

UNITED STATES DISTRICT COURT
DISTRICT OF NEBRASKA

DENISE A. BRIGHT, Individually and on
Behalf of All Others Similarly Situated,

Plaintiff,

vs.

CONAGRA FOODS, INC., et al,

Defendants.

CASE No.: 8:05-CV-00348

MICHAEL A. RANTALA, Individually
and on Behalf of All Others Similarly
Situating,

Plaintiff,

vs.

CONAGRA FOODS, INC., et al,

Defendants.

CASE No.: 8:05-CV-00349

RICHARD J. BOYD, Individually and on
Behalf of All Others Similarly Situated,

Plaintiff,

vs.

CONAGRA FOODS, INC., et al,

Defendants.

CASE No.: 8:05-CV-00386

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT,
SETTLEMENT HEARING AND RIGHT TO APPEAR**

TO: ALL INDIVIDUALS WHO, FROM SEPTEMBER 18, 2003 THROUGH JULY 10, 2007 INCLUSIVE, PARTICIPATED IN, WERE BENEFICIARIES OF, OR HAD AN INTEREST IN THE CONAGRA FOODS RETIREMENT INCOME SAVINGS PLAN, THE CONAGRA FOODS RETIREMENT INCOME SAVINGS PLAN FOR HOURLY RATE PRODUCTION EMPLOYEES, OR ANY PREDECESSOR OR SUCCESSOR PLAN AND HAD AN INTEREST IN THE CONAGRA FOODS STOCK FUND IN ONE OR MORE OF THOSE ERISA PLANS.

PLEASE READ THIS NOTICE CAREFULLY. IT HAS BEEN SENT TO YOU TO ADVISE YOU ABOUT THE PROPOSED SETTLEMENT OF THIS ACTION AND YOUR RIGHTS WITH RESPECT TO THE SETTLEMENT.

THIS NOTICE IS NOT AN OPINION BY THE COURT AS TO THE MERITS OF ANY OF THE CLAIMS OR DEFENSES ASSERTED BY ANY PARTY IN THIS ACTION. THE STATEMENTS MADE IN THIS NOTICE ARE NOT FINDINGS OF THE COURT.

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1. Why did you receive this notice?

You have received this notice because it appears that you participated in, were a beneficiary of, or had an interest in the ConAgra Foods Retirement Income Savings Plan (sometimes referred to herein and in the Stipulation of Settlement as the “ConAgra Foods Retirement Income Savings Plan for Salaried Employees”), the ConAgra Foods Retirement Income Savings Plan for Hourly Rate Production Employees, or a predecessor or successor plan (collectively, the “ERISA Plans”) during the period from September 18, 2003 to July 10, 2007, inclusive (the “Class Period”) and may have had an interest in the ConAgra Foods Stock Fund in one or more of those ERISA Plans at some time during the Class Period. Those ERISA Plans are employee benefit plans sponsored by ConAgra Foods, Inc. (“ConAgra”), or one of its affiliates. You may be a member of a group of individuals, called a “Class,” on whose behalf this lawsuit – which is known as a class action – has been brought.

A settlement has been reached in this class action. The Federal Rules of Civil Procedure and an order entered by the United States District Court for the District of Nebraska (the “Court”) require that this notice be sent to you to describe the proposed settlement and the process by which the Court will consider whether to approve the proposed settlement. If the settlement is approved by the Court, you may be eligible to receive monetary relief under the terms of the settlement. Capitalized terms herein have the meaning given to them in the Stipulation of Settlement.

2. What is a class action?

A class action is a lawsuit in which one or more persons sue on behalf of other persons who have similar claims. The people in the group on whose behalf the class action is brought are called Class Members. The settlement of a class action lawsuit determines the rights of the entire Class. For this reason, the settlement of a class action must be approved by a judge.

3. Who are the parties in this class action?

In July and August of 2005, three putative class actions were filed in the United States District Court for the District of Nebraska. The Court consolidated the three actions into this single class action (the “Action”) and appointed Denise A. Bright and Michael A. Rantala as Co-Lead Plaintiffs. Co-Lead Plaintiffs filed a consolidated complaint in the Action naming as Defendants ConAgra Foods, Inc., Bruce Rohde, Mogens C. Bay, Stephen G. Butler, Alice B. Hayes, W.G. Jurgensen, Carl E. Reichardt, Howard G. Buffett, John T. Chain, Jr., Steven F. Goldstone, Mark H. Rauenhorst, Ronald W. Roskens, Kenneth E. Stinson, David H. Batchelder, Robert Krane, the ConAgra Foods Employee Benefits Committee, Owen C. Johnson, Jay D. Bolding, Scott E. Messel, James P. O’Donnell, David G. Pederson, Anthony M. Sanders, Donald J. Winters, Sailesh B. Ramamurtie, Peter M. Perez, Jason E. Speer, and John F. Gehring.

4. Are you a member of the Class?

By order dated August 3, 2007, the Court preliminarily decided that the lawsuit may proceed as a class action for settlement purposes. The Class consists of all individuals who were Participants in, beneficiaries of, or had an interest in one or more of the ERISA Plans during the Class Period and had an interest in the ConAgra Foods Stock Fund in one or more of those ERISA Plans at any time during the Class Period. Records for the ERISA Plans indicate that you may fall within this definition.

5. What is this lawsuit about?

Co-Lead Plaintiffs’ claims arise out of the April 2005 restatement by ConAgra of certain financial statements due to accounting errors related to income tax. Co-Lead Plaintiffs allege that ConAgra stock – which was an investment option available to Participants in the ERISA Plans through the ConAgra Foods Stock Fund – was inflated as a result of inaccuracies in the Company’s financial reporting related to the accounting errors.

