

ASSIGNMENT BY NOVATION

This Assignment by Novation, dated as of December 30, 1977, by and among FOODHOLD U.S.A. INCORPORATED, a Delaware corporation (hereinafter called "FOODHOLD"), BI-LO, Inc., a Delaware corporation and wholly-owned subsidiary of FOODHOLD (hereinafter called "BI-LO"), and Greenville County, South Carolina, a body politic and corporate political subdivision of the State of South Carolina (hereinafter called "Lessor"),

W I T N E S S E T H:

WHEREAS, BI-LO, Inc., a South Carolina corporation and predecessor to BI-LO ("BI-LO - South Carolina"), and the Lessor entered into and were parties to a lease, dated as of July 1, 1973 (hereinafter referred to as the "Lease"), which Lease has been duly recorded in the office of the Register of Mesne Conveyance of Greenville County, South Carolina; and

WHEREAS, pursuant to an Assignment by Novation, dated as of August 18, 1977, among BI-LO, BI-LO - South Carolina and the Lessor (the "Assignment"), BI-LO - South Carolina did assign and BI-LO did assume all of BI-LO - South Carolina's rights, title, interest, duties, obligations and liabilities under the Lease; and

WHEREAS, the Board of Directors of FOODHOLD proposes to approve and adopt a Plan of Merger of BI-LO with and into FOODHOLD, substantially in the form attached hereto and hereby incorporated herein as Appendix I (hereinafter called the "Plan"); and

WHEREAS, Section 14.02 of the Lease permits the consummation of the transactions contemplated by the Plan upon compliance with the provisions of Section 14.03 of the Lease,

NOW THEREFORE, in order to comply with Section 14.03 of the Lease and to provide for the merger of BI-LO with and into FOODHOLD and for the assignment by BI-LO and the assumption by FOODHOLD of all the obligations, duties, liabilities, covenants and agreement of BI-LO under the Lease, and in consideration of One Dollar and other valuable consideration, the parties hereto covenant and agree as follows: