court of  
Chancery for approval as soon as practicable following appropriate notice of the  
proposed Settlement to the SMG shareholders as to all claims asserted in the  
Action by the named Plaintiff and the holders of SMG's Preferred Stock on whose  
behalf the Action was brought, without costs to any party except as provided  
herein. SMG shall pay the costs and expenses related to providing notice of the  
Settlement to the SMG shareholders. As used herein, "Final Court Approval" of  
the Settlement means that the Delaware Court of Chancery has entered an order  
approving the Settlement and awarding Plaintiff's attorneys' fees and expenses  
and that such order is finally affirmed, without modification of any substantive  
right of any party hereto, on appeal or is no longer subject to appeal and the  
time for any petition for reargument, appeal or review, by certiorari or  
otherwise, has expired, provided that any modification of the order approving  
the Settlement with respect to the amount of attorneys' fees and expenses  
awarded and/or any additional supplemental disclosure   
  
  
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required shall not be considered a modification of a substantive right affecting  
Final Court Approval. Plaintiff's counsel intend to apply to the Delaware Court  
of Chancery for an award of attorneys' fees and reasonable out-of-pocket  
disbursements. Subject to the terms and conditions of this Memorandum of  
Understanding and the contemplated Stipulation of Settlement, Plaintiff's  
counsel will apply for a total award of attorneys' fees and expenses in an  
amount not exceeding $1,956,268.40, which amount shall be payable only out of  
the amount made available in order to increase in the Tender Offer price as set  
forth in paragraph 1(a) above, only after Final Court Approval, and only if the  
Tender Offer at the New Per Share Amount closes. The Defendants and other  
releasees will not oppose the foregoing application, but reserve their rights to  
object to any other or different application for attorneys' fees and expenses.  
In the event the Tender Offer at the New Per Share Amount does not close, but  
the Alternative Transaction does, the Released Persons shall continue to enjoy  
all of the benefits of the Settlement, including the release contemplated  
thereby, and Plaintiff's counsel reserves their right to petition the Court of  
Chancery for an award of attorneys' fees and expenses, and Defendants reserve  
their rights to oppose any such petition; provided, however, that any such award  
of attorneys' fees and expenses approved by the Court shall be payable solely by  
PTK   
  
  
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(at the direction of SMG) upon Final Court Approval and closing of the  
Alternative Transaction.   
  
 4. Other Conditions. The consummation of the Settlement is subject to: (a)  
the drafting and execution of the Settlement Documents and the other agreements  
necessary to effectuate the terms of the proposed Settlement; (b) Final Court  
Approval of the Settlement; (c) dismissal of the Action by the Court with  
prejudice and without awarding fees or costs to any party, except as provided  
herein; and (d) Ahold closing the Tender Offer and the SMG-II Merger, or the  
Alternative Transaction. In the event that the Settlement is not consummated,  
this Memorandum of Understanding shall not be deemed to prejudice in any way the  
positions of the parties with respect to the Action, shall be subject to Rule  
408 of the Delaware Rules of Evidence, and shall not entitle any party to  
recover any costs or expenses incurred in connection with the implementation of  
this Memorandum of Understanding.   
  
 5. Interim Stay of the Action. The parties to the Action agree that except  
as expressly provided herein, the Action shall be stayed pending submission of  
the proposed Settlement to the Court for its consideration.   
  
 6. Miscellaneous. (a) This Memorandum of Understanding may be executed in  
counterparts by any of the signatories hereto and as so executed shall  
constitute one   
  
  
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agreement; (b) this Memorandum of Understanding and the Settlement contemplated  
by it shall be governed by and construed in accordance with the laws of the  
State of Delaware without regard to that State's rules concerning conflict of  
laws; (c) this Memorandum of Understanding shall be binding upon and inure to  
the benefit of the parties and their respective agents, executors, heirs,  
successors and assigns, subject to the conditions set forth herein; (d)  
Plaintiff and his counsel represent and warrant that none of the claims or  
causes of action asserted in the Action have been assigned, encumbered or in any  
manner transferred, in whole or in part; (e) except as provided herein, the  
Defendants in the Action shall bear no expenses, costs, damages or fees alleged  
or incurred by the Plaintiff, any member of the Class or their respective  
attorneys, experts, advisors, agents or representatives; and (f) the provisions  
contained in this Memorandum of Understanding shall not be deemed a presumption,  
concession or admission by any Defendant in the Action of any breach of duty,  
liability, default or wrongdoing as to any facts or claims alleged or asserted  
in the Action, or in any other actions or proceedings, and shall not be  
interpreted, construed, deemed, invoked, offered or received in evidence or  
otherwise used by any person in the Action or in any other action or proceeding  
of any nature whatsoever.  
  
  
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 PRICKETT, JONES, XXXXXXX & KRISTOL  
  
  
 /s/ Xxxxxx X. Xxxxxx  
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