

EXHIBIT "C"

January 12, 2000

Mr. Carl Dugas
BR Foods, LLC
d/b/a Sherwood Forest Piggly Wiggly
35 Adin Drive
Mandeville, LA 70471

RE: BR Foods, LLC Facility Stand By Agreement,
Promissory Note, and Transition Fee Credit

Dear Mr. Dugas:

This letter will acknowledge that, in consideration of BR Foods, LLC's (Retailer)'s agreement to enter the Facility Stand By Agreement executed contemporaneously herewith (Agreement), Fleming Companies, Inc. (Fleming) has agreed to advance to Retailer upon execution of the Agreement certain funds which Retailer is expected to earn during the initial term of the Agreement, which funds total \$50,000.00, are evidenced by a promissory note of even date herewith (the Note), and consist of an advance of a portion of the five year total of the estimated annual transition fee of .50 percent of the \$2,600,000 Estimated Purchase Level, which would result in an annual transition fee of \$13,000.00, provided each such Estimated Purchase Level is achieved annually. The total amount of the transition fee earned annually will be credited against the annual Note payment and any additional principal amount outstanding under the Note, whether or not then due.

Please note that this advance is based on anticipated transition fees that would be due to Retailer only if Retailer achieves certain expected goals as defined in the Agreement, and that if such goals are not in fact achieved, all or some portion of each anticipated transition fee would not be due to Retailer, and accordingly, Retailer would be obligated to repay that portion of the annual Note payment not covered by the annual transition fee credit (the Deficiency). Such Deficiency would be equal to the difference between the \$2,600,000 Estimated Purchase Level and the actual purchases, multiplied by .50 percent. Retailer must repay the Deficiency upon 30

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days written notice setting forth the amount to be repaid; however, Fleming agrees that demand for repayment of the Deficiency will not be made and Retailer shall have the opportunity to cure the Deficiency during the subsequent, consecutive twelve (12) month period by increasing purchases during such subsequent period so that the average of the total purchases for both periods equals or exceeds the Estimated Purchase Level for each period, in which event, the Deficiency for the initial twelve (12) month period will be waived; provided further, however, that Fleming and Retailer agree that any unpaid Deficiency and all other outstanding principal under the Note, together with any interest that may be due thereon, will be due and paid in full upon termination of the Agreement. Please acknowledge and agree to these additional terms by executing this letter and returning it to the undersigned.

Yours very truly,

FLEMING COMPANIES, INC.

By: _____
Name: _____
Title: _____

Retailer Acknowledges and Agrees to the foregoing

BR FOODS, LLC
d/b/a Sherwood Forest Piggly Wiggly

By: _____
Carl Dugas, Manager
"Retailer"

January ^{3RD}, 2001

Bogalusa Foods, LLC
35 Adin Drive
Mandeville, Louisiana 70471
Attention: Mr. Carl Dugas

Re: Promissory Note in the Principal Amount of
\$355,555, payable to Fleming Companies,
Inc.

Gentlemen:

This letter will serve to amend the terms of the Promissory Note in the original principal amount of Three Hundred Fifty-Five Thousand Five Hundred Fifty-Five Dollars (\$355,555), of even date herewith, from Bogalusa Foods, LLC, a Louisiana limited liability company ("Borrower") to Fleming Companies, Inc. ("Fleming"), a copy of which is attached hereto as Exhibit "A" (hereinafter referred to as the "Note").

Notwithstanding the scheduled payment terms of the Note, if Borrower, through its retail grocery store located at 100 Cumberland Avenue, Bogalusa, Louisiana (the "Store"), purchases food, grocery and related products (collectively "Merchandise") from Fleming pursuant to the Facility Standby Agreement between Borrower and Fleming of even date herewith (the "Agreement"), which shall include direct store deliveries and central billing items billed through Fleming, and maintains the required Teamwork Score (as defined in the Agreement) annually during the scheduled payment term of the Note, then the indebtedness evidenced by the Note shall be forgiven on an annual basis in the amount of one-seventh (1/7) of the original outstanding principal amount plus any accrued unpaid interest. Provided, however, notwithstanding the foregoing, Borrower hereby understands and agrees that the outstanding principal plus accrued interest due under the Note remains payable in accordance with its terms, if at any time during the term of the Note, Borrower fails to meet the Teamwork Score required by the Agreement or fails to comply with the payment and performance requirements stated herein and in the Agreement.

Furthermore, in order to avail itself of the forgiveness of debt detailed in this Letter Agreement, Borrower shall certify to Fleming, on or within twenty (20) days after any annual principal installment date for the Note, the actual annual retail sales for the Store, and the total annual purchases from Fleming for the preceding year, measured from the date of the Agreement. Such certification shall be signed by the Managing Member of Borrower and delivered to Fleming at its offices located at 108 Kol Drive, Broussard, Louisiana 70518, Attention: Division President.