Co-Lead Plaintiffs allege that Defendants were fiduciaries of the ERISA Plans during the Class Period and thus owed certain fiduciary duties to the ERISA Plans pursuant to the provisions of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). Fiduciaries are persons or institutions who manage money or property for another and who must exercise a standard of care imposed by law – in this case ERISA. ERISA is a federal statute that was enacted to protect employee benefit plans by establishing standards of conduct, responsibility, and obligations for fiduciaries of employee benefit plans, and by providing for appropriate remedies and sanctions. Co-Lead Plaintiffs further claim that Defendants knew or should have known that ConAgra stock allegedly was inflated and that Defendants allegedly breached their fiduciary duties to the ERISA Plans by failing either to inform Participants that the stock value was inflated by the false profits attributable to the income tax accounting errors or to remove the stock as an investment option available to Plan Participants.

Defendants deny the allegations made against them, including allegations regarding both liability and damages. Defendants also assert a number of defenses. Because the parties began settlement discussions, the case did not go to trial. The Court has not made any final determination as to the merits of the claims made by Co-Lead Plaintiffs or the defenses raised by Defendants. If the settlement is approved, the Court will not make any such determination. This notice does not imply that there has been or would be any finding of violation of the law or that relief in any form or recovery in any amount would be awarded if the Action was not settled. Nor does it imply that Defendants’ defenses to the claims would have been successful. Both sides have agreed to the settlement to ensure a resolution and to provide benefits to Class Members.

6. What does the proposed settlement provide?

If the settlement is approved, the ConAgra Foods Employee Benefits Committee or its successor will adopt (or cause to be adopted) specific changes to the ERISA Plans including: the elimination for four years of ConAgra Foods Securities as a separate investment option in the ERISA Plans (except that existing holdings in the ConAgra Foods Stock Fund can be retained and dividends from those holdings can be reinvested); certain communications to Plan Participants regarding the advantages of diversification and the risk profile of individual Plan Participants; a review of the ERISA Plan options by an outside entity; and certain procedures regarding the training of individuals appointed to be ERISA fiduciaries. In addition, if the settlement is approved by the Court, ConAgra and/or its insurer will pay a total of \$4,000,000 (the “Cash Contribution”) to an account created and maintained by Co-Lead Plaintiffs and their counsel (the “Qualified Settlement Fund”). The Cash Contribution (less attorneys’ fees and certain expenses, as discussed in Section 6.b below) will be distributed to all eligible Plan Participants pursuant to a plan of allocation (the “Plan of Allocation”) prepared by Co-Lead Plaintiffs and approved by the Court.

If the settlement is approved, Class Members will release all Claims that fall within the definition of “Released Claims” in the Settlement Agreement against the individuals and entities included in the definitions of “Defendants” and “Releasees” in the Settlement Agreement (see the more detailed discussion of the Release set out in Section 6.f below, as well as the copy of the Release that is attached as Appendix A to this notice). If the settlement is approved, this Action will be dismissed with prejudice.

a. What is the Qualified Settlement Fund?

The Qualified Settlement Fund is an interest-bearing account that Co-Lead Plaintiffs and their counsel will create and maintain. The Cash Contribution (described in Section 6 above) will be deposited into this account and will (after certain fees and expenses are paid out of it, as described in Section 6.b below) be distributed to eligible Participants in the Plans.

b. What fees and expenses will be deducted from the Cash Contribution?

Co-Lead Plaintiffs’ legal fees and out-of-pocket expenses will be deducted from the Cash Contribution. (The amount of fees and expenses that Co-Lead Plaintiffs’ Counsel will request is described in Section 11 below.) All expenses associated with administering the settlement and the Plan of Allocation will be

deducted from the Cash Contribution. The balance remaining in the Qualified Settlement Fund after these fees and expenses are deducted (the “Net Cash Contribution”) will be distributed to eligible Participants in the Plans.

c. What will you receive under the proposed settlement?

If the Court approves the settlement and Co-Lead Plaintiffs’ proposed Plan of Allocation (and that approval becomes final and no longer subject to appeal), the Net Cash Contribution will be distributed pursuant to the Plan of Allocation, which is attached to this Notice as Appendix B. The terms of the Plan of Allocation as described in Appendix B may be modified in connection with, among other things, a ruling by the Court or an objection filed by a Class Member. Further details about the Plan of Allocation may be obtained by contacting the Settlement Administrator at:

ConAgra Foods, Inc. ERISA Litigation
c/o Berdon Claims Administration LLC
P.O. Box 9014
Jericho, NY 11753-8914
Telephone: (800) 766-3330
Facsimile: (516) 931-0810
Website: www.berdonclaims.com

d. How will the settlement be distributed?

If the settlement is approved by the Court and you are a participant in one or more of the ERISA Plans and are eligible to receive relief in connection with this settlement (see Section 4 above), your share of the Net Cash Contribution (as calculated pursuant to the Plan of Allocation) will be deposited into your ERISA Plan account or distributed to you if you no longer have an ERISA Plan account.

e. Will the settlement have tax consequences for you?

Your receipt of funds under the settlement of this Action may have tax consequences for you. Those tax consequences may vary, depending on your individual circumstances. No party to this lawsuit or their counsel can advise you about any tax consequences that your receipt of settlement funds may have for you.

You may wish to consult your own tax advisor to determine if any potential federal, state, local, foreign or other tax consequences will arise related to your receipt of settlement funds from this lawsuit.

f. What will be the legal effect of the settlement if it is approved by the Court?

If the settlement is approved by the Court, the parties will seek the entry of a Judgment and an Order Approving Settlement, which, among other things, will:

- i. provide that the settlement is fair, reasonable and adequate;
- ii. finally certify the Class for settlement purposes;
- iii. dismiss the Action with prejudice, meaning that Class Members (including you), the ERISA Plans, the fiduciaries of the ERISA Plans, and the heirs, executors, administrators, beneficiaries, predecessors, successors, affiliates, and assigns of all of those persons and entities will not be able to bring another lawsuit or proceeding against any of the Defendants based upon the Claims that have been raised or that could have been raised in the Action;
- iv. incorporate as part of the Order Approving Settlement the release contained in the Settlement Agreement (the “Release”);
- v. permanently bar Class Members, the ERISA Plans, the fiduciaries of the ERISA Plans, and the heirs, executors, administrators, beneficiaries, predecessors, successors, affiliates, and assigns of

all of those persons and entities from filing or participating in any lawsuit or other legal action arising from or related to any and all Claims that have been raised or that could have been raised in the Action, as well as from commencing, prosecuting, or asserting any Claim against any Releasee where the Claim is based upon, arises out of, or relates to any Claim falling within the definition of “Released Claim” in the Settlement Agreement;

- vi. permanently bar any Party and Releasee from commencing, prosecuting or asserting any Claim against any person or entity (including any Claim for indemnification or contribution) to recover (a) any amounts such Party or Releasee has or may become liable to pay to any of the Class Members and/or (b) any costs, expenses, or attorneys’ fees incurred in defending any Claim by any of the Class Members;
- vii. award attorneys’ fees and expenses to Co-Lead Plaintiffs’ Counsel; and
- viii. retain jurisdiction over all matters relating to the administration, enforcement and interpretation of the settlement.

As noted, if the settlement is approved, the Court will incorporate the Release contained in the Settlement Agreement into its Order Approving the Settlement. The Release describes the Claims that will be released by Class Members, as well as the identity of the people and entities who will be released. The full text of the Release (as well as the text of relevant definitions) is attached as Appendix A to this notice.

**YOU ARE ENCOURAGED TO CAREFULLY REVIEW
THE TERMS OF THE RELEASE AND THE DEFINITIONS.**

g. Can the parties change or terminate the settlement once it is approved?

Once the settlement is approved, the parties will be able to change the settlement without further Court approval only if (i) all parties agree in writing to do so, (ii) the change is not materially inconsistent with the Judgment and Order Approving the Settlement entered by the Court and (iii) the change does not materially limit the rights of Class Members under the Settlement Agreement.

One or more of the parties can terminate the Settlement Agreement if, other than with respect to Co-Lead Plaintiffs’ application for attorneys’ fees and expenses, (i) the Court (or any appellate court) rejects, modifies or denies approval of any portion of the proposed settlement that the party seeking to terminate the Settlement Agreement reasonably and in good faith determines is material or (ii) the Court (or any appellate court) does not enter or completely affirm, or alters or expands, any portion of any order or judgment requested by the parties, and the party seeking to terminate the settlement reasonably and in good faith believes that the Court’s (or appellate court’s) action is material. Defendants also can terminate the Settlement Agreement if certain other contingencies occur.

If the settlement is terminated, each party and each Class Member will be in the position he or she was in before the Settlement Agreement was entered into, and the Settlement Agreement will have no legal effect. If the settlement is terminated, you will not receive the benefits that are described in this notice.

7. What are your options?

a. If the Settlement Agreement is approved, what do you have to do to collect any money to which you are entitled pursuant to its terms?

If you are a Class Member (see Section 4 above), you do NOT need to do anything to receive the benefits of the Settlement Agreement. If you are a Class Member and if the proposed settlement is approved by the Court (and that approval becomes final and not subject to appeal), you will receive the benefits of the settlement as described in this Notice (see Section 6 above). The way in which the monetary relief from the settlement agreement will be calculated and distributed to eligible Participants is discussed in Sections 6.c and 6.d above.

b. What if you want to object to the proposed settlement?

If you are a Class Member (see Section 4 above), you may object to the proposed settlement, any term of the Settlement Agreement, the Plan of Allocation or the application by Co-Lead Plaintiffs for fees and reimbursement of expenses. Your objection must be in writing and must provide evidence of your membership in the Class. The written objection should additionally state the specific reason(s), if any, for your objection, including any legal support that you wish to bring to the Court's attention and any evidence that you wish to introduce in support of your objection. Your written objection (and any support for it) must be received by the Court and the following counsel by November 2, 2007:

For Defendants:

Andrew B. Weissman
Wilmer Cutler Pickering
Hale and Dorr LLP
1875 Pennsylvania Avenue, NW
Washington, DC 20006

William F. Hargens
Patrick E. Brookhouser, Jr.
McGrath North Mullin & Kratz, PC LLO
Suite 3700, First National Tower
1601 Dodge Street
Omaha, NE 68102

For Co-Lead Plaintiffs and the Class:

David R. Scott
Scott + Scott, LLC
108 Norwich Avenue
P.O. Box 192
Colchester, CT 06415

Jeffrey M. Norton
Harwood Feffer LLP
488 Madison Avenue
8th Floor
New York, NY 10022

If (and only if) you make a written objection to the settlement as set out above, you may choose to speak at the hearing (see Section 9 below), either in person or through an attorney hired at your own expense, to present your objection to the Court. Your failure to attend the hearing will not prevent the Court from considering your objection. If you (or your attorney) intend to speak at the Fairness Hearing, you must file with the Court and serve on the counsel identified above a notice of intention to appear by November 6, 2007. If you hire an attorney to represent you in connection with making an objection, you will be responsible for all fees and expenses that the attorney incurs on your behalf.

