IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN RE DEL MONTE FOODS COMPANY SHAREHOLDERS LITIGATION	:	Consol. C.A. No. 6027-VCL Redacted Version: Filed February 18, 2011

AMENDED CONSOLIDATED VERIFIED CLASS ACTION COMPLAINT FOR BREACH OF FIDUCIARY DUTIES AND AIDING AND ABETTING

Plaintiff NECA-IBEW Pension Fund (The Decatur Plan) ("Plaintiff"), by and through its undersigned counsel, on behalf of itself and all other similarly situated public shareholders of Del Monte Foods Company ("Del Monte" or the "Company"), brings the following Amended Consolidated Verified Class Action Complaint for Breach of Fiduciary Duties against members of Del Monte's Board of Directors (the "Board") in connection with their decision to cause the Company to enter into a definitive merger agreement with defendant Blue Acquisition Group, Inc., an entity formed by a consortium of private equity funds affiliated with defendants Kohlberg Kravis Roberts & Co. L.P. ("KKR"), Vestar Capital Partners ("Vestar"), and Centerview Partners ("Centerview"). Plaintiff also brings this action against Barclays Capital, Inc. ("Barclays"), KKR, Vestar and Centerview, and certain of their affiliates, for aiding and abetting the Board's breach of fiduciary duty, breach of contract and tortious interference with contract. Plaintiff makes the following allegations upon knowledge as to itself and upon information and belief (including the investigation of counsel and review of publicly available information) as to all other matters, and alleges as follows:

SUMMARY OF THE ACTION

1. This is a stockholder class action brought on behalf of the holders of Del Monte common stock arising from the decision of Del Monte's Board of Directors to enter into an agreement to sell the Company to KKR, Vestar and Centerview (collectively, the "Sponsors") in a transaction where the shareholders of Del Monte would receive $19 per share (the "Proposed

Transaction"). As discussed below, in negotiating and agreeing to the Proposed Transaction, Del Monte's directors breached their fiduciary duties, including their duty of loyalty, owed to Del Monte's shareholders by making affirmative decisions at crucial moments in the sale process that were decidedly contrary to shareholders' interests and not reasonably calculated to the maximization of shareholder value. Further, the Del Monte directors breached their fiduciary duties by failing to exercise adequate oversight over the Company's financial advisor, Barclays Capital, and thereby permitted Barclays to induce KKR, Vestar and Centerview to breach confidentiality agreements and to engage in outright fraud such that the process resulting in the sale of Del Monte was irreconcilably corrupted. Finally, the Del Monte directors, having been educated through this litigation regarding the corrupted sales process that resulted from their lack of oversight of Barclays, breached their fiduciary duties and acted in bad faith by failing to take affirmative action to reevaluate the merits of and their recommendation regarding the Proposed Transaction, failing to take any action designed to remedy the tainted sales process, and failing to take any action against Barclays or any of the Sponsors relating to their deceitful conduct and their breach of contractual obligations to the Company and, as third party beneficiaries, the Company's shareholders.

2. Plaintiff also asserts direct claims against Barclays and the Sponsors for aiding and abetting the fiduciary duties of the Del Monte Directors, and for breaching contractual obligations owed to the Company and as to which to Del Monte's shareholders were intended third party beneficiaries. As discussed below, in exchange for gaining access to confidential information from the Company for the purposes of formulating an acquisition proposal in the Spring of 2010, KKR and Centerview, acting together, and Vestar, acting independently, each entered into contractual agreements that specifically prohibited them from sharing the Company's confidential information, or having any discussions or entering into any agreements regarding a potential acquisition of Del Monte, with any other party, ***including any other bidder***, without the ***express written approval*** of the

Del Monte Board. These agreements were designed to maintain the integrity of any process that may have resulted in the sale of Del Monte, and were specifically intended to provide a benefit to Del Monte's public shareholders by ensuring that any bidding for the Company would be the product of a competitive process designed to maximize value for the Company's shareholders. Notwithstanding these contractual obligations, and with full knowledge of those provisions, in the third quarter of 2010, Barclays knowingly induced the Sponsors to work together to jointly acquire Del Monte without seeking written authority from the Del Monte Board. Each of Barclays, KKR, Centerview and Vestar conspired together to keep Vestar's agreement to work together with KKR and Centerview to acquire Del Monte secret from the Del Monte Board.

3. In addition to breaching their contractual obligations to Del Monte, and to the Company's shareholders as third party beneficiaries of the confidentiality agreements (and inducing the breach, as applied to Barclays), each of the Sponsors and Barclays aided and abetted the breach of fiduciary duty by the Del Monte Board. Each of Barclays and the Sponsors knew that the confidentiality agreements were intended to preserve the integrity of any sales process, yet having breached the agreements thereafter facilitated the breach of fiduciary duty by the Del Monte directors by getting the Company's directors to agree to allow Vestar to partner with KKR and Centerview for reasons that had nothing to do with maximizing value for Del Monte shareholders.

4. Further, while Barclays was serving as the financial advisor for the Del Monte Board, and without the knowledge of the Del Monte Board, the Sponsors, and KKR in particular, conspired with Barclays to provide Barclays with a role in the buy-side financing *before the parties had reached any agreement on a price for the sale of the Company*. Thereafter, each of Barclays and the Sponsors aided and abetted a breach of fiduciary duty by the Del Monte Board by getting the Company's directors to allow Barclays to provide financing for the Sponsors for reasons that had nothing to do with maximizing value for Del Monte's shareholders.

5. Barclays also aided and abetted the breach of fiduciary duties by the Del Monte Board by structuring a sale process for the sale of the Company that was woefully deficient, and eliminated the prospect of any competitive bidding, while acting as the representative of the Del Monte Board. From the beginning, Barclays intended to force through a sale of Del Monte to private equity buyers, and intended to secure for itself not only substantial fees for serving as the sell-side financial advisor, but also additional fees for providing financing to any buyer. Ultimately, Barclays' conflicted loyalties prompted Barclays to elevate its own interests over the interests of Del Monte and the Company's shareholders by essentially sabotaging any competitive bidding process for the Company, and virtually ensuring that Del Monte's public shareholders would not, in fact, receive the best price that was reasonably available for their shares.

6. Finally, each of the Sponsors and Barclays aided and abetted the breach of fiduciary duties by the Del Monte Board by concealing from the Board material information that they *knew* were required to be disclosed to Del Monte's shareholders. Consequently, when the Del Monte Board filed its original proxy statement on Form DEFA-14A (the "Original Proxy") soliciting votes from Del Monte shareholders in favor of the Proposed Transaction, the Del Monte Board's disclosures were woefully inadequate, misleading and deceptive.

PARTIES

7. Plaintiff NECA-IBEW Pension Fund (The Decatur Plan) is, and at all times relevant hereto was, a shareholder of Del Monte.

8. Defendant Richard G. Wolford is the President, CEO and Chairman of the Board of the Company. He is and at all times relevant hereto has been a member of the Board.

9. Defendant Victor L. Lund is and at all times relevant hereto has been a member of the Board.

10. Defendant Joe L. Morgan is and at all times relevant hereto has been a member of the Board.

11. Defendant David R. Williams is and at all times relevant hereto has been a member of the Board.

12. Defendant Timothy G. Bruer is and at all times relevant hereto has been a member of the Board.

13. Defendant Mary R. Henderson is and at all times relevant hereto has been a member of the Board.

14. Defendant Sharon L. McCollam is and at all times relevant hereto has been a member of the Board.

15. Defendant Samuel H. Armacost is and at all times relevant hereto has been a member of the Board.

16. Defendant Terence D. Martin is and at all times relevant hereto has been a member of the Board.

17. The defendants named above in ¶¶ 8-16 are sometimes collectively referred to herein as the "Individual Defendants."

18. Defendant Barclays is an investment banking firm that, as part of its investment banking activities, provides valuations of businesses and their securities in connection with, among other things, mergers and acquisitions. Barclays also provides financing to, among others, financial buyers in mergers and leveraged buy-outs.

19. Defendant KKR is a leading global alternative asset manager with $55.5 billion in assets under management as of September 30, 2010.

20. Defendant Vestar is a leading international private equity firm specializing in management buyouts and growth capital investments with $7 billion in assets under management.

21. Defendant Centerview operates a private equity business and an investment banking advisory practice.

22. Defendant Blue Acquisition Group is a Delaware corporation that wholly-owns defendant Blue Merger Sub.

23. Defendant Blue Merger Sub is also a Delaware Corporation. Blue Acquisition Group and Blue Merger Sub are being used to facilitate the merger with Del Monte. The Sponsors control both of these entities.

