

TAB 117

DEMAND NOTE

\$400,000

February 26, 2003

FOR VALUE RECEIVED, the undersigned, jointly and severally, if more than one, (hereinafter called the "Borrower"), promises to pay to the order of Fleming Companies, Inc. ("Fleming") an Oklahoma corporation, at 5701 North Shartel, Oklahoma City, Oklahoma 73118, or at such other place as may be designated from time to time by the holder of this Note, **ON DEMAND** the principal sum of Four Hundred Thousand Dollars (\$400,000), 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 greater of (i) the Prime Rate plus three (3) percentage points, or (ii) nine percent (9%).

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 interest rate under this Note shall be adjusted as of the date the first weekly installment is due hereunder following January 1, April 1, July 1 and October 1 of each year (the "Adjustment Date") to equal to the greater of (i) the Prime Rate plus three (3) percentage points, or (ii) nine percent (9%). The interest rate to which the rate hereunder shall be adjusted will be based upon the Prime Rate published on 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 four and one-fourth percent (4.25%) per annum, and that the amount outstanding under this Note on this date will initially bear interest at the rate of nine percent (9%) per annum.

Payment Terms:

This Note shall be payable on demand. Until such demand is made, payments shall be made as follows: Consecutive weekly installments of principal and interest with each installment in the amount of One Thousand Nine Hundred Eleven and 80/100 Dollars (\$1,911.80) commencing on March 14, 2003, and on the same day of each and every week thereafter until paid in full. In the event the Prime Rate increases so that the amount of the weekly installments set forth herein is insufficient to pay the accrued interest, Borrower agrees to pay an increased weekly installment in an amount sufficient to pay accrued interest. As each weekly installment is paid, the same shall be applied first to accrued interest on the outstanding principal balance of this Note, and the balance, if any, 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 March 14, 2008. 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. So long as (i) Borrower is not in default under any agreement between Borrower and Fleming when demand is made or thereafter, and (ii) Borrower and Gary Cope

and Gary Cope maintain the minimum inventory level in their respective retail grocery stores as required by the Security Agreement executed by Borrower and Gary Cope of even date herewith in favor of Fleming, then Borrower shall have thirty (30) days from the date of demand to pay Fleming the then outstanding balance of this Note, plus accrued interest through the date of payment.

Borrower may, at any time, and from time to time, on thirty (30) days prior written notice to holder, prepay the unpaid principal balance of this Note in whole or in part without premium or penalty, but with all accrued but unpaid interest to the date of prepayment. Any partial prepayment of principal shall not postpone the due date of any subsequent installment provided in this Note or change the amount of any such installment.

Any amount not paid on or before the date required by this Note will bear interest at a rate equal to the lesser of (i) nine percent (9%) plus the Prime Rate and, (ii) the maximum rate of interest allowed by applicable law. The holder of this Note may collect a late charge equal to five percent (5%) of any installment that is not paid on the date required by this Note for the purpose of covering the extra expenses involved in handling the delinquent payment. This late charge shall not be applicable if the holder elects to receive interest at the increased rate provided above.

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, for payment, notice of intent to demand, notice of dishonor of nonpayment and notice of protest and any and all other notices or defenses in connection with the delivery, acceptance, performance, or enforcement of, 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 attorneys' fees, court costs and disbursements; (v) agrees that demand for payment hereunder may be made in writing by the holder hereof, including without limitation hand delivery, mailing, express 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 final payment date set forth above, unless such date is extended in writing by the holder of this Note, which shall then be the final payment date.

This Note is secured by, among other things, a security agreement executed by Borrower granting a security interest 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 occur 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.

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 or financial statements/information of Borrower relating hereto.

This Note is issued by the Borrower and accepted by the holder pursuant to a lending transaction negotiated, consummated, and to be performed in the State of California, and this Note is to be governed by and construed according to the domestic laws of the State of California without giving effect to the conflict of law provision (whether of the State of California or any other jurisdiction) that would cause the application of the law of any other jurisdiction. This Note is given for an actual loan of money for business purposes and not for personal, residential, or agricultural purposes. The records of holder shall be prima facie evidence of the amount owing on this Note.

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 principle 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.