Payment of the annual installment of principal plus accrued interest shall be postponed during such twenty (20) day period, however, if the aforementioned certification verifying compliance, is not received by Fleming within said twenty (20) day period, the annual installment of principal plus accrued interest of the Note shall be immediately due and payable.

The foregoing forgiveness of the Note indebtedness is further subject to the timely payment of all indebtedness and performance of all obligations owed to Fleming or any of its affiliates by Borrower, including without limitation payment of all trade account indebtedness owed to Fleming in accordance with payment terms set forth in Fleming's billing statements.

Notwithstanding anything contained herein to the contrary, if Borrower, (i) at the end of the scheduled payment term of the Note, has not met or exceeded the aforementioned Teamwork Score requirement for each year while the Note is outstanding, or (ii) at any time during the scheduled payment term of the Note no longer uses Fleming as its primary supplier of Merchandise (even though Borrower has achieved the required Teamwork Score requirement up to the time of changing suppliers) then Borrower shall pay to Fleming, the then outstanding principal amount, plus accrued interest of the Note.

The Note is not amended, changed or affected in any way except as stated herein and nothing contained herein shall be construed to alter the obligation contained in the Note to pay the same on demand.

If the foregoing agreement is acceptable to you and confirms our understanding, please indicate your acceptance and agreement by signing and dating this letter and the enclosed copy in the space provided and returning the executed copy to the undersigned.

Very truly yours,

FLEMING COMPANIES, INC.

By: William G. Rice
Title: Vice President, Shared Services-Real Estate

The amendment of the Note as set forth above is accepted and agreed to this 3rd day of January, 2001.

BOGALUSA FOODS, LLC

By: Carl Dugas
Carl Dugas, Manager

EXHIBIT A
DEMAND NOTE

\$355,555

January _____, 2001

FOR VALUE RECEIVED, the undersigned (hereinafter called the "Borrower") promises to pay to the order of FLEMING COMPANIES, INC., an Oklahoma corporation (the "Lender"), at 5701 N. Shartel, Oklahoma City, Oklahoma, on demand, the principal sum of THREE HUNDRED FIFTY-FIVE THOUSAND FIVE HUNDRED FIFTY-FIVE DOLLARS (\$355,555), together with interest on the principal amount outstanding from the date hereof until paid in full at a fluctuating rate per annum equal to the Prime Rate plus three percent (3%).

The term "Prime Rate" means the rate of interest published from time to time by *The Wall Street Journal*, and designated as the Prime Rate in the "Money Rates" section of such publication. If such publication describes the Prime Rate as a range of rates, for purposes of this Note, the Prime Rate shall be the highest rate designated in such range. The Prime Rate is a reference rate which describes the base rate on corporate loans and does not necessarily represent actual transactions or the best or lowest rate of interest actually charged to any borrower. The interest rate under this Note shall be adjusted as of January 1, April 1, July 1 and October 1 of each year (the "Adjustment Date") to equal three percent (3%) plus the Prime Rate. The interest rate to which the rate hereunder shall be adjusted will be based upon the Prime Rate as of the last business day of the month preceding each Adjustment Date. Interest shall be computed on the basis of a year consisting of 364 days. The Borrower acknowledges that the Prime Rate effective on the date of execution of this Note is nine and one-half percent (9.5%) per annum, and that the amount outstanding under this Note on this date will initially bear interest at the rate of twelve and one-half percent (12.5%) per annum.

Payment Terms:

This Note shall be payable on demand. Until such demand is made, payments shall be made in equal annual payments of principal and accrued unpaid interest commencing on January 4, 2002, and continuing on each anniversary date of this Note until January 4, 2008, at which time the outstanding principal balance, together with accrued unpaid interest shall be fully due and payable. As each installment is paid, the same shall be applied first to accrued interest on the outstanding principal balance of this Note, and the balance to the payment of principal. If no demand is made prior thereto, the entire principal balance of this Note, together with accrued interest, shall be due and payable in full on January 4, 2008 without the necessity of actual demand. This Note is a demand note subject to being called at any time without reason upon actual demand by the holder. The inclusion of a payment schedule in this Note is merely to provide terms for payment prior to demand, and does not affect or impair the holder's absolute right to demand payment of this Note at any time without reason. The Borrower has agreed that the holder may make demand at any time before the final payment date specified above.

This Note may be prepaid in whole or in part at any time and from time to time, without penalty, but with interest to the date of payment on the amount prepaid.