CLASS ACTION ALLEGATIONS

24. Plaintiff brings this action on its own behalf and as a class action pursuant to Chancery Court Rule 23 on behalf of all holders of Del Monte stock who are being and will be harmed by defendants' actions described below (the "Class"). Excluded from the Class are defendants herein and any person, firm, trust, corporation, or other entity related to or affiliated with any defendant.

25. This action is properly maintainable as a class action.

26. The Class is so numerous that joinder of all members is impracticable. According to the Company's recent SEC filings, as of November 19, 2010, 195 million shares of Del Monte's common stock were outstanding. These shares are held by hundreds, if not thousands, of beneficial holders.

27. There are questions of law and fact that are common to the Class and that predominate over questions affecting any individual Class member. The common questions include, *inter alia*, the following:

(a) whether the Individual Defendants have breached their fiduciary duties of loyalty, care, candor and/or good faith and fair dealing with respect to Plaintiff and the other members of the Class in connection with the Proposed Transaction;

(b) whether the defendants are engaging in self-dealing in connection with the Proposed Transaction;

(c) whether the Individual Defendants have breached their fiduciary duty to secure and obtain the best value reasonable under the circumstances for the benefit of Plaintiff and the other members of the Class in connection with the Proposed Transaction;

(d) whether the defendants, in bad faith and for improper motives, have impeded or erected barriers to discourage other strategic alternatives including other offers for the Company or its assets;

(e) whether the Proposed Transaction compensation payable to Plaintiff and the Class is unfair and inadequate;

(f) whether Barclays, the Sponsors, Blue Acquisition Group or Blue Merger Sub aided and abetted the wrongful acts of the Individual Defendants;

(g) whether the Del Monte shareholders were third party beneficiaries of the confidentiality agreements executed between the Company and the Sponsors;

(h) whether the Sponsors breached their obligations under the confidentiality agreements;

(i) whether Plaintiff and the other members of the Class would be injured were the transactions complained of herein consummated; and

(j) whether Barclays tortiously interfered with the contractual rights of Plaintiff and the Class.

28. Plaintiff's claims are typical of the claims of the other members of the Class and Plaintiff does not have any interests adverse to the Class.

29. Plaintiff is an adequate representative of the Class, has retained competent counsel experienced in litigation of this nature, and will fairly and adequately protect the interests of the Class.

30. The prosecution of separate actions by individual members of the Class would create a risk of inconsistent or varying adjudications with respect to individual members of the Class which would establish incompatible standards of conduct for the party opposing the Class.

31. Plaintiff anticipates that there will be no difficulty in the management of this litigation. A class action is superior to other available methods for the fair and efficient adjudication of this controversy.

32. Defendants have acted on grounds generally applicable to the Class with respect to the matters complained of herein, thereby making appropriate the relief sought herein with respect to the Class as a whole.

I. BACKGROUND

33. Del Monte, together with its consolidated subsidiaries, is one of the country's largest producers, distributors and marketers of premium quality branded pet products and food products for the U.S. retail market, generating $3.7 billion in net sales in fiscal 2010. Del Monte's pet food and pet snacks brands include *Meow Mix, Kibbles 'n Bits, Milk-Bone, 9Lives, Pup-Peroni, Gravy Train, Nature's Recipe, Canine Carry-Outs,* and other brand names, and its leading food brands include *Del Monte*, *Contadina, S&W, College Inn,* and other brand names. Del Monte also produces and distributes private label pet products and food products. Del Monte's products are sold nationwide, in all channels serving retail markets, as well as to the U.S. military, certain export markets, the foodservice industry, and other food processors. As of May 2, 2010, the Company's principal facilities consisted of 17 production facilities and 10 distribution centers in the United States, as well as two production facilities in Mexico and one production facility in Venezuela. Through strategic

acquisitions, Del Monte has expanded its product offerings, further penetrated grocery chains, club stores, supercenters and mass merchandisers, improved market share, and leveraged its manufacturing capabilities.

34. On November 25, 2010, Del Monte and the Sponsors announced that they had entered into the Merger Agreement whereby the Sponsors would acquire all of the outstanding stock of Del Monte for $19.00 per share in cash, representing an approximate total deal value of $5.3 billion. The related press release stated in pertinent part:

> Del Monte Foods Company and an investor group led by funds affiliated with Kohlberg Kravis Roberts & Co. L.P. ("KKR"), Vestar Capital Partners ("Vestar") and Centerview Partners ("Centerview") – collectively the "Sponsors" – today announced that they have signed a definitive agreement under which the Sponsors will acquire Del Monte for $19.00 per share in cash. …
>
> The transaction, which was unanimously approved by Del Monte's board of directors, is valued at approximately $5.3 billion, including the assumption of approximately $1.3 billion in net debt. …

35. As discussed below, the Proposed Transaction was the product of a woefully deficient process that was not reasonably designed to maximize the price to be received by Del Monte's shareholders. As a result of these deficiencies, Del Monte's shareholders have been deprived of the ability to receive the maximum price that is reasonably available for their shares.

A. Barclays Promoted Interest Among The Private Equity Community In An Acquisition Of Del Monte, And Secured A Role As The Company's Financial Advisor Without Disclosing To The Del Monte Board Its Prior Efforts To Generate Interest.

36. In the fall and winter of 2009, Barclays – Del Monte's longstanding financial advisor – initiated talks with various private equity firms in which it suggested the idea of a private equity firm acquiring Del Monte in a going-private transaction. Among the firms contacted by Barclays were KKR and Apollo Management. Barclays' idea, as pitched to the private equity firms, was for a small process comprised of a handful of private equity firms and no strategic buyers.

37. In January 2010, prompted by its discussions with Barclays, Apollo submitted a written indication of interest in acquiring Del Monte at a purchase price of $14 to $15 per share.

38. Barclays thereafter convinced Del Monte to retain it as the Company's exclusive sell-side financial advisor. At that time, Barclays did not disclose to the Del Monte Board that Barclays previously had suggested to private equity firms a going-private transaction involving Del Monte, and the Del Monte Board did not ask Barclays whether it previously had any such conversations.

39. This was important because the Del Monte Board was relying on Barclays to evaluate all potential value maximizing possibilities, not just selling the Company. It would have been highly relevant for the Board to know that Barclays, for its own motives, was pre-deposed to selling the Company rather than any other alternative.

40. From the time it was retained by Del Monte as the Company's financial advisor, Barclays intended to advocate for and facilitate a sale of the Company, and intended to seek a role in providing financing to the ultimate buyer in any such transaction. Barclays' January 2010 "Project Hunt (Del Monte) Screening Committee Memo" boasted that Barclays had been "mandated by Del Monte Foods as exclusive sell side advisor to pursue a potential sale of the Company" but at the same time plainly admitted that "***Barclays will look to participate in the acquisition financing*** once the Company has reached a definitive agreement with a buyer." Ultimately, as discussed below, Barclays did not bother to wait until any definitive agreement was signed, and instead convinced the ultimate purchasers (the "Sponsors") to give Barclays a lucrative role in the buy-side financing *before* the Del Monte Board had agreed on a final price and *before* even telling the Del Monte Board of its conflicted intentions.

41. From the inception of its engagement as the Company's financial advisor, Barclays following through on the scheme it already had concocted with the private equity players, encouraged

the Del Monte's unsuspecting Board to focus on a very small group of private equity firms, to the exclusion of strategic parties, even though Barclays itself recognized that strategic buyers generally were in a position to pay more for a company.

42. The Del Monte Board agreed to follow with Barclays' recommendation to focus on potential private equity buyers and authorized Barclays to contact certain potential suitors.

43. After being directed to contact certain private equity firms, Barclays contacted KKR, Apollo, The Carlyle Group, CVC Capital Partners, and Blackstone to solicit their interest in an acquisition of Del Monte.

44. Thereafter, Vestar, another private equity firm, and a strategic buyer, Campbell's Soup, contacted Barclays and requested that they be included in the process. Del Monte's Board agreed.

45. Del Monte's Chairman and CEO, Defendant Wolford, found the prospect of a sale of Del Monte personally attractive. He was expecting (and expected) to retire within the next year or two, and was coming under increasing pressure by the Del Monte Board to establish a succession plan. Wolford, however, did not want to be bothered with the responsibility of establishing a new management team, and confided to Barclays that he would rather sell the Company than remake his management team. Barclays promptly informed the prospective suitors, and KKR in particular, of this fact.

46. In February 2010, in exchange for being granted access to confidential information belonging to Del Monte, Apollo, The Carlyle Group, CVC Capital Partners, Blackstone, Vestar and Campbell's Soup executed confidentiality agreements with Del Monte and began due diligence into the Company.