All documents sent to the Clerk of the Court, including any objections and notices of intention to appear, will be filed electronically by the Clerk and will thereby be available for public review.

If you wish to review confirmatory discovery materials produced between the parties during this Action for the purpose of assessing the Settlement Agreement (and for that purpose only), you may do so under the terms of the Settlement Agreement and a Stipulation of Confidentiality that has been entered by the Court. Upon your (or your attorney's) execution of the Stipulation of Confidentiality, you (or your attorney) may access those materials by appointment during regular business hours at the office of Harwood Feffer LLP, 488 Madison Avenue, 8th Floor, New York, New York, 10022.

c. Can you ask to be excluded from participating as a Class Member?

In some class action lawsuits, class members have the right to exclude themselves from the class; other class actions lawsuits do not allow class members to exclude themselves. Because of the federal rules and applicable legislation under which this Class would be certified if it was adjudicated, the Court has preliminarily determined that it would not be appropriate for Class Members in this Action to be permitted to exclude themselves. If the Court approves the settlement, your only remedies will be those contained in the proposed Settlement Agreement. This means that if the Settlement Agreement is approved and you are a Class

Member, you will, if eligible, receive the relief (through the ERISA Plan or Plans in which you participate) as set out in the Settlement Agreement (described in Section 6 above), and you will be bound by the terms of the Settlement Agreement and any orders issued by the Court in connection with it (described in Section 6.f above).

8. Do you need to hire your own attorney?

You may hire your own attorney, but you are not required to do so. If you hire your own attorney, you will be responsible for paying any fees and expenses that your attorney incurs. If you do not hire your own attorney, you will be represented by the counsel that the Court has appointed to represent Class Members. As described in Section 11 below, if you choose to be represented by the counsel that the Court has appointed, you will not be directly responsible for paying any of the fees and expenses incurred by that counsel.

9. Will there be a hearing in Court about this proposed settlement?

On November 16, 2007, at 10:00 a.m. CST, the Court will hold a hearing on the proposed settlement in Courtroom 5 in the Roman L. Hruska Federal Courthouse, 111 South 18th Plaza, Omaha, NE 68102. The Court may choose to change the date and/or time of the hearing without further notice of any kind. If you intend to attend the hearing, you should confirm the date and time with one of the counsel for Co-Lead Plaintiffs and the Class (as identified in Section 12 below).

The purpose of the hearing will be to determine whether the proposed settlement is fair, reasonable and adequate. If the Court finds the settlement to be fair, reasonable and adequate, it will enter a Judgment and an Order Approving the Settlement. At the hearing, the Court will also consider whether to approve the proposed Plan of Allocation and the request by Plaintiffs' Co-Lead Counsel for attorneys' fees and reimbursement of expenses. In reaching a decision on these issues, the Court will consider any objections that have been made by Class Members.

You may choose to attend the hearing, either in person or through an attorney hired at your own expense, but you are not required to do so. If you have made a written objection, either you or your attorney may appear at the hearing to present your objection, but you are not required to do so. If you choose to attend the hearing and intend to make a presentation to the Court, you – or your attorney – must file a notice of your intention to appear. Your notice of intention to appear must be received by the Court and the attorneys identified in Section 7.b above by November 6, 2007.

10. Is there counsel representing Class Members?

The Court has appointed counsel to represent Class Members. The counsel appointed by the Court are Scott + Scott, LLP and Harwood Feffer LLP (collectively, "Plaintiffs' Co-Lead Counsel"). You will not be charged any fees or expenses directly by these attorneys. If you want to be represented by your own counsel, you may hire an attorney at your own expense.

11. How will counsel for the Class be paid?

Plaintiffs' Co-Lead Counsel will file an application with the Court for attorneys' fees and expenses incurred in connection with this Action. In the application, Plaintiffs' Co-Lead Counsel intend to seek an award of attorneys' fees, not to exceed \$1.9 million, based upon the aggregate combined value of the enhancements to the ConAgra Foods, Inc. ERISA Plans and the Cash Contribution, and intend to seek reimbursement for the reasonable out-of-pocket expenses incurred by Plaintiffs' Co-Lead Counsel in connection with this case. The Court will decide the amount of fees and expenses to be awarded to Plaintiffs' Co-Lead Counsel. As discussed in Section 6.b above, the amount of attorneys' fees and out-of-pocket expenses that the Court awards to Plaintiffs' Co-Lead Counsel will be paid out of the Cash Contribution.

12. Where can you get additional information?

You may obtain a copy of the proposed Settlement Agreement and other information regarding the settlement during regular business hours by contacting the Settlement Administrator at:

ConAgra Foods, Inc. ERISA Litigation
c/o Berdon Claims Administration LLC
P.O. Box 9014
Jericho, NY 11753-8914
Telephone: (800) 766-3330
Facsimile: (516) 931-0810
Website: www.berdonclaims.com

If you wish to communicate with, or obtain information directly from, Plaintiffs' Co-Lead Counsel, you may do so by contacting the attorneys listed below:

David R. Scott
Scott + Scott, LLC
108 Norwich Avenue
P.O. Box 192
Colchester, CT 06415
Telephone: (860) 537-5537
Facsimile: (860) 537-4432

Jeffrey M. Norton
Harwood Feffer LLP
488 Madison Avenue
8th Floor
New York, NY 10022
Telephone: (212) 935-7400
Facsimile: (212) 753-3630

You may also examine the proposed settlement agreement, the Court orders, and the other papers filed in the lawsuit at the Office of the Clerk, United States District Court for the District of Nebraska at the Roman L. Hruska Federal Courthouse, 111 South 18th Plaza, Suite 1152, Omaha NE 68102 between 8:00 a.m. and 4:30 p.m. Central Time Monday through Friday, except federal holidays.