IN WITNESS WHEREOF, the undersigned has duly executed this Note, this 26th day of February, 2003.

CRUCO FOODS, INC., a California corporation

By 

Name: BOBIE S. LUC

Title: J.P.

By *Gay Cole*
Name: *Gay Cole*
Title: *President*

Notice Address:
600 Norris Road
Bakersfield, California 93308

TAB 118

PROMISSORY NOTE

25-1111
114

\$408,435.87

July 9, 1993

FOR VALUE RECEIVED, the undersigned (the "Maker") promises to pay to the order of Fleming Foods West, Inc. at 3771 Channel Drive, West Sacramento, CA 95691, or at such other place as may be designated in writing by the holder of this Note, the principal sum of Four Hundred Eight Thousand Four Hundred Thirty-Five and 87/100 DOLLARS (\$408,435.87), with interest thereon at the rate specified below, in lawful money of the United States of America, as follows:

The unpaid principal amount of this Note from time to time outstanding shall bear interest from the date hereof to maturity at a rate per annum equal to the sum of three percent (3%) plus the Prime Rate. The term "Prime Rate" means the rate of interest publicly announced by Morgan Guaranty Trust Company of New York in New York City from time to time as its Prime Rate. The Prime Rate is a reference rate and does not necessarily represent the best or lowest rate of interest actually charged to any customer of such bank. The interest rate under this Note shall be adjusted on the date the first weekly installment is due hereunder following January 1, April 1, July 1 and October 1 of each year (the "Adjustment Date") to equal 3% plus the Prime Rate as of the last business day of the second month preceding each Adjustment Date. Interest shall be computed on the basis of a year consisting of 364 days. The Maker acknowledges that the Prime Rate effective on the date of execution of this Note is 6% per annum, and that the amount outstanding under this Note on this date will initially bear interest at the rate of 9% per annum.

[Signature]
This Note shall be payable in weekly installments of principal and interest in the amount of One Thousand One Hundred Ninety-One and 86/100 Dollars (\$1,191.86), commencing on 7-23-93, 1993 and on the same day of each and every week thereafter until paid in full. In the event the Prime Rate increases so that the amount of the weekly installments set forth herein is insufficient to pay the accrued interest, Maker agrees to pay an increased weekly installment in an amount sufficient to pay accrued interest. As each weekly installment is paid, the same shall be applied first to accrued interest on the outstanding principal balance of this Note, and the balance, if any, to the payment of principal. The entire principal balance of this Note, together with accrued interest, shall be due and payable in full on 7-23, 1998. If any installment of this Note is not paid within ten (10) days of the date such payment is due, the maker shall pay a late charge in the amount of five percent (5%) of such installment, or \$100, whichever is greater.

The Maker may prepay this Note in whole or in part at any time without penalty or premium. All partial prepayments will be applied in payment of the last maturing principal installments and will not postpone the due date of any subsequent weekly installments or change the amount of such installments, unless the holder shall otherwise agree in writing.

Payment of this Note is secured by a Security Agreement and other collateral documents.

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, the Security Agreement or any other agreement now or hereafter securing payment of this Note, 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.

The acceptance by the holder of any payment which is less than the total of all amounts due and payable at the time of such payment shall not constitute a waiver of the right to exercise any remedies or options at that time or any subsequent time, or nullify any prior exercise of such remedy or option, without the express consent of the holder.

After maturity and at any time while any default exists in the making of any of the payments herein, whether principal or interest, or both, or in the performance or observance of any other covenants, agreements or conditions of this Note or of any agreement now or hereafter securing the indebtedness evidenced hereby, the Maker promises to pay interest on the principal balance of this Note then outstanding from the date of maturity or the date of such default until paid at the annual rate equal to the sum of five percent (5%) plus the Prime Rate from time to time in effect (but not less than the rate in effect at such maturity or on default). During the existence of any default, the holder of this Note may apply payments received on any amounts due hereunder, or under the terms of any instrument now or hereafter evidencing or securing such indebtedness, as the holder may determine. Any additional interest which has accrued shall be payable at the time of, and as a condition precedent to, the curing of any default.