47. The confidentiality agreements were intended to preserve the integrity of a competitive bidding process. Specifically, these agreements precluded each of the interested parties,

without the express written consent of the Del Monte Board, from speaking with anyone – ***including any of the other potential bidders*** – about either the confidential information they obtained from Del Monte or ***about the very fact that they were in discussions with the Company or had submitted any bids for Del Monte***. In addition, the confidentiality agreements prohibited the bidders from entering into any "agreement, arrangement or understanding, or any discussions which might lead to such agreement, arrangement or understanding, with any other person … including other potential bidders and equity or debt financing sources, regarding a possible transaction involving the Company." The agreements stated, in pertinent part, as follows:

> In connection with your consideration of a possible transaction with Del Monte Foods Company and/or its affiliates (collectively, with such affiliates, the "Company"), the Company is prepared to make available to you certain information concerning the business, financial condition, operations, prospects, assets, liabilities and other proprietary information of the Company. In consideration for and as a condition to such information being furnished to you, you agree to treat any information concerning the Company (whether prepared by the Company, its advisors or otherwise and irrespective of the form of communication) which has been or will be furnished to you by or on behalf of the Company pursuant hereto (collectively referred to as the "confidential Information") in accordance with the provisions of this letter agreement (this "Agreement"), and to take or abstain from taking certain other actions hereinafter set forth .
> …
> You hereby agree that you and your Representative shall use the Confidential information solely for the purpose of evaluating a possible transaction between the Company and you and for no other purpose, that the Confidential Information will be kept confidential by you and your Representatives and that you or your Representatives will not disclose any of the Confidential Information to any third parties other than to the Company and its Representatives; provided that (i) you may make any disclosure of such information to which the Company gives its prior written consent, …
>
> In addition, you agree that, without the prior written consent of the Company, you and your Representatives will not disclose to any other person (other than your Representative) the fact that you are considering a possible transaction with the Company, that this Agreement exists, that the Confidential Information has been made available to you, that discussions or negotiations are taking place concerning a possible transaction involving the Company or any of the terms, conditions or other facts respect thereto (including the status thereof) (collectively "Transaction Information") … Without limiting the generality of the foregoing, you further agree that you will not, directly or indirectly, share the Confidential Information with or enter into any agreement, arrangement or understanding, or any

> discussions which would reasonably be expected to lead to such an agreement, arrangement or understanding with any persons, including other potential bidders and equity or debt financing sources (other than your Representatives as permitted above), regarding a possible transaction involving the company without the prior written consent of the Company and only upon such person executing a confidentiality agreement in favor of the Company with terms and conditions consistent with this Agreement.
> …
> It is further understood and agreed that any breach of this Agreement by either party hereto or any of its Representatives could result in irreparable harm to the other party, that money damages might not be a sufficient remedy for any such breach of this Agreement and that each party shall be entitled to equitable relief, including injunction and specific performance, as a remedy for any such breach and that neither party hereto nor its Representatives shall oppose the granting of such relief. Each party hereto further agrees to waive any requirement for the securing or posting of any bond in connection with any such remedy. Such remedies shall not be deemed to be the exclusive remedies for a breach of this Agreement but shall be in addition to all other remedies available at law or equity. In the event of litigation relating to this Agreement, if a court of competent jurisdiction determines in a final, non-appealable order that a party has breached this Agreement, then the non-prevailing party will reimburse the prevailing party for the reasonable legal fees incurred by them in connection with enforcing its rights hereunder, including any appeal therefrom.
> …

48. The confidentiality agreements served two purposes: first, to the extent the discussions *did not* lead to an acquisition of Del Monte, the agreements were intended to maintain the confidential information of Del Monte and not expose the Company to unfair competition in the marketplace; and second, to the extent the discussions *did* to an acquisition of the Company, the agreements were intended to ensure the integrity of any sales process and to promote fair and competitive bidding designed to lead to the maximum price available to be paid to Del Monte's shareholders.

49. Because the confidentiality agreements were designed and intended to protect and promote the interests of Del Monte's shareholders in any sale of the Company, Del Monte's shareholders were intended third party beneficiaries of those agreements.

50. On March 11, 2010, Del Monte received five indications of interest for the Company. Of these five preliminary offers, Vestar's was the highest, providing an indication of

value of up to $17.50 per share. KKR, acting with Centerview as its partner, submitted an indication of interest to acquire Del Monte at $17 per share, an offer worth almost $100 million less than Vestar's.

51. In their March 2010 indication of interest, KKR/Centerview made no secret of their desire to place management in a position of conflict with the Company's public shareholders. The letter repeatedly referenced that KKR/Centerview were "excited about the opportunity to work closely with Del Monte's management team," would be "strong partners" of the Company and management, were "fully supportive of Del Monte's strategy, management team and employees, and [were] excited to partner with them in the pursuit of growing the Company's portfolio of businesses," would "coordinate closely with one another in working with management," and would be "a patient, supportive long-term partner to management." The Del Monte Board admittedly knew all along of KKR's/Centerview's desire to retain and co-invest with management (thus effectively placing management on the buy-side of any transaction), yet the Board did nothing to protect against this conflict of interest.

52. Immediately after receiving the competing indications of interest, Barclays informed KKR that it had been outbid.

B. The Del Monte Board Shuts Down The Sales Process, But Barclays Continues To Promote A Going-Private Transaction Involving The Company To The Private Equity Community, And Induces KKR/Centerview And Vestar To Breach Their Confidentiality Agreements.

53. During a regularly scheduled March 18, 2010 meeting, Del Monte's Board determined that the Company's stand-alone growth prospects were sufficiently strong such that it would not be in the shareholders' best interests to proceed with discussions regarding a going-private transaction. Accordingly, the Board determined not to proceed with *any* further discussions about a possible deal with *any* of the five interested parties, and instructed Barclays "to shut process down and let buyers know the company is not for sale."

54. Despite the halt to the process, on March 19, 2010, the day after Barclays was instructed to "shut [the] process down," PJ Moses reported to his colleagues at Barclays that ***"I remain optimistic that over the next 2-4 quarters this gets sold.***" In fact, for the next several months, Moses continued to meet with private equity firms to promote the idea of a going-private deal involving Del Monte. By September, Barclays noted internally that it expected that the Del Monte Board's decision to cease sales negotiations "may be revisited in the coming months."

55. For its part, KKR maintained close contact with CEO Wolford. Throughout the summer of 2010, KKR approached Wolford with several proposals for joint ventures with Del Monte, including a strategic acquisition of dog snack-maker Waggin' Train LLC from the private equity firm VMG Partner. Ultimately, these proposals did not come to fruition, but they served the purpose of keeping KKR in close contact with CEO Wolford.

56. In the late Summer of 2010, the price of Del Monte stock began to fall from the highs reached the previous Spring when Del Monte's Board shut down its initial sales process. Barclays immediately recognized that the fall in the price of Del Monte stock provided an opportunity to get the sales process restarted.

57. In or about September 2010, Barclays, through Managing Partner PJ Moses, had various communications with KKR and Vestar in which it specifically suggested that KKR (with Centerview) and Vestar speak with each other about making a joint effort to acquire Del Monte in a going-private transaction.

58. For KKR/Centerview and Vestar to have any communications regarding a proposed transaction involving Del Monte without the express written authority of the Del Monte Board constituted a clear breach of the confidentiality agreements executed by those entities the previous February.

59. Nevertheless, at Barclays' urging, and without any "prior written consent" of the Del Monte Board, KKR/Centerview and Vestar agreed to work together to pursue an acquisition of the Company. By September 14, 2010, Barclays knew that Vestar would be "partnering" with KKR and Centerview in pursuing an acquisition of Del Monte. Barclays, KKR, Centerview and Vestar, however, agreed to affirmatively hide this information from Del Monte.

60. On October 11, 2010, KKR submitted an offer to acquire Del Monte for a price of $17.50 per share, presenting solely on behalf of itself and Centerview and not disclosing that it had already teamed up with Vestar. Like their March 2010 indication of interest, the October 2010 offer letter again blatantly made clear KKR's/Centerview's desire to place management in a position of conflict with the Company's public shareholders. The letter repeatedly referenced that KKR/Centerview were "excited about the opportunity to work closely with [Del Monte's] management team," would be "strong partners" of the Company and management, were "fully supportive of [Del Monte's] strategy, management team and employees, and [were] excited to partner with them in the pursuit of growing the Company's portfolio of businesses," would "coordinate closely with one another in working with management," and would be "a patient, supportive long-term partner to management." Again, the Del Monte Board did nothing to protect against this patent conflict of interest on the part of management.

61. Del Monte's Board met to consider the KKR/Centerview offer on October 13, 2010 and again on October 25, 2010. At the October 25, 2010 meeting, the Board determined to proceed with discussions with KKR/Centerview partnership exclusively (which unbeknownst to it included Vestar).