**PLEASE DO NOT CONTACT THE COURT
OR THE CLERK'S OFFICE FOR INFORMATION.**

October 3, 2007

BY ORDER OF THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEBRASKA

RELEASE

A. Definitions Relevant to Release and Waiver (Using The Paragraph Numbers Where These Definitions Appear In The Definitions Section Of The Settlement Agreement).

i. "Claim" means any and all claims of any nature whatsoever (including claims for any and all losses, damages, unjust enrichment, constructive trust, disgorgement, litigation costs, injunction, declaration, contribution, indemnification or any other type of legal or equitable relief), actions, causes of action, proceedings, adjustments, executions, offsets, contracts, judgments, obligations, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, variances, covenants, trespasses, damages, demands (whether written or oral), agreements, promises, liabilities, controversies, costs, expenses, attorneys' fees and losses whatsoever, whether in law, in admiralty, or in equity and whether based on any federal law, state law, foreign law, common law doctrine, rule, regulation or otherwise, foreseen or unforeseen, matured or un-matured, known or unknown, accrued or not accrued, liquidated or non-liquidated, existing now or to be created in the future.

zz. "Released Claims" and "Released Claim" mean each and every Claim and Unknown Claim by or on behalf of the Co-Lead Plaintiffs, the ERISA Plans, the ERISA Plans' fiduciaries, or any Class Member on its, his, her, or their own behalf and on behalf of any Person they represent (including the ERISA Plans and their respective spouses, heirs, executors, administrators, past and present partners, officers, directors, agents, attorneys, predecessors, successors and assigns) that: (1) has been or could have been asserted in the Action; (2) arises out of or relates in any way to the acts, omissions, facts, matters, transactions, or occurrences that have been alleged or referred to in any court filing in the Action; or (3) subject to ¶ 42 below, arises out of or relates in any way to any or all acts, omissions, nondisclosures, facts, matters, transactions, occurrences or oral or written statements or representations in connection with or directly or indirectly relating to the institution, prosecution, defense or settlement of this Action, or to this Settlement Agreement, or the implementation or administration of it, including, but not limited to, any Claim for attorneys' fees, costs, or disbursements in connection with the Action except to the extent otherwise specified in this Settlement Agreement. Without limiting the generality of the foregoing, and subject to the proviso below, the Released Claims include, without limitation, all Claims and Unknown Claims arising out of or relating to:

(1) any and all of the acts, failures to act, omissions, misrepresentations, facts, events, matters, transactions, statements, occurrences, or oral or written statements or representations that have been, could have been, or could be directly or indirectly alleged, embraced, complained of, asserted or described, against any or all Releasees or otherwise, set forth or otherwise referred to in the Action (including but not limited claims for violations of ERISA, negligence, gross negligence, professional negligence, breach of a duty of care, breach of a duty of loyalty, breach of a duty of candor, breach of a duty to monitor, fraud, breach of fiduciary duty, mismanagement, corporate waste, malpractice, breach of contract, negligent misrepresentation, violations of any federal or state statutes, or violations of any laws of any nation, province, state, county, city, or subdivision or agency thereof);

(2) the contents of any SEC Filing, DOL Filing, or IRS Filing during the Class Period (i) relating to ConAgra Foods Securities or the Company or (ii) relating to or made in connection with any of the ERISA Plans;

(3) any forward-looking statement regarding the Company made by any of the Releasees during the Class Period;

(4) the contents of any SEC Filing, DOL Filing, IRS Filing or any publication, dissemination, adjustment, revision, or restatement of financial or other information of the Company, relating to the Class Period;

(5) any disclosure, representation or statement of any sort (oral or written) made by any or all of the Releasees during the Class Period to any person or entity, or to the public at large regarding, without limitation, the Company's business or financial condition, its operational results and/or its financial or operational prospects, including, without limitation, any press releases and/or press reports, earnings calls, memoranda (whether internally or externally circulated), and presentations to analysts, creditors, ratings agencies, banks or other lenders, investment bankers, broker dealers, investment advisors, investment companies, bond holders, employees of the Company, potential and actual vendors or customers, Participants in one or more of the ERISA Plans, potential investors and/or shareholders;

(6) any disclosure, representation, or statement of any sort (oral or written) made by any of the Releasees during the Class Period to any person or entity regarding one or more of the ERISA Plans;

(7) any internal and/or external accounting memoranda, reports or opinions prepared by the Company or any of the Releasees during, or that relate in any way to, the Class Period, including, without limitation, any such memoranda,

reports or opinions on which any Class Member allegedly relied during the Class Period in purchasing, selling, exchanging, acquiring, disposing of, transferring, or making any other decision regarding, ConAgra Foods Securities or the ConAgra Foods Stock Fund in connection with one or more of the ERISA Plans;

(8) the Company's record keeping during, or that relates in any way to, the Class Period;

(9) any financial statement, audited or unaudited, and any report or opinion on any financial statement relating to the Company that was prepared or issued by the Company or any of the Releasees during, or that relates in any way to, the Class Period, or on which any Class Member allegedly or actually relied during the Class Period in purchasing, selling, exchanging, acquiring, disposing of, transferring, or making any other decision involving ConAgra Foods Securities or the ConAgra Foods Stock Fund in connection with one or more of the ERISA Plans;

(10) any statements or omissions by any of the Releasees as to quarterly or annual results of the Company during the Class Period, including, without limitation, statements or omissions in connection with Earnings Releases or during calls and/or meetings with one or more analysts or investors;

(11) any internal accounting controls or internal audits of the Company during, or that relate in any way to, the Class Period;

