

Plan of Merger of BI-LO, Inc.

with and into FOODHOLD U.S.A. INCORPORATED

Dated as of December 22, 1977

1. BI-LO, Inc. (hereinafter called "BI-LO") was organized under the General Corporation Law of the State of Delaware on June 23, 1977 and presently has outstanding 100 shares of Common Stock, \$.33 1/3 par value per share (hereinafter called "BI-LO Common Stock").

2. FOODHOLD U.S.A. INCORPORATED (hereinafter called "FOODHOLD" and sometimes collectively referred to, with BI-LO, as the "Constituent Corporations") was organized under the General Corporation Law of the State of Delaware on June 22, 1977 and presently has outstanding 100 shares of Common Stock, \$1.00 par value per share (hereinafter called "FOODHOLD Common Stock").

3. FOODHOLD owns all of the outstanding BI-LO Common Stock on the date hereof.

4. On the Effective Date of the Merger as said term is hereinafter defined, BI-LO shall merge with and into FOODHOLD, which shall be the surviving corporation after the merger (hereinafter called the "Surviving Corporation") and which shall continue to exist as a corporation created and governed by the laws of the State of Delaware.

5. The merger provided for herein shall be effective at the close of business of BI-LO, on December 31, 1977 (the "Effective Date of the Merger").

4328 RV-2