62. On October 27, 2010, Del Monte rejected the $17.50 offer but permitted KKR/Centerview to conduct additional due diligence and to meet with Del Monte management to discuss a possible deal. Although it determined to permit KKR/Centerview to conduct due diligence,

the Del Monte Board determined *not* to contact any other third parties or potential suitors, including any of the entities that had expressed an interest in acquiring the Company just months before.

63. On November 4, 2010, members of senior management of the Company and Barclays met with KKR/Centerview. Once again, Barclays, KKR, Centerview, and Vestar all agreed to continue to conceal Vestar's involvement from the Company at that meeting. KKR and Centerview, however, met with Vestar the following day, November 5, and disclosed all that had occurred during their meeting with management.

64. On November 8, 2010, *The London Evening Standard* published an article indicating that KKR/Centerview was pursuing an acquisition of Del Monte at $18.50 per share. Shortly thereafter, KKR and Centerview – continuing to secretly work with Vestar – raised their bid to $18.50, having internally secured authority for a $19 bid.

65. At that time, and while continuing to conceal Vestar's involvement in the KKR/Centerview group and without seeking approval from the Del Monte Board, Barclays started to line up its financing team to provide buy-side financing to the KKR-lead group on an as yet unmade $19 bid.

C. The Board Permits KKR/Centerview To Eliminate Any Potential Competitive Bids And To Conflict Its Financial Advisor

66. During the week of November 8, 2010, while the Del Monte Board was considering the $18.50 offer, KKR/Centerview finally asked the Company's permission to allow Vestar to join their group. KKR/Centerview did not tell, suggest or otherwise intimate to the Del Monte Board that allowing Vestar to join its group would facilitate KKR/Centerview's ability or willingness to increase its offer.

67. Neither the Del Monte Board, nor anyone acting on its behalf asked KKR/Centerview to increase its bid or to provide any inducement of any sort in order for the Del Monte Board to agree to allow Vestar to join the KKR/Centerview group.

68. During the week of November 8, 2010, the Del Monte Board approved KKR/Centerview's request to allow Vestar to join its group for purposes of making a proposal to acquire the Company.

69. From first being engaged in January 2010 as the Company's financial advisor for purposes of exploring a possible sale of Del Monte, Barclays intended to also seek to play a role in providing financing to any potential purchaser. Prior to November 15, 2010, however, Barclays did not inform the Del Monte Board of its intention in this regard, nor did it ask the Del Monte Board for permission to provide (or seek to provide) buy-side financing in connection with any sale of the Company.

70. Without first asking permission from the Del Monte Board, on or before November 9, 2010, Barclays, through Managing Partner P.J. Moses, asked KKR if Barclays could secure a role in providing buy-side financing. At the time P.J. Moses made this request, neither Del Monte nor the KKR/Centerview/Vestar group had come to any agreement on a price for the sale of Del Monte. Thus, at the time P.J. Moses was supposed to be representing the interests of Del Monte (and its shareholders) in negotiating for the maximum price reasonably available for Del Monte's shares, he was simultaneously seeking to secure a lucrative role for Barclays in providing buy-side financing on the still unsigned deal.

71. Thereafter, during the week of November 15, 2010, KKR raised with the Company the possibility of Barclays providing buy-side financing. In making this request, KKR did not state that Barclays' participation was necessary in order for its group to line up financing needed to close any deal, did not state or represent that Barclays' participation would facilitate its group's willingness or ability to increase its bid to acquire Del Monte, and did not state or represent that Barclays' participation as a buy-side financer would facilitate the speed at which any transaction could be consummated.

72. Following KKR's request that Barclays be permitted to provide buy-side financing, and before agreeing to any final price for the sale of Del Monte, the Del Monte Board acquiesced to KKR's request.

73. In approving Barclays to provide buy-side financing to the Sponsors, the Del Monte Board did not ask whether Barclays' participation in providing buy-side financing would facilitate the speed at which any transaction could be consummated, did not ask whether Barclays' participation was necessary to facilitate the Sponsor's ability to finance any acquisition of the Company, did not ask whether Barclays' participation in the buy-side financing would facilitate the ability or willingness of the Sponsors to increase their then-$18.50 per share offer, and did not seek to extract from the Sponsors any inducement or other consideration in exchange for the Board's agreement to permit Barclays to provide such financing.

74. In approving Barclays to provide buy-side financing to the Sponsors, the Del Monte Board did not consider whether Barclays' participation in providing buy-side financing would facilitate the speed at which any transaction could be consummated, did not consider whether Barclays' participation was necessary to facilitate the Sponsor's ability to finance any acquisition of the Company, did not consider whether Barclays' participation in the buy-side financing would facilitate the ability or willingness of the Sponsors to increase their then-$18.50 per share offer, and did not consider asking for any inducement or other consideration from the Sponsors in exchange for their consent to permit Barclays to provide such financing.

75. After giving approval for Barclays to provide buy-side financing to the Sponsors, the Del Monte Board determined to retain Perella Weinberg Partners LP ("Perella") to opine on the fairness of the $19 per share merger price. In determining to retain Perella, the Del Monte Board did not consider reducing Barclays' fee in an amount equal to the fee that Perella would require to provide a second fairness opinion, and did not request that Barclays pay Perella's fee directly.

D. The Board And The Sponsors Strike A Deal At $19 Per Share And Sign The Merger Agreement

76. On November 22, 2010, the Sponsors raised their $18.50 bid to $18.75, and on November 24, 2010, raised their $18.75 bid to $19.

77. On November 24, 2010, the Del Monte Board, on Barclays' recommendation approved the $19 offer.

78. On November 24, 2010, the Del Monte Board and the Sponsors signed a Merger Agreement relating to the Proposed Transaction.

79. The Merger Agreement permitted a 45 day "go shop" period in which Del Monte was permitted to seek superior offers during which time a reduced termination fee would apply if the Board determined to terminate the Merger Agreement.

80. The Merger Agreement, however, also included a "no-shop" provision, that prevented the Del Monte Board from seeking alternative offers after the expiration of the 45-day "go-shop" period, and a matching rights provision that gives the Sponsors access to competing bidders' confidential information and a right to match any superior bid that may be presented.

81. In short, the Proposed Transaction has been structured as a *fait accompli*. The relatively short period of time until the expected completion of the Proposed Transaction in March 2011, and thus the short period of time until the expected shareholder vote, combined with the effects of the improper "go shop", "no shop" and matching rights provisions, are intended to discourage the consideration of alternative proposals and any higher bids.

E. The Del Monte Board Appointed Barclays To Perform An Illusory "Go-Shop," Rejected Alternative Non-Conflicted Investment Bankers To Perform The "Go-Shop," and Failed To Adequately Oversee Barclays' Performance Of Its Obligations Under The "Go-Shop."

82. After the Merger Agreement was signed, the Del Monte Board appointed Barclays, already conflicted by its dual roles as sell-side advisor and buy-side financer, to perform the "go-

shop" on behalf of the Company. The Board never even considered using Perella Weinberg, the alternative banker it had hired, because of Barclays' conflict, to run the go-shop.

83. The Board's decision to permit Barclays to run the go shop is rendered all the more egregious by the fact that another, non-conflicted bank (Goldman Sachs) was ready, willing and able to run this process for the Company.

84. While Goldman Sachs approached the Company and offered to perform the go shop, Barclays continued to maneuver behind the scenes to ensure that it retained control of the go shop process, expressing concern ***to KKR*** that Goldman Sachs actually had the gall to try to "scare up competition" during the go shop.

85. KKR's Simon Brown said he would "manage it" directly with Goldman Sachs. KKR then offered to let Goldman Sachs participate in 5% of the syndication rights on the debt, and Goldman Sachs dropped its efforts to conduct the go shop.

86. The likelihood that any other bidder would emerge was made even more remote by the fact there were only approximately eight banks that could have financed in a transaction of this size and nature, and the majority of them were locked up by KKR.

87. The Del Monte Board exercised virtually no oversight over Barclays throughout the "go-shop" period. No member of the Del Monte Board had any communications with any party solicited during the "go-shop." No member of the Del Monte Board attended any meetings with potential acquirers during the "go-shop." No member of the Del Monte Board maintained control over the substance of what Barclays may have communicated to any other potential suitors during the "go-shop."

88. On January 8, 2011, the go shop period expired. According to the original Proxy, not surprisingly, no superior offers came in.

89. On January 12, 2011, the Board caused the Company to issue its definitive Proxy for the Proposed Transaction on SEC Form DEFM-14A.