On the failure to make any payment on this Note on or before its due date, or on the breach of or default under any other provision of this Note, or on the breach of any provision of the Facility Standby Agreement between Borrower and Lender of even date herewith, or on the breach of any provision of any other agreement between Borrower or Lender, or on the commencement of any bankruptcy proceedings by or against the maker hereof, at the option of the holder, the entire indebtedness evidenced hereby will become due, payable and collectible then or thereafter as the holder may elect, regardless of the date of maturity hereof. Notice of the exercise of such option is hereby expressly waived. Failure by the holder to exercise such option shall not constitute a waiver of the right to exercise the same in the event of any subsequent default.

If any payment of principal and/or interest on this Note is not paid when due, then such payment, at the option of the holder, shall bear interest at a rate of interest equal to six percent (6%) per annum in addition to the annual rate of interest otherwise payable hereunder, provided that the total interest rate to be paid hereunder, including when such late charge is added to the Prime Rate plus three percent (3%) or otherwise, shall in no event exceed the highest rate provided by applicable law.

Payments made by Borrower may, at the option of the holder hereof, be applied as follows: First to Borrower's trade account payable to Lender or any affiliate of Lender, second to default interest, third to non-default interest and then to principal. Borrower, and each other party now or hereafter liable for payment of this Note as endorser, accommodation party, surety, guarantor or otherwise hereby: (i) waives the benefit of any and all present or future applicable exemption laws; (ii) waives presentment, the form of demand for payment, notice of dishonor and protest and any and all other notices or defenses in connection with the delivery, acceptance, performance, or enforcement of, or default under this Note; (iii) consents to any extensions of time for payment, renewals, releases of any party to or security for this Note, and any waivers, modifications or indulgences that may be granted or consented to by the holder respecting this Note; (iv) agrees to pay, in addition to all other sums due hereunder, all costs and expenses relating to the collection and enforcement of this Note, including reasonable attorney's fees, court costs and disbursements; (v) agrees that demand for payment hereunder may be made by any means either orally or in writing by the holder hereof, including without limitation hand delivery, mail, express or expedited delivery, telecopy or telefax and if notice of demand is given by mail, evidence of mailing to the Borrower at the address below by return receipt shall be sufficient; (vi) waives the right, if any, to a jury trial for any action, cause of action or claim arising under or in any way related to this Note or in connection with this loan transaction or any related transactions; and (vii) agrees that any applicable statute of limitations for judicial enforcement of this Note shall not commence to run until the earlier of an actual demand or the stated maturity date set forth above, unless such maturity date is extended in writing by the holder of this Note, then such extended maturity date shall be the maturity date.

This Note is secured by, among other things, a security agreement executed by Borrower granting security interests in certain assets of Borrower. The security agreement secures additional indebtedness of the Borrower and contains provisions concerning default with respect to such additional indebtedness. It is not necessary that one of the events of default specified in the security agreement occurs before the holder of this Note may demand payment

hereunder. The reference in the security agreement to events of default shall not affect or impair the holder's right to demand payment of this Note at any time without reason.

Any provision in this Note to the contrary notwithstanding, the obligations of the Borrower under this Note are intended to be limited so that in no event whatsoever, whether by reason of disbursement of the proceeds hereof or otherwise, shall the amount of interest or finance charge paid or agreed to be paid by the Borrower to the holder hereof exceed the highest lawful contract rate of interest or the maximum finance charge permissible under the law which a court of competent jurisdiction, by nonappealable order, determines to be applicable to this Note. If fulfillment of any agreement between the Borrower and the holder, at the time the performance of such agreement becomes due, involves exceeding such highest lawful contract rate for such maximum permissible finance charge, then the obligation to fulfill the same shall be reduced so that such obligation does not exceed such highest lawful contract rate or maximum permissible finance charge. If by any circumstance the holder shall ever receive as interest or finance charge an amount that would exceed the amount allowed by applicable law, the amount which may be deemed excessive shall be deemed applied to the principal of the indebtedness evidenced hereby and not to interest. All interest and finance charges paid or agreed to be paid to the holder shall be prorated, allocated and spread throughout the full period of this Note. This paragraph shall control all the terms of this Note and of any other document executed in connection herewith. If any provision of this Note or the application thereof to any party or encumbrance is held invalid or unenforceable, the remainder of this Note and the application of such provision to other parties or circumstances shall not be affected thereby, provisions of this Note being severable in such instance.

Fleming may assign, pledge or otherwise transfer this Note, in whole or in part, and may otherwise deal with this Note and all security for the repayment hereof, and any subsequent holder of this Note shall have all of the benefits, rights and privileges of Fleming hereunder and with respect to any security instrument relating hereto.

IN WITNESS WHEREOF, the undersigned has duly executed this Note as of the date first above written.

BOGALUSA FOODS, LLC, a Louisiana limited
liability company

By: _____
Carl Dugas, Manager