(12) any purchases, sales, exchanges, acquisitions, disposals, retentions, transfers or other trading (including, without limitation, collar and hedge transactions) or any other decision involving ConAgra Foods Securities, the ConAgra Foods Stock Fund, or the ERISA Plans, any profits made or losses avoided in connection with a transaction involving ConAgra Foods Securities, the ConAgra Foods Stock Fund, or the ERISA Plans during the Class Period by any or all of the Releasees, or any acts taken by Releasees to finance or pay for any such transactions, including, but not limited to, any personal profit, remuneration or advantage received by a Releasee in connection with a transaction involving ConAgra Foods Securities, the ConAgra Foods Stock Fund, or the ERISA Plans to which he, she, or it was allegedly not legally entitled;

(13) any of the Company's accounting practices or procedures, including any disclosure and disclosure obligations relating thereto, during the Class Period;

(14) any statements or omissions by any of the Releasees in connection with the Company's acquisition during the Class Period of any entity, including, without limitation, any statements or omissions regarding the effect of any such acquisition on, or relationship between, any such acquisition and one or more of the ERISA Plans;

(15) the integration of the Company and any of their divisions, business units or companies, and any of the entities they acquired during the Class Period;

(16) any statements or omissions by any of the Releasees in connection with the Company's sale during the Class Period of any divisions, business units, companies and/or assets, including, without limitation, the termination of any ERISA Plans or the transfer of any ERISA Plan assets in connection with such a sale;

(17) the relationship and any transactions, actual or contemplated, between or among the Company and any of its predecessors, successors, affiliates (as defined in 17 C.F.R. Part 210.1-02.b), divisions, business units, subsidiaries, and entities in which it has a Controlling Interest;

(18) any and all Claims arising under ERISA against any or all of the Releasees that are based upon or arise out of the Releasee's (i) status as a director, officer or employee of, or investor in, the Company or (ii) acts or omissions in his or her capacity as a director, officer or employee of, or investor in, the Company;

(19) any and all transactions between the Company and any of the Releasees or any entity that is an affiliate (as defined in 17 C.F.R. Part 210.1-02.b) of a Releasee or in which a Releasee has a Controlling Interest;

(20) the suitability or prudence of any ERISA Plan's investment in ConAgra Foods Securities or the ConAgra Foods Stock Fund or offering those investment options during the Class Period;

(21) any and all activities undertaken by any Releasee in a fiduciary capacity or otherwise with respect to the ERISA Plans during the Class Period;

(22) purchases, sales, exchanges, acquisitions, disposals, transfers or any other Investment Decisions involving ConAgra Foods Securities or the ConAgra Foods Stock Fund on behalf of one or more of the ERISA Plans or on behalf of any participant in or beneficiary of, or any person having an interest in, one or more of the ERISA Plans;

(23) issuance of treasury shares of ConAgra Foods Securities to the ERISA Plans or to the ConAgra Foods Stock Fund;

(24) any and all Claims against any of the Releasees that are based upon or arise out of his, her, or its (i) alleged status during the Class Period as a fiduciary or otherwise with respect to one or more of the ERISA Plans or (ii) acts or omissions during the Class Period in his, her or its capacity as a fiduciary with respect to one or more of the ERISA Plans;

(25) any or all Claims based upon the design, structure and/or terms of any of the ERISA Plans;

(26) any and all claims against any or all Releasees relating to the administration of any of the ERISA Plans during the Class Period;

(27) any and all claims that any or all Releasees breached fiduciary duties to Co-Lead Plaintiffs and other Participants and beneficiaries of the ERISA Plans in connection with the acquisition and holding of ConAgra Foods Securities or the ConAgra Foods Stock Fund by the ERISA Plans or Plan Participants;

(28) any and all claims that the Company or any Releasee failed to appoint and/or adequately monitor ERISA Plan fiduciaries;

(29) any and all claims that any or all Releasees violated any ERISA duties relating to the acquisition, disposition, or retention of stock by the ERISA Plans;

(30) claims that would be barred by principles of res judicata if the claims asserted in the Consolidated Complaint or any complaint that Co-Lead Plaintiffs could have sought to file in the Action at any time and/or arising out of or related in any way to the acts, omissions, facts, matters, transactions, or occurrences that have been alleged or referred to in the Action had been fully litigated and resulted in a final judgment or order; and

(31) any and all other Claims or other matters relating in any way to the Company's finances, disclosures, financial condition or accounting practices, or the Releasees' disclosures to or communication with other parties, including, without limitation, the public and all lenders, creditors, shareholders, or other persons engaged in financial transactions with the Company.

Provided that the term "Released Claims" and "Released Claim" do not mean, and do not include, any claim relating to the purchase, sale, exchange, acquisition, disposal, or transfer of ConAgra Foods Securities that a Class Member may have made outside of and separate from the Class Member's participation or interest in the ERISA Plans.

aaa. "Releasee" means each and every one of, and "Releasees" means all of, the following: the Defendants, the ConAgra Foods, Inc. Employee Benefits Committee, the Company, the ERISA Plans, and their respective past and present directors, officers, employees, members, partners, principals, agents, attorneys, advisors, administrators, fiduciaries, consultants, recordkeepers, service providers, representatives, insurance carriers, accountants, auditors, estates, heirs, executors, agents, attorneys, accountants, trusts, trustees (including without limitation the Plan Trustee), administrators and assigns, as well as the John Does listed in the initial Complaints in the Action.

ii. "Unknown Claim" means any Claim that the Co-Lead Plaintiffs, the ERISA Plans, the fiduciaries of the ERISA Plans, and Class Members do not know or suspect to exist in his, her, or its favor at any time on or before the date that her, his, or its release becomes effective, and that, if known by him, her, or it, might have affected his, her, or its settlement with any of the Defendants or other Releasees or might have affected his, her, or its decision not to object to this Settlement Agreement.