F. The Proposed Transaction Is At An Inadequate Price

90. The $19.00 per share price offered by the Sponsors is grossly unfair to Del Monte's shareholders and significantly undervalues the Company. The $19.00 per share amount does not reflect the Company's intrinsic value nor does it reflect the value of the Company as the target of a full and fair auction process.

91. The Company's own projections support a value well in excess of the offer price. The Del Monte Directors rely on the fairness opinions provided by Barclays and Perella to justify the $19 price as fair. When Perella and Barclays performed their respective discounted cash flow ("DCF") valuations, Del Monte management informed both investment firms that it expected long-term growth of 3%-4%. But when Perella and Barclays performed their respective DCF valuations, they selected a terminal multiple that implied ***virtually no long term growth.*** Given that the terminal value conclusion accounts for such a large percentage of the DCF method total value conclusion in the fairness opinions (for example, 78% for Perella), this fundamental flaw greatly devalues the Company. When a multiple is used that more accurately reflects Del Monte's long-term growth projections, a DCF value well in excess of $20 per share would result. Even a multiple that is lowered to be equivalent to the long-term inflation rate still yields values well in excess of $20 per share.

92. In addition, each of the Sponsors have identified cost savings opportunities that could increase earnings by as much as [redacted] per year. Yet in determining that their $19 bid was reasonable, the Sponsors estimated annual cost savings of only [redacted]. Thus, there remains significant room for even the Sponsors to raise their own bid. Accordingly, the significant cost

savings identified by the Sponsors, and which prompted their bid in the first place, confirm that even the Sponsors would be able to pay well in excess of $19 per share.

93. Moreover, the Sponsors' presentations project EBITDA pricing multiples that are approximately [redacted] instead of the 7.0 times EBITDA pricing multiples projected in the fairness opinions by Barclays and Perella. Similarly, the Sponsors' presentations incorporate an equity IRR of approximately [redacted] compared to the 9 percent cost of equity capital estimated in the fairness opinions.

94. Based on information provided in the Sponsors' presentations, a substantial majority of the identified cost savings (a) result from operational changes that could be made by Del Monte and (b) do not result from Del Monte operating as a privately owned company instead of a publicly owned company. As Barclays' managing director acknowledged, anything "Del Monte would do to improve its business now could be done in a private setting as well as a public setting."

95. Del Monte is indeed well positioned to provide its shareholders with significant investment gains as a standalone entity. As Wolford stated in Del Monte's 2010 Annual Report to Shareholders, "In fiscal 2010 [ended May 2, 2010], Del Monte reported ***outstanding financial results***, including ***solid top-line growth***, ***strong cash flow***, and ***record earnings***. . . . Successful execution of our strategy made Del Monte Foods ***a much stronger company***. Our fiscal 2010 accomplishments have established a new performance level and have set a higher base for growth and performance as we head into fiscal 2011." (emphasis added). In fiscal 2010, the Company generated $250 million of cash flow, substantially reduced its debt levels, and increased its quarterly dividend by 80%.

96. Del Monte itself has confirmed its expectations for growth that are not reflected in the market price of its common stock. For instance, in announcing its financial results on June 10,

2010, Wolford specifically noted the Company's confidence in its future performance, and that the Company had authorized a $350 million buyback:

> Del Monte delivered record fiscal 2010 results, establishing a higher level of earnings and setting the new base for sustained growth and performance in fiscal 2011 and beyond[.] . . . These exceptional results, including EPS growth of over 60% and operating margins expanding by over 350 basis points, were achieved while significantly increasing our marketing investment by over 50%. These results are a testament to the changes we have made and the actions we have taken over the past several years, as well as the successful execution of our growth strategy. Our confidence in our future is reflected by the fact that we are announcing today a $350 million, 3-year share repurchase authorization and an 80% increase in our dividend.
>
> . . . As we exit the fourth quarter fiscal 2010, and enter fiscal 2011, we feel very good about the health of our business and our long range guidance as we build future performance from this new higher base. For fiscal 2011, we will continue to invest behind our brands and key growth engines, while executing additional productivity initiatives. We are confident in our ability to drive long-term sustainable EPS growth.

97. Following the Company's June 10, 2010 announcement of its fiscal 2010 financial results, a Deutsche Bank analyst noted Del Monte's positive and dramatic 2010 results, and opined that Del Monte's stock should trade in the "low $20s":

> In looking back over the last year or so, Del Monte management has a lot to be proud of in terms of strategy, fundamentals and execution. By any measure F2010 (end Apr) was a strong year and, in some measure, fulfilled the company's reorganization efforts and focus around pet food … To the extent valuation still remains well below the peer group using a variety of metrics, we are optimistic on Del Monte's stock out-performance potential.
>
> * * *
>
> Our DCF model derives a low $20s price incorporating the following long term assumptions: 3% sales growth, 4-5% EBIT growth and 7-8% EPS / cash flow growth, using a 9% WACC (calculated via the capital asset pricing model using 0.8 beta, 4.5% risk free rate and 5.5% market risk premium).

According to Deutsche Bank, throughout much of 2010, Del Monte's "pet food segment has been considerably undervalued."

98. Del Monte's strength as a company is derived in large part from its pet food business. Del Monte's pet food business sales have more than doubled in the past four years,

bolstered by the purchase of pet-food labels like *Meow Mix* and *Milk-Bone* dog treats. The pet food unit's share of Del Monte's total sales has grown 47% in the 12 months ended April 2010, from 29% in fiscal 2005. This unit's revenue climbed more than 4.6% last year, accounting for almost half of Del Monte's $3.74 billion in total revenue.

99. The potential for the Company's growth as the economy recovers is outstanding. More than 60% of U.S. households have at least one pet, according to the American Pet Products Association. The U.S. pet food market grew 26% to $18.9 billion from 2005 to 2010, according to data tracker Euromonitor International in Chicago. With a powerful portfolio of brands, Del Monte products are found in eight out of ten U.S. households.

100. With Del Monte's recent impressive financial results and expectations for growth, it comes as no surprise that analysts see value in the stock. Stephens Inc. analyst Farha Aslam was recently quoted on *Bloomberg* saying that Del Monte "has a strong cash flow and has taken down its debt levels, so it is well positioned as a takeout candidate … We believe the value of the pet foods business was not being reflected in the stock." D.A. Davidson & Company analyst Timothy S. Ramey was recently quoted on *The New York Times* website stating that "Del Monte is a much more attractive company than it was five years ago . . . The change in the business mix to pet foods and pet snacks makes the company a better growth vehicle with much higher profit margins." On October 27, 2010, a Wells Fargo analyst commented positively on Del Monte's "free cash flow yield, the highest among our packaged food coverage" and the Company's "strong cash flow, an ***increasing proportion of which is likely to be returned to shareholders*** over the next several years." (emphasis added).

101. In addition, an analyst report by Stephens stated that based on a sum of the parts analysis using comparable transactions, Del Monte shares merit a $21-$22 take out price. Similarly, on November 19, 2010 Deutsche Bank reported that the two Del Monte segments should sell at

between 9x (consumer portion) and 11x (pet portion) EBIDTA. The report stated that rumored $18.50 price for Del Monte shares was only 7.4x 2011 EBITDA which was low based on both "fundamental and M&A-related valuation."

102. Recognizing the Company's strong balance sheet and significant cash flow potential, several analysts have set a price target above $19.00. According to Bloomberg, DA Davidson & Co has set a price target of $22.00 per share for Del Monte. On November 19, 2010 DA Davidson & Co reiterated its $22 price target and stated:

> We have long suggested that Del Monte's valuation is completely out of step with the food sector – at a significant discount to the 14x-16x P/E multiples and 8.5x-9.5x EV/EBIDTA multiples normal in the group.
>
> …9.3x EV/EBIDTA puts [the Del Monte] stock at $21.25. We have had a price target of $22, based on a 15x P/E multiple since June 10.
> We reiterate our BUY rating and $22 price target. There is good value here.

103. Most recently, on November 26, 2010, Deutsche Bank again reported positively about Del Monte's growth and accomplishments:

> … Del Monte is a company that had dramatically reduced leverage to about 2x net debt / EBITDA, boosted advertising spending to 5-6% of sales, increased the dividend about 80% while implementing a stock buyback equal to about 10% of the market capitalization, generated productivity of close to 3% of COGS while also growing the higher margin and mix enhancing pet food business.

104. The $19.00 cash per share contemplated through the Proposed Transaction is therefore well below a fair price for the Company. If the transaction were to be consummated at the Sponsors' offer price, Del Monte's public shareholders will be foreclosed from sharing in the Company's future growth and improved performance.