The Maker agrees that if and as often as this Note is placed in the hands of an attorney for collection, or to defend or enforce any of the holder's rights hereunder, the Maker will pay to the holder hereof reasonable attorney's fees, to the extent allowed by law, together with all court costs and other expenses incurred in connection therewith, whether or not an action shall be instituted to enforce this Note.

All agreements between the Maker and the holder hereof are expressly limited so that in no event whatsoever shall the amount of interest or finance charge paid or agreed to be paid by the Maker hereunder exceed the highest lawful contractual rate of interest or the maximum finance charge permissible under the law which a court of competent jurisdiction, by final non-appealable order, determines to be applicable hereto. If fulfillment of any agreement between the Maker and the holder, at the time the performance of such agreement becomes due, involves exceeding such highest lawful contractual rate or such maximum permissible finance charge, then the obligation to fulfill the same shall be reduced to the maximum amount which does not exceed such highest lawful contractual rate or maximum permissible finance charge. If by any circumstance the holder shall ever receive as interest or finance charge an amount which 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. The terms and provisions of this paragraph shall control all other terms and provisions contained herein and in any of the other documents executed in connection herewith. If any provision of this Note or the application thereof to any party or circumstance 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, the provisions of this Note being severable in any such instance.


The Maker and the endorsers, sureties, guarantors, and all other persons who may become liable for all or any part of this obligation severally waive presentment for payment, protest and notice of nonpayment. Such parties consent to any extension of time of payment hereof, whether one or more, any renewal hereof, whether one or more, release of all or any part of the security for the payment hereof and any release of any party liable for payment of this obligation. Any such extension, renewal or release may be made at any time and from time to time without notice to any such party and without discharging such party's liability hereunder.

This Note shall be governed by, and construed in accordance with, the internal laws of the State of California. This Note is given for an actual loan of money for business purposes and not for personal, residential, household or agricultural purposes.

IN WITNESS WHEREOF, the undersigned has executed this Note the day and year first above written.

L & V, Incorporated

ATTEST:


LeReece DeStefani, Secretary

(Seal)

BY 
Victor DeStefani, President

Address:

1340 Fulton Avenue
Sacramento, CA 95825

PAY TO THE ORDER OF
FLEMING COMPANIES, INC.,
WITHOUT RECOURSE
BY FLEMING FOODS WEST, INC.

THIS PROMISSORY NOTE IS HEREBY ASSIGNED BY FLEMING COMPANIES, INC. AND MADE PAYABLE TO THE ORDER OF BOATMEN'S FIRST NATIONAL BANK OF OKLAHOMA SOLELY IN ITS CAPACITY AS TRUSTEE OF FLEMING COMPANIES 1993-A GRANTOR TRUST, WITHOUT RECOURSE BUT WITHOUT LIMITATION OF FLEMING COMPANIES, INC.'S OBLIGATION UNDER POOLING, SERVICING AND CUSTODIAL TRUST AGREEMENT DATED AS OF NOV. 16th, 1993.

Bank One Trust Company, NA as Successor Trustee to Liberty Bank and Trust Company of Oklahoma City, NA., as Successor Trustee to Boatmen's Bank on the 1993 A Grantor Trust, reconveys the foregoing note to Fleming Companies.

TAB 119

PROMISSORY NOTE

114-1127
114 1129
\$52,171.38

February 28, 1995

FOR VALUE RECEIVED, the undersigned (the "Maker") promises to pay to the order of FLEMING COMPANIES, INC. at its Northern California Division offices at 3771 Channel Drive, West Sacramento, California, 95691 or at such other place as may be designated in writing by the holder of this Note, the principal sum of Fifty Two Thousand One Hundred Seventy One and 38/100 Dollars (\$52,171.38), with interest thereon at the rate specified below, in lawful money of the United States of America, as follows:

The unpaid principal amount of this Note from time to time outstanding shall bear interest from the date hereof to maturity at a rate per annum equal to the sum of nine percent (9%).