B. Releases and Waivers Contained In The Settlement Agreement (*Using The Paragraph Numbers Where These Releases And Waivers Appear In The Settlement Agreement*).

40. Pursuant to the Order Approving Settlement and the Judgment, without further action by anyone, and subject to ¶ 42 below, effective on the Final Settlement Date, the Co-Lead Plaintiffs, the ERISA Plans, the fiduciaries of the ERISA Plans, and any and all Class Members, (including those who are parties to any other litigation, arbitration or other proceeding pending on the Final Settlement Date to the extent such litigation, arbitration or other proceeding is based upon a Released Claim and is brought against any or all of the Releasees), on behalf of themselves, their heirs, executors, administrators, beneficiaries, predecessors, successors, affiliates (as defined in 17 C.F.R. Part 210.1-02.b), assigns, any person or entity claiming by or through any of the Class Members, and any person or entity representing any or all Class Members, for good and sufficient consideration, the receipt and adequacy of which are hereby acknowledged, shall be deemed to have, and by operation of law and of the Judgment shall have, fully, finally, and forever released, relinquished, settled, and discharged all Released Claims against each and every one of the Defendants, Releasees, Co-Lead Plaintiffs, Plaintiffs' Co-Lead Counsel and Defendants' Counsel, including such Released Claims as already have been, could have been, or could be asserted directly, indirectly, representatively, derivatively, or in any other capacity in the Action or in any other pending litigation, arbitration, or other proceeding, whether formal or informal, and they individually and

collectively shall be permanently and finally enjoined from commencing or prosecuting any actions or proceedings asserting any of the Released Claims either directly, indirectly, representatively, derivatively, or in any other capacity.

41. Pursuant to the Order Approving Settlement and the Judgment, without further action by anyone, and subject to ¶ 42 below, effective on the Final Settlement Date, all Parties, on behalf of themselves, their heirs, executors, administrators, predecessors, successors, affiliates (as defined in 17 C.F.R. Part 210.1-02.b), assigns, any person or entity claiming by or through any of the Parties and any person or entity representing any or all Parties, for good and sufficient consideration, the receipt and adequacy of which are hereby acknowledged, shall be deemed to have, and by operation of law and of the Judgment shall have, fully, finally, and forever released, relinquished, settled, and discharged any and all Settled Parties' Claims, and they individually and collectively shall be permanently and finally enjoined from commencing or prosecuting any actions or proceedings asserting any of the Settled Parties' Claims either directly, indirectly, representatively, derivatively, or in any other capacity.

42. Notwithstanding §§ 40 & 41 above, nothing in the Judgment shall bar any action or claim by the Parties to enforce the terms of this Settlement Agreement or the Judgment.

43. Subject to ¶ 42 above, with respect to any and all Released Claims, the Parties stipulate and agree that the Co-Lead Plaintiffs, the ERISA Plans, the fiduciaries of the ERISA Plans, and each Class Member on behalf of himself or herself, his or her heirs, executors, administrators, beneficiaries, predecessors, successors, affiliates (as defined in 17 C.F.R. Part 210.1- 02.b), assigns, any person or entity claiming by or through any of the Class Members and any person or entity representing any or all Class Members shall have and be deemed to have waived and relinquished, to the fullest extent permitted by law, any and all provisions, rights and benefits conferred by Section 1542 of the California Civil Code or any federal, state, or foreign law, rule, regulation or common law doctrine that is similar, comparable, equivalent, or identical to, or which has the effect of, Section 1542 of the California Civil Code, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Notwithstanding the provisions of Section 1542 and any similar provisions, rights and benefits conferred by any law, rule, regulation or common law doctrine of California or in any federal, state or foreign jurisdiction, Co-Lead Plaintiffs, the ERISA Plans, the fiduciaries for the ERISA Plans, and Class Members understand and agree that the Release is intended to include all Released Claims that they have or may have in any capacity, including Released Claims that are Unknown Claims, and that they shall have and be deemed to have, effective on the Final Settlement Date fully, finally and forever settled and released any and all Released Claims whether or not they are Unknown Claims.

44. With respect to any and all Settled Parties' Claims, each Party on behalf of himself, herself or itself, its heirs, executors, administrators, predecessors, successors, affiliates (as defined in 17 C.F.R. Part 210.1-02.b), assigns, any person or entity claiming by or through any of the Parties and any person or entity representing any or all Parties stipulates and agrees that each such individual and entity shall have and be deemed to have waived and relinquished, to the fullest extent permitted by law, any and all provisions, rights and benefits conferred by Section 1542 of the California Civil Code or any federal, state, or foreign law, rule, regulation or common law doctrine that is similar, comparable, equivalent, or identical to, or which has the effect of, Section 1542 of the California Civil Code, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Notwithstanding the provisions of Section 1542 and any similar provisions, rights and benefits conferred by any law, rule, regulation or common law doctrine of California or in any federal, state or foreign jurisdiction, each individual and entity providing a release understands and agrees that the Release is intended to include all Claims and/or Unknown Claims that he, she or it has or may have that relate in any way to any or all acts directly or indirectly relating to the prosecution, defense or settlement of the Action or to this Settlement Agreement, including such Claims that are Unknown Claims. Each such individual and entity hereby stipulates and agrees that he, she or it shall have and be deemed to have, effective on the Final Settlement Date fully, finally and forever settled and released any and all Claims that relate in any way to any or all acts directly or indirectly relating to the prosecution, defense or settlement of the Action, or to this Settlement Agreement whether or not they are Unknown Claims.