G. Del Monte's Executives And Employees Stand To Gain At Del Monte's Shareholders' Expense

105. Del Monte's officers and directors are beneficial owners of an illiquid block of over 9.5 million shares of Del Monte stock and thus stand to gain over ***$180 million*** from the Proposed Transaction. Of that $180 million, almost $90 million, or 50%, represents special payments – which

Del Monte's public shareholders will not receive - for ***currently unvested*** options and stock units, all of which will be deemed vested upon the closing of the Proposed Transaction. In contrast, the interests of Del Monte's common stockholders will be eliminated at a price that does not reflect the true value of the Company.

106. According to Supplement # 2 to the Original Proxy Statement on SEC Form DEFA-14A filed by Del Monte on February 4, 2011(the "Proxy Supplement"), management of Del Monte stands to gain over $63 million in connection with change in control payments. Of that amount, Wolford alone stands to gain over $24 million if the merger is consummated.

107. If Wolford had merely retired from the Company, has he was expected (and expecting) to do within the next two years, he would not have received any change-in-control payment. Thus, Wolford was particularly incentivized to pursue a sale of the Company regardless of the price, instead of setting up a succession plan for management.

108. Management members also are receiving millions of dollars of "make whole" payments to cushion them against tax liabilities stemming from the Proposed Transaction (a valuable benefit not shared by the Company's public shareholders, whose merger consideration is fully taxable), even though management was not entitled to such payments under existing employment agreements. The Board agreed to management's emergency request for these payments on the assurance that the Sponsors had already "baked in" the millions of dollars of special payments into the price of the Proposed Transaction. In other words, the Sponsors diverted into the pockets of management funds that could and should have gone to the Company's public shareholders.

109. The Proposed Transaction enables Del Monte's senior management other than Wolford to monetize their equity holdings, keep their current lucrative positions with the Company, and receive an equity position in the new surviving entity.

II. THE INDIVIDUAL DEFENDANTS BREACHED THEIR FIDUCIARY DUTIES

110. The Del Monte Board failed entirely in its fiduciary duty to oversee the sale of Del Monte and knowingly deferred to an unfaithful, deceitful, and ultimately deeply-conflicted advisor. Del Monte's Board willingly allowed Barclays, KKR and Centerview to sabotage any competitive auction process designed to maximize value for Del Monte's shareholders.

111. The Individual Defendants determined to limit their inquiries regarding a potential sale to private equity buyers, to the exclusion of strategic buyers which could have been in a position to pay more. Then, just months after shutting down an exploratory process with five competing bidders, the Del Monte Board chose to reopen discussions with only one bidder, which was not even the highest bidder in the prior round of negotiations. When its chosen bidder, KKR, asked to "partner" with Vestar, the private equity firm that previously had submitted a higher bid, the Del Monte Board, instead of refusing or seeking to contact Vestar on its own to create a competitive process, simply acquiesced, eliminating any possible auction that could have developed. Before the Board had completed negotiations regarding a sale price, the Del Monte directors permitted Barclays to position itself to more than double its potential fees by providing financing to the buyers (thus giving Barclays an affirmative dis-incentive to push for a higher price from a competing bidder). After deferring entirely to Barclays in a process where the financial advisor misled the Company's directors, manipulated the sale price, and secured conflicting roles, the Del Monte Board anointed none other than Barclays itself to run a "go shop" in which Barclays ostensibly was charged with finding competing bidders to its chosen buyer and where it stood to lose tens of millions of dollars if a different buyer, who did not use Barclays' financing, were successful. Worse still, the Board completely abdicated its duties to oversee what this woefully conflicted financial advisor did during the go-shop.

112. When the Del Monte Board was presented with specific decisions that, had the directors acted reasonably, could have promoted shareholders' interests and exposed (and perhaps remedied) Barclays' fraud, the Del Monte directors made affirmative decisions that were decidedly contrary to shareholders' interests and in no way were designed to maximize shareholder value. The Del Monte Directors failed to ask even the most basic questions that would have revealed Barclays's irreconcilable conflicts of interest, and could have revealed Barclays's fraud. The Del Monte Directors never asked about Barclays's intent to provide equity financing to a buyer as early as January 2010. They never learned that Barclays eliminated competitive bidding by combining Vestar and KKR/Centerview, in violation of the confidentiality agreements; that Barclays' participation in the buy-side financing was not necessary to get the deal done; that Vestar could have become a bidder with other viable partners; and that Vestar and KKR blithely violated their confidentiality agreements by engaging in discussions about an acquisition of Del Monte before asking permission of the Del Monte Board.

113. Thus, rather than undertake a full and fair auction to maximize shareholder value as their fiduciary duties require, the Individual Defendants engaged in a process that was flawed, and breached their fiduciary duties, in that they:

(a) directed that only equity buyers, and not strategic buyers, be contacted to obtain indications of interest in acquiring the Company;

(b) when the Board learned in March 2010 of indications of interest of up to $17.50 per share by equity buyers, it concluded it would not actively pursue a sale of the Company, and yet Barclays continued to communicate with KKR about its interest in acquiring Del Monte;

(c) chose not to proceed with an updated pre-signing market check;

(d) allowed KKR/Centerview and Vestar to breach their obligations under their respective confidentiality agreements;

(e) decided in the fall of 2010 to engage in discussions exclusively with KKR;

(f) allowed Barclays and KKR/Centerview to sabotage any potential auction by agreeing that KKR could bring Vestar into its bidding group, effectively eliminating KKR/Centerview's strongest competition;

(g) failed to consider the impropriety of adding Vestar to the sponsor group and deciding to permit Vestar to join up with KKR/Centerview for baseless reasons;

(h) allowed the Sponsors to conflict the Board's financial advisor, Barclays, by agreeing—while price negotiations were still ongoing—that Barclays could provide financing to support the Sponsors' bid for the Company, meaning that Barclays would receive fees from both sides of the transaction, even though the Sponsors did not need Barclays in order to obtain financing for the acquisition;

(i) in spite of this conflict, the Board allowed Barclays to continue to negotiate with the Sponsors, on the Company's behalf, the price and other terms of the Proposed Transaction;

(j) failed to inquire whether Barclays was even needed at all as one of the Sponsors' financiers and whether other non-conflicted banks were available to provide financing (until they were bought off by KKR);

(k) directed Barclays to conduct the "go-shop" process, despite its obvious conflict;

(l) completely failed to oversee the "go-shop" process; and

(m) once the Board belatedly learned the truth about what happened—that Barclays misled the Board and engaged in surreptitious discussions with KKR and Vestar that effectively eliminated the prospect of competitive bidding—did nothing to even reconsider whether the Proposed Transaction remained in the best interests of the shareholders, nor did it try to fix the situation their lack of oversight created.

114. Furthermore, the Individual Defendants completely abdicated their disclosure obligations. The Original Proxy filed by the Company was materially deficient and failed to disclose all information that a Del Monte shareholder would consider important in deciding how to vote:

(a) The Original Proxy omitted material information regarding the fairness opinions prepared by Barclays and Perella, including financial projections provided by Del Monte management and underling data used in connection with their discounted cash flow ("DCF") analyses;

(b) The Original Proxy failed to disclose material information and provided a misleading presentation of the process leading up to the signing of the Merger Agreement, including:

i. Details about why the Board chose to solicit only financial buyers and not strategic ones in the first quarter of 2010;

ii. Details about the Board's decision not to proceed with an updated pre-signing market check in the fall of 2010;

iii. Details about the Board's decision not to solicit an indication of interest from Vestar in October 2010; and

iv. The role of Barclays in orchestrating the entire Transaction.

(c) The Original Proxy failed to disclose the impact of Barclays' conflicts on the "go-shop" and the fact that other non-conflicted investment banks were ready, willing and able to represent the Company's and Del Monte's shareholders' interests during the "go-shop" period.

115. The Proxy Supplement concedes the disclosure deficiencies in the original Proxy and first supplement, but ***still*** misstates and withholds material information regarding the process leading up to the Proposed Transaction. The Proxy, as supplemented, fails to disclose the following:

(a) the true reasons why the Board chose to solicit only financial sponsors and not strategic buyers for a transaction;

(b) the true reasons for the Board's decision not to proceed with an updated pre-signing market check;

(c) the true reasons for the Board's decision not to solicit an indication of interest from Vestar in October 2010;

(d) details about Barclays and its dealings with KKR and Vestar including the timing of KKR/Centerview's decision to partner with Vestar;

(e) the true reasons for the Board's decision to let KKR/Centerview ask Vestar to join the Sponsors' bidding group;

(f) the true reasons for the Board's decision to let Barclays participate in the buy-side financing of the Proposed Acquisition;

(g) the true reasons for the Board's decision to let Barclays run the go shop process;

(h) the truth about the Board's role (or, lack thereof) in the go shop process; and

(i) what if anything the Board did upon obtaining additional information about the sales process;

(j) whether the Board continues to believe that the Proposed Transaction is in the best interests of Del Monte's shareholders, and if so, why.

