

Presentment Date: September 23, 1999
Time: 12:00 p.m.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re :

BRADLEES STORES, INC., et al., : Chapter 11
Case Nos. 95 B 42777
Debtors. : through 95 B 42784
(BRL)

: (Jointly Administered)

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STIPULATION AND ORDER ALLOWING CLAIM NO. 3620
OF HALL MARK WILSON, IN A REDUCED AMOUNT, AS A
GENERAL UNSECURED NON-PRIORITY CLAIM

WHEREAS, on June 23, 1995 (the "Petition Date"),
Bradlees Stores, Inc. ("BSI") and its affiliates
(collectively, "Bradlees") filed petitions for relief
pursuant to chapter 11 of the United States Bankruptcy Code,
11 U.S.C. §§ 101 et seq. (the "Bankruptcy Code"), in the
United States Bankruptcy Court for the Southern District of
New York (the "Bankruptcy Court"); and

WHEREAS, on January 27, 1999, the Bankruptcy Court
entered an Order confirming the Second Amended Joint Plan of
Reorganization for Bradlees Stores, Inc. and Affiliates under
Chapter 11 of the Bankruptcy Code (the "Plan"); and

WHEREAS, Mr. Hall Mark Wilson (the "Claimant") has
alleged that on September 20, 1995, Bradlees wrongfully

terminated his employment at a Bradlees store in Middletown, New York, based upon, inter alia, the Claimant's religion (the "Alleged Incident"); and

WHEREAS, shortly thereafter, the Claimant filed a complaint (the "State Administrative Action") against Bradlees with the New York State Division of Human Rights alleging that Bradlees' termination of the Claimant's employment was in violation of Title VII of the Civil Rights Act of 1964 ("Title VII") and Article 15 of the Executive Law of the State of New York ("New York Human Rights Law"); and

WHEREAS, on or about February 25, 1999, the Claimant filed a request for payment of administrative claim against Bradlees in which Claimant asserted an administrative claim in an amount not less than \$125,000.00 arising from the Alleged Incident, which claim was docketed as Claim No. 3620 (the "Claim") on the claims register (the "Claims Register") maintained in these chapter 11 cases by Donlin, Recano & Company, Inc., as Court-appointed claims agent (the "Claims Agent"); and

WHEREAS, on or about May 14, 1999, Bradlees filed an objection (the "Objection") to the Claim on the grounds that, inter alia, Bradlees' termination of the Claimant's

employment did not violate Title VII or the New York Human Rights Law; and

WHEREAS, on or about June 7, 1999, Claimant filed a response to the Objection to his Claim; and

WHEREAS, the parties desire to resolve the issues related to the Alleged Incident and the Claim without further litigation;

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by the parties that:

1. Bradlees expressly denies any and all liability to the Claimant arising from or related to the Claim.

2. Neither this Stipulation nor any actions taken pursuant thereto shall constitute evidence admissible against Bradlees in any action or proceeding other than one to enforce the terms of the Stipulation. Bradlees disputes any liability to Claimant related to the Claim and Bradlees is entering into this Stipulation solely to avoid the burden and expense of further litigation regarding the Claim.

3. Within 30 days after the entry of this Stipulation and Order, the Claimant shall dismiss, or cause the New York State Division of Human Rights to dismiss the State Administrative Action against Bradlees, with prejudice,

and shall provide Bradlees with proof of same (the "Dismissal Notice").

4. Upon the occurrence of both (i) approval of this Stipulation and Order by the Bankruptcy Court, and (ii) receipt by Bradlees of the Dismissal Notice, the Claim shall be liquidated and allowed as a general unsecured, non-priority claim against BSI only in the amount of \$50,000.00, which claim shall be paid only pursuant to the Plan. Notwithstanding anything herein to the contrary, BSI shall have no obligation to make any distribution to Claimant under the terms of the Plan until BSI receives a copy of the Dismissal Notice. The Disbursing Agent (as defined in the Plan) shall send the distribution on account of the allowed Claim to Hall Mark Wilson c/o Michael Schneider, Esq., 477 Madison Avenue, 21st Floor, New York, New York 10022.

5. Upon approval of this Stipulation and Order, the Claims Agent shall amend the Claims Register to reflect that the Claim is allowed as a general unsecured, non-priority claim against BSI in the amount of \$50,000.00.

6. Claimant acknowledges that the amount of the distribution(s) to be made to him by BSI in respect of the Claim, as allowed hereby, will not be \$50,000.00 in cash but will be the distribution provided for in Section 6.05 of the

Plan for holders of allowed general unsecured claims against BSI. Claimant further acknowledges that no representations have been made by Bradlees regarding the amount and nature of the distribution(s) under the Plan, other than is provided for in Section 6.05 of the Plan.

7. Claimant shall have no claims against the officers, directors, and employees of Bradlees, and shall have no claims against Bradlees, except as set forth in this Stipulation and Order.

8. Except as expressly set forth herein, Claimant hereby forever releases, discharges, and remises Bradlees and all of Bradlees' past, present, and future officers, directors, employees, agents, affiliates, representatives, successors and assigns, and any other person, firm, or corporation claiming by, through or under any of them, from any and all manner of action and actions, cause and causes of action, or claims of every nature and kind whatsoever, at law and in equity, either now accrued or hereafter maturing, which Claimant may now have or hereafter can, shall or may have against Bradlees as of the date hereof.

9. This Stipulation and Order is subject to the approval of the Bankruptcy Court, failing which the terms and

provisions of the agreement contained herein shall be void and of no force and effect.

10. This Stipulation and Order may be executed in counterparts each of which may be deemed an original but together shall constitute one instrument.

11. The Bankruptcy Court shall retain exclusive jurisdiction over this Stipulation and Order, the Claim, and all disputes, controversies, or issues arising thereunder.

Dated: New York, New York
September 14, 1999

DEWEY BALLANTINE LLP

By: /s/
Stuart Hirshfield (SH-0099)
Sandor E. Schick (SS-4991)

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