45. The releases and waivers contained in §§ 43 and 44 were separately bargained for and are essential elements of this Settlement Agreement.

PLAN OF ALLOCATION

A. CALCULATION OF PARTICIPANT ALLOCATION

The allocation to each Participant in each ERISA Plan shall be determined by applying the following six-step process:

Step 1: Calculate the Units for each Participant as follows:

The Plan shall calculate the number of units held by each Participant in the ConAgra Foods Stock Fund (“Units”) as of the following dates:

September 18, 2003, December 31, 2003, March 31, 2004, June 30, 2004, September 30, 2004, December 31, 2004, March 31, 2005, June 30, 2005, September 30, 2005, December 31, 2005, March 31, 2006, June 30, 2006, September 30, 2006, December 31, 2006, March 31, 2007 and May 1, 2007.

If the Units cannot be determined as of the exact date specified, the closest, reasonable date thereto shall be used.

The sum of the Units of a Participant for all of the dates shall be referred to as the “Participant’s Total Units.”

Step 2: Calculate the settlement amount for each Participant:

Each Participant’s Total Units will be divided by the sum of the Participant Total Units for all Participants to determine the fraction of the settlement to be allocated to each Participant’s ERISA Plan account. The resulting fraction from each Participant’s ERISA Plan account will be multiplied times the total Net Cash Contribution to determine the settlement amount for each Participant’s ERISA Plan account.

For example, if the above calculation results in a 1,000 Participant Total Units for John Doe and the Total Participant Units for all Participants is 5,000,000, then John Doe will be entitled to .02% (1,000/5,000,000) of the total Net Cash Contribution. If the total Net Cash Contribution to be allocated is \$1,000,000, then John Doe would receive an allocation of \$200 (.02% x \$1,000,000).

Step 3: Calculate *De Minimis* Amounts:

Each Participant whose allocation of the Net Cash Contribution under any ERISA Plan is less than twenty dollars shall not receive an allocation from the Net Cash Contribution. These Participants will be identified and subsequently removed from percentage allocation calculation for the rest of the Participants described above.

Step 4: Remove the *De Minimis* Participants and rerun Step 2:

Remove the Participants receiving a de minimis amount in each ERISA Plan from the settlement calculation and the dollars associated with these Participants from the total amount remaining to be allocated. Rerun the calculation from Step 2.

Referring back to the John Doe example, if 5,000 Participants have de minimis amounts, then 5,000 Participants will be removed from the remaining allocation. The calculation will be rerun for the remaining Participants using the same Net Cash Contribution (\$1,000,000). Assume the Participant Total Units for the remaining Participants is 4,850,000. John Doe will be entitled to .020618556% (1,000/4,850,000) of the allocation and will receive a settlement allocation of \$206.19 (.020618556% x \$1,000,000).

Step 5: Audit and Posting of Settlement Amounts:

The ERISA Plan’s recordkeeper (“Recordkeeper”) will provide the calculated amounts by ERISA Plan and by Participant. The Recordkeeper shall post the Net Cash Contribution allocation to Participants’ accounts as soon as administratively feasible after receiving final written approval from the Court. This transaction will be posted as a market value adjustment and the proceeds will be invested in accordance with the current direction from Participants with respect to current contribution allocation.

Step 6: Calculate Residual Earnings:

Any residual earnings on the Net Cash Contribution credited to the ERISA Plans after the initial allocation to Participants will be allocated to Participants in the same proportion as the initial allocation of the Net Cash Contribution.

B. FUND TRANSFER & ALLOCATION MATTERS

Settlement Transfer

The total Net Cash Contribution will be wired to each ERISA Plan's trust from the Qualified Settlement Fund maintained by Plaintiffs' Co-Lead Counsel.

Participant Communications and Notification Requirements

Prior to the Recordkeeper processing the allocation of the Net Cash Contribution, a communication will be sent to Participants advising them of the terms of the Settlement Agreement (including the process for handling allocations to former Participants of the Plans). The Net Cash Contribution credited to Participant accounts will appear as a market value adjustment in the historical records and in the Participants' quarterly and annual statements.

Payments from the Plans

Distributions from the Plans will be in accordance with the applicable Plan document.

Deceased Participants/Alternate Payees

For any Participant who is deceased, the Participant's share of the Net Cash Contribution will be posted to their ERISA Plan account and then transferred to their account beneficiary based on previous direction.

Alternate payees who have previously received a portion of a former spouse's account pursuant to a qualified domestic relations order, will not be entitled to any portion of the Net Cash Contribution that is allocated to the former spouse. However, an alternate payee may be entitled to a portion of the Net Cash Contribution based on the application of the settlement calculation on their account in the ERISA Plans as described above. A subsequent domestic relations order may seek to award a portion of the Net Cash Contribution to an alternate payee and such an order will be reviewed based on the established procedures for the ERISA Plans.

Participant Inquiries

Participants' inquiries, including questions about the Plan of Allocation, the Net Cash Contribution, and the rights of Class Member will be directed to the Settlement Administrator as outlined below:

ConAgra Foods, Inc. ERISA Litigation
c/o Berdon Claims Administration LLC
P.O. Box 9014
Jericho, NY 11753-8914
Toll Free Telephone: (800) 766-3330
Facsimile: (516) 931-0810
Website: www.berdonclaims.com

CONAGRA

IMPORTANT LEGAL INFORMATION

ConAgra Foods, Inc. ERISA Litigation
c/o Berdon Claims Administration LLC
P.O. Box 9014
Jericho, NY 11753-8914

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