116. In addition, the Proxy Supplement contains false and misleading statements concerning:

(a) why the Board chose to solicit only equity buyers and not strategic ones to assess interest in a transaction;

(b) the previous discussions between KKR/Centerview and Vestar;

(c) the violations of the confidentiality agreements;

(d) the timing of KKR/Centerview's decision to partner with Vestar;

(e) the Board's decision not to solicit an indication of interest from Vestar in October 2010;

(f) the Board's agreement to permit KKR/Centerview to include Vestar in the Sponsor group;

(g) the Board's decision not to conduct a pre-signing market check;

(h) the Board's decision to permit Barclays to participate in buy-side financing; and

(i) the Board's oversight of the go shop.

III. BARCLAYS AIDED AND ABETTED THE INDIVIDUAL DEFENDANTS' BREACH OF THEIR FIDUCIARY DUTIES

117. Barclays deliberately deceived the Company's directors, undermined any competitive bidding process, and subjected itself to irreconcilable conflicts of interest by positioning itself to provide financing for the buyers at the same time it was supposed to be representing the Company in seeking the best price.

118. Unbeknownst to Del Monte's Board, Barclays had discussions with potential financial buyers in 2009. When an actual bidding process ensued in spring of 2010, Barclays steered the bidding toward financial buyers who typically require financing – and which Barclays knew it wanted to provide.

119. In order to secure both advisory and financing roles after that initial sale process ended, Barclays put together the Sponsors using confidential information that Barclays had obtained in the spring of 2010. In late summer 2010, without telling the Board, Moses talked with both Vestar's Ratzan and KKR's Brown about buying Del Monte.

120. By putting together the two highest bidders from the March 2010 auction, Barclays removed any prospect of genuine competitive bidding in any renewed sale or auction for the Company.

121. Barclay's prior relationship with KKR and Vestar, which in the past two years alone had garnered it approximately $70 million, and the prospect of maintaining that relationship into the future, was strong incentive to Barclays to ensure that not only a private equity buyer ultimately acquire Del Monte, but that the deal close with KKR and Vestar specifically. Of course, it mattered not to Barclays that discussions between KKR/Centerview and Vestar would cause them to breach the confidentiality agreements they executed the previous February.

122. Nor did it matter to Barclays that its brokering of the relationship between KKR/Centerview and Vestar violated its own Statement on Corporate Conduct and Ethics which prohibited all employees, irrespective of their position, location or seniority [from becoming involved] in "any agreements, arrangements or practices that have as their object or effect to prevent, restrict or distort competition." Furthermore, its "employees are required to declare any actual or potential conflicts of interests." Barclays' policies also require that "information about [Barclays] customers, business contacts and employees should be held in the strictest confidence."

123. At every turn during the bidding process in the fall of 2010, and with each bid by KKR/Centerview in October-November 2010, Barclays had the opportunity to tell the Board that Vestar and KKR/Centerview had partnered up to buy Del Monte. It chose not to because to do so might alter the behind-the-scenes power team that Barclays had so carefully crafted and, importantly, its anticipated substantial fees that it would earn from financing that acquisition.

124. And, at every turn during the so-called negotiation process in the fall of 2010, Barclays could have informed the Board that it was going to get the double-your-money fees for serving as a lead financing bank for the same acquisition it was advising upon. But it knew that to do so could jeopardize its big pay day.

125. With its financing fees soon to be "in the bank," Barclays ran the go-shop process that because of Barclay's conflicted role was destined to never lead to any bid higher than the $19 bid from Barclay's cohorts in the scheme, the Sponsors.

IV. THE SPONSORS AIDED AND ABETTED THE INDIVIDUAL DEFENDANTS' BREACH OF THEIR FIDUCIARY DUTIES

126. By "partnering" up KKR/Centerview with Vestar, KKR/Centerview and Barclays sabotaged any competitive auction process that would have maximized value for Del Monte's shareholders. Vestar knew it could have made a bid with other viable partners.

127. For the chance to buy Del Monte on the cheap, Vestar and KKR/Centerview willingly violated the confidentiality agreements by engaging in discussions about an acquisition of Del Monte before asking permission of the Del Monte Board, and took active steps – with the aid of Barclays – to conceal that knowing violation from the Board.

128. The Sponsors bought off Barclays by dangling the carrot of doubling its fees for a dual role in the acquisition (financial advisor to the Board, financier to the buyers) thus disincentivizing Barclays from working to obtain an offer for the Company from any buyers other than the Sponsors.

FIRST CAUSE OF ACTION

Claim for Breach of Fiduciary Duty Against the Individual Defendants

129. Plaintiff repeats and realleges each allegation set forth herein.

130. The Individual Defendants have knowingly, recklessly and in bad faith violated their fiduciary duties of loyalty, care, candor and good faith and fair dealing owed to the public shareholders of Del Monte, and have acted to put their personal interests and the interests of the Sponsors ahead of the interests of Del Monte's shareholders.

131. By the acts, transactions and courses of conduct alleged herein, defendants, individually and acting as a part of a common plan, knowingly and recklessly and in bad faith are attempting to unfairly deprive Plaintiff and other members of the Class of the true value of their investment in Del Monte stock.

132. The Individual Defendants have knowingly, recklessly and in bad faith violated their fiduciary duties by entering into the Proposed Transaction without regard to the fairness of the transaction to Del Monte's shareholders.

133. As demonstrated by the allegations above, the Individual Defendants knowingly or recklessly failed to exercise the care required, and breached their duties of loyalty, care, candor and good faith and fair dealing owed to the shareholders of Del Monte because, among other reasons, they failed to:

(a) ensure a fair and conflict-free process;

(b) fully inform themselves of the market value of Del Monte before entering into the Merger Agreement;

(c) act in the best interests of the public shareholders of Del Monte common stock;

(d) maximize shareholder value; and

(e) obtain the best financial and other terms when the Company's independent existence will be materially altered by the Proposed Transaction.

134. By reason of the foregoing acts, practices and course of conduct, the Individual Defendants have knowingly, recklessly and in bad faith failed to exercise their fiduciary obligations toward Plaintiff and the other members of the Class.

135. As a result of the actions of defendants, plaintiff and the Class have been and will be harmed.

136. Plaintiff and the Class have no remedy at law.

SECOND CAUSE OF ACTION

Claim for Breach of Fiduciary Duty
Against the Defendant Wolford In His Capacity as Chief Executive Officer

137. Plaintiff repeats and realleges each allegation set forth herein.

138. In his capacity as Chief Executive Officer, Wolford was charged with providing information to the Del Monte Board to facilitate its consideration of any merger proposal, including the Proposed Transaction.

139. In particular, Wolford and his management team were responsible for preparing financial projections for the Company's operations, and identifying opportunities and potential cost savings that could be realized by the Company, and which could impact and improve the Company's operations and performance.

140. Wolford and his management team were also responsible for providing due diligence to potential suitors, including KKR, and for working with the Board's financial advisor, Barclays, in connection with the negotiations that lead up to the Proposed Transaction.

141. Because, in his capacity as Chief Executive Officer, Wolford dominates and controls the business and corporate affairs of Del Monte, and is in possession of private corporate information concerning Del Monte's assets, business and future prospects, there exists an imbalance and disparity

of knowledge and economic power between Wolford and the public shareholders of Del Monte, which makes it inherently unfair for them to pursue any proposed transaction wherein he will reap disproportionate benefits to the exclusion of maximizing stockholder value.

142. Wolford breached his fiduciary duties, including his duty of care and his duty of loyalty, in his capacity as Chief Executive Officer in connection with the negotiation of the Proposed Transaction in the following respects:

a. Wolford elevated his own personal interests in selling the Company rather than establishing a plan for managerial succession upon his impending retirement, in breach of his duty of loyalty;

b. Wolford elevated his own personal interests in securing over $24 million in change in control payments that he could only realize in connection with a sale of the Company, and thus allowed his personal financial concerns to influence and control his managerial obligations, in breach of his duty of loyalty;

c. In providing financial data concerning the Company's operations to the Del Monte Board, Wolford failed to identify reasonable cost savings that the Company could achieve, and which would impact its long term performance, in breach of his duty of care;

d. In his interactions with Barclays throughout the sales process, Wolford failed to exercise sufficient oversight such that he failed to discovery Barclays' fraud and deceit, as outlined above, in breach of his duty of care; and

e. Throughout the sales process, Wolford failed to keep the Del Monte Board adequately informed regarding Barclays' communications with potential suitors, including KKR, Vestar and Centerview, in breach of his duty of care.