This Note shall be payable in monthly installments of principal and interest in the amount of Two Hundred Fifty Three and No/100 Dollars (\$253.00), commencing on March 15, 1995, and on the same day of each and every month thereafter until paid in full. As each monthly installment is paid, the same shall be applied first to accrued interest on the outstanding principal balance of this Note, and the balance, if any, to the payment of principal. The entire principal balance of this Note, together with accrued interest, shall be due and payable in full on March 15, 2005. If any installment of this Note is not paid within ten (10) days of the date such payment is due, the maker shall pay a late charge in the amount of One Hundred and No/100 Dollars (\$100.00).

Except as set forth specifically herein, the acceptance by the holder of any payment which is less than the total of all amounts due and payable at the time of such payment shall not constitute a waiver of the right to exercise any remedies or options at that time or any subsequent time, or nullify any prior exercise of such remedy or option, without the express consent of the holder. In the event that the principal of this Note is reduced by Twenty Thousand and No/100 Dollars (\$20,000.00) and none of the payments due prior to such time on the Note have been late and no breach of or default under any provision of this Note, or any other agreement now or hereafter securing payment of this Note, has occurred prior to such time, then the balance of the Note shall be extinguished and this Note shall be canceled and returned to Maker.

Payment of this Note is secured by that Deed of Trust made March 10, 1994 as modified on or about February 28, 1995.

The Maker may prepay this Note in whole or in part at any time without penalty or premium. All partial prepayments will be applied in payment of the last maturing principal installments and will not postpone the due date of any subsequent weekly installments or change the amount of such installments, unless the holder shall otherwise agree in writing.

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 any other agreement now or hereafter securing payment of this Note, 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.

After maturity and at any time while any default exists in the making of any of the payments herein, whether principal or interest, or both, or in the performance or observance of any other covenants, agreements or conditions of this Note or of any agreement now or hereafter securing the indebtedness evidenced hereby, the Maker promises to pay interest on the principal balance of this Note then outstanding from the date of maturity or the date of such default until paid at the annual rate equal to fourteen percent (14%). During the existence of any default, the holder of this Note may apply payments received on any amounts due hereunder, or under the terms of any instrument now or hereafter evidencing or securing such indebtedness, as the holder may determine. Any additional interest which has accrued shall be payable at the time of, and as a condition precedent to, the curing of any default.

The Maker agrees that if and as often as this Note is placed in the hands of an attorney for collection, or to defend or enforce any of the holder's rights hereunder, the Maker will pay to the holder hereof reasonable attorney's fees, to the extent allowed by law, together with all court costs and other expenses incurred in connection therewith, whether or not an action shall be instituted to enforce this Note.

All agreements between the Maker and the holder hereof are expressly limited so that in no event whatsoever shall the amount of interest or finance charge paid or agreed to be paid by the Maker hereunder exceed the highest lawful contractual rate of interest or the maximum finance charge permissible under the law which a court of competent jurisdiction, by final non-appealable order, determines to be applicable hereto. If fulfillment of any agreement between the Maker and the holder, at the time the performance of such agreement becomes due, involves exceeding such

highest lawful contractual rate or such maximum permissible finance charge, then the obligation to fulfill the same shall be reduced to the maximum amount which does not exceed such highest lawful contractual rate or maximum permissible finance charge. If by any circumstance the holder shall ever receive as interest or finance charge an amount which 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. The terms and provisions of this paragraph shall control all other terms and provisions contained herein and in any of the other documents executed in connection herewith. If any provision of this Note or the application thereof to any party or circumstance 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, the provisions of this Note being severable in any such instance.

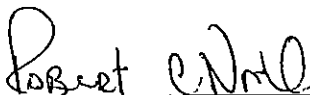
The Maker and the endorsers, sureties, guarantors, and all other persons who may become liable for all or any part of this obligation severally waive presentment for payment, protest and notice of nonpayment. Such parties consent to any extension of time of payment hereof, whether one or more, any renewal hereof, whether one or more, release of all or any part of the security for the payment hereof and any release of any party liable for payment of this obligation. Any such extension, renewal or release may be made at any time and from time to time without notice to any such party and without discharging such party's liability hereunder.

This Note shall be governed by, and construed in accordance with, the internal laws of the state of California. This Note is given for an actual credit extended for business purposes and not for personal, residential, household or agricultural purposes.


IN WITNESS WHEREOF, the undersigned has executed this Note the day and year first above written.