143. As a result of his breach of fiduciary duties, Plaintiff and the Class were deprived of the opportunity to receive a fair price for their shares, as determined b a fair and competitive bidding process.

144. Plaintiff and the Class have no adequate remedy at law.

THIRD CAUSE OF ACTION

Aiding and Abetting the Individual Defendants' Breaches of Fiduciary Duty Against Defendants Barclays, the Sponsors, Blue Acquisition Group and Blue Merger Sub

145. Plaintiff repeats and realleges each allegation set forth herein.

146. Defendants Barclays, the Sponsors, Blue Acquisition Group and Blue Merger Sub are sued herein as aiders and abettors of the breaches of fiduciary duty outlined above by the Individual Defendants.

147. The Individual Defendants breached their fiduciary duties of loyalty, care, candor and good faith and fair dealing, to the Del Monte shareholders.

148. Such breaches of fiduciary duties could not and would not have occurred but for the conduct and knowing participation of defendants Barclays, the Sponsors, Blue Acquisition Group and Blue Merger Sub in aiding and abetting such breaches.

149. Defendants Barclays, the Sponsors, Blue Acquisition Group and Blue Merger Sub had knowledge that they were aiding and abetting the Individual Defendants' breaches of their fiduciary duties to Del Monte shareholders, and thus knowingly participated in such breaches.

150. Defendants Barclays, the Sponsors, Blue Acquisition Group and Blue Merger Sub rendered substantial assistance to the Individual Defendants in their breach of their fiduciary duties to Del Monte shareholders.

151. As a result of the aiding and abetting by defendants Barclays, the Sponsors, Blue Acquisition Group and Blue Merger Sub of the Individual Defendants' breaches of fiduciary duties,

Plaintiff and the other members of the Class were damaged in that they were prevented from obtaining the highest available price for their shares.

152. Plaintiff and the Class have no adequate remedy at law.

FOURTH CAUSE OF ACTION

Breach of Contract
Against KKR, Centerview and Vestar

153. Plaintiff repeats and realleges each allegation set forth herein.

154. Defendants KKR and Centerview entered into a confidentiality agreement with Del Monte on February 17, 2010. Defendant Vestar entered into a confidentiality agreement with Del Monte on February 19, 2010.

155. Pursuant to each of these confidentiality agreements, the Sponsors agreed that they would not discuss the confidential information they obtained from Del Monte with anyone, including each other. Specifically, the confidentiality agreements provided that, *inter alia*, they "[would] not, directly or indirectly, share the Confidential Information with or enter into any agreement, arrangement or understanding, or any discussions which might lead to such agreement, arrangement or understanding, with any other person … , ***including other potential bidders and equity or debt financing sources***, regarding a possible transaction involving the Company without the prior written consent of the Company…"

156. The confidentiality agreements conferred immediate and significant benefits on Del Monte shareholders, including Plaintiff and the Class. First, in the event the Company was not sold, the confidentiality agreements were intended to protect certain information concerning the business, financial condition, operations, prospects and other confidential and proprietary information of the Company from disclosure to third parties, including competitors and other potential bidders. The disclosure of this non-public, material information concerning the Company potentially could impact

the Company's per share price, as well as its ability to execute its long range plans, thereby threatening shareholder value.

157. Second, by explicitly prohibiting the Sponsors from communicating with other potential bidders, the confidentiality agreements were intended to protect the integrity of the sales process by ensuring that the Company maintained the right to decide whether to allow competitive bidders to work together. This was critically important to maximizing the value that shareholders would receive in a sale of the Company.

158. Because the confidentiality agreements ultimately were intended to preserve and protect shareholder value, Plaintiff and the Class are third-party beneficiaries under the confidentiality agreements.

159. As set forth in the confidentiality agreements, each of the Sponsors understood and agreed that any breach of the confidentiality agreements "may result in irreparable harm to the Company, that money damages may not be a sufficient remedy for any such breach … and that the Company shall be entitled to seek equitable relief, including injunction and specific performance." The Sponsors further agreed not to oppose the granting of such relief related to a breach of the confidentiality agreements.

160. The confidentiality agreements were to remain in full force and effect for a two year period.

161. As set forth in detail herein, Defendant Sponsors breached each of their respective confidentiality agreements with the Company by, *inter alia*, entering into discussions concerning a potential transaction with the Company, agreeing to partner together to submit a joint bid to the Company and failing to inform the Company that such agreement had been reached among the Sponsors in the absence of written consent from the Company. Each of the Defendant Sponsors further breached the confidentiality agreements by failing to provide notice to the Company that a

breach had occurred and failing to take all necessary commercially reasonable steps to limit the extent of such breach.

162. As a result of these breaches of contract, the Sponsors manipulated the sales process and prevented Plaintiff and the Class from receiving the maximum value for their shares. Plaintiff and the Class have been harmed by these breaches.

FIFTH CAUSE OF ACTION

Tortious Interference With Contract
Against Barclays

163. Plaintiff repeats and realleges each allegation set forth herein.

164. Defendants KKR and Centerview entered into a confidentiality agreement with Del Monte on February 17, 2010. Defendant Vestar entered into a confidentiality agreement with Del Monte on February 19, 2010.

165. Defendant Barclays delivered these confidentiality agreements to the Sponsors in order to allow them to participate in the initial bidding process in January/February 2010 and knew that the Sponsors executed these confidentiality agreements with Del Monte. Barclays also knew that the confidentiality agreements remained in full force and effect for a two-year period following execution.

166. Defendant Barclays knew and understood that the confidentiality agreements prohibited the Sponsors from sharing confidential information they obtained from Del Monte with anyone, including each other. Specifically, the confidentiality agreements provided that, *inter alia*, they "[would] not, directly or indirectly, share the Confidential Information with or enter into any agreement, arrangement or understanding, or any discussions which might lead to such agreement, arrangement or understanding, with any other person … , ***including other potential bidders and equity or debt financing sources***, regarding a possible transaction involving the Company without the prior written consent of the Company…"

167. The confidentiality agreements conferred immediate and significant benefits on Del Monte shareholders, including Plaintiff and the Class. First, in the event the Company was not sold, the confidentiality agreements were intended to protect certain information concerning the business, financial condition, operations, prospects and other confidential and proprietary information of the Company from disclosure to third parties, including competitors and other potential bidders. The disclosure of this non-public, material information concerning the Company potentially could impact the Company's per share price, as well as its ability to execute its long range plans, thereby threatening shareholder value.

168. Second, by explicitly prohibiting the Sponsors from communicating with other potential bidders, the confidentiality agreements were intended to protect the integrity of the sales process by ensuring that the Company maintained the right to decide whether to allow competitive bidders to work together. This was critically important to maximizing the value that shareholders would receive in a sale of the Company.

169. Because the confidentiality agreements ultimately were intended to preserve and protect shareholder value, Plaintiff and the Class are third-party beneficiaries under the confidentiality agreements.

170. As set forth in detail herein, Defendant Barclays intentionally facilitated the Sponsors' breaches of their obligations under the confidentiality agreements by, *inter alia*, meeting with the Sponsors on several occasions and sharing information concerning a potential transaction with the Company, providing information to enable the Sponsors to form a partnership and submit a joint bid for the Company, and failing to apprise the Company that the Sponsors had formed a partnership and were presenting a joint bid.

171. As a result of Barclays' tortious conduct, Del Monte shareholders, including Plaintiff and the Class, were deprived of the protections that Del Monte sought to obtain by requiring the

Sponsors to execute the confidentiality agreements. Barclays' interference with and facilitation of the Sponsors' breach of their obligations under the confidentiality agreements resulted in a manipulated sales process that prevented Plaintiff and the Class from receiving the maximum value for their shares. Plaintiff and the Class have been harmed by Barclays' tortious interference with contract.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff demands relief in Plaintiff's favor and in favor of the Class, and against defendants, as follows:

A. Declaring that this action is properly maintainable as a class action;

B. Declaring and decreeing that the Proposed Transaction agreement was entered into in breach of the fiduciary duties of the defendants;

C. Enjoining defendants, their agents, counsel, employees and all persons acting in concert with them from consummating the Proposed Transaction;

D. Rescinding, to the extent already implemented, the Merger Agreement or any of the terms thereof;

E. Awarding damages to Plaintiff and the Class;

F. Awarding Plaintiff the costs and disbursements of this action, including attorneys' and experts' fees and expenses; and

G. Granting such other and further equitable relief as this Court may deem just and proper.

DATED: February 18, 2011

GRANT & EISENHOFER P.A.

/s/ Stuart M. Grant

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