WITNESS:

(Seal)



Robert C. North



Susan M. North

Address:

6045 North Eldorado
Stockton, California 95207

TAB 120

114-1142

DEMAND NOTE

RM
April
March 02, 1998

\$550,000.00

FOR VALUE RECEIVED, the undersigned, jointly and severally, if more than one, (hereinafter called the "Borrower"), promises to pay to the order of Fleming Companies, Inc., ("Fleming") an Oklahoma corporation, at 3771 Channel Drive, West Sacramento, California 95691, or at such other place as may be designated from time to time by the holder of this Note, ON DEMAND the principal sum of Five Hundred Fifty Thousand Dollars (\$550,000.00), 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 (3) percentage points. All payments on this Note shall be made in lawful tender of the United States of America in immediately available funds.

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 interest rate under this Note shall be adjusted as of the date the first weekly installment is due hereunder following January 1, April 1, July 1 and October 1 of each year (the "Adjustment Date") to equal the Prime Rate plus three (3) percentage points. The interest rate to which the rate hereunder shall be adjusted will be based upon the Prime Rate published on 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 8.50% per annum, and that the amount outstanding under this Note on this date will initially bear interest at the rate of 11.50% per annum.

Payment Terms:

THIS NOTE SHALL BE PAYABLE ON DEMAND. Until such demand is made, payments shall be made as follows: Consecutive weekly installments of principal and interest, with each installment in the amount of Two Thousand Four Hundred Forty-Two Dollars and Twenty-Six Cents (\$2,442.26), commencing on April 17, 1998, and on the same day of each and every week thereafter until April 17, 2004, at which time all sums due under this Note shall be due and payable in full. In the event the Prime Rate increases so that the amount of the weekly installments set forth herein is insufficient to pay the accrued interest, Borrower agrees to pay an increased weekly installment in an amount sufficient to pay accrued interest. As each weekly installment is paid, the same shall be applied first to accrued interest on the outstanding principal balance of this Note, and the balance, if any, 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 April 17, 2004. Failure by the holder to

make demand for payment in full upon a default, shall not constitute a waiver of any right to exercise a demand for payment subsequent thereto.

This Note is a demand Note subject to being called at any time without reason upon actual demand by the holder in its sole and absolute discretion. 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.

Borrower may, at any time, and from time to time, on thirty (30) days prior written notice to holder, prepay the unpaid principal balance of this Note in whole or in part without premium or penalty, but with all accrued but unpaid interest to the date of prepayment. Any partial prepayment of principal shall not postpone the due date of any subsequent installment provided in this Note or change the amount of any such installment.

Any amount not paid on or before the date required by this Note will bear interest at a rate equal to the lesser of (i) 9% plus the Prime Rate, and (ii) the maximum rate of interest allowed by applicable law ("Default Rate"). The holder of this Note may collect a late charge ("Late Charge") equal to 5% of any installment that is not paid on the date required by this Note for the purpose of covering the extra expenses involved in handling the delinquent payment. This Late Charge shall not be applicable if the holder elects to receive interest at the Default Rate. Borrower acknowledges and agrees that the Late Charge and the Default Rate are reasonable considering all of the circumstances existing on the date of this Note, and represent a fair and reasonable estimate of the holder's damages as a result of Borrower's failure to pay on time, upon a default or at maturity.

Borrower and each other party now or hereafter liable for payment of this Note as endorser, accommodation party, surety, guarantor or otherwise hereby: (i) waive presentment for payment, notice of intent to demand, notice of dishonor of nonpayment and notice of protest and any and all other notices or defenses in connection with the delivery, acceptance, performance or enforcement of this Note; (ii) consent 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; (iii) agree 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 attorneys' fees, court costs and disbursements; (iv) agree 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, mailing, express 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; (v) **wave 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 (vi) agree 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 final payment date set forth above, unless such date is extended in writing by the holder of this Note, which shall then be the final payment date.

This Note is secured by, among other things, a Security Agreement executed by Borrower granting a security interest in certain assets of Borrower. The Security Agreement also 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 occur 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.

Fleming or any holder 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 or financial statements/information of Borrower relating hereto.

This Note is issued by the Borrower and accepted by the holder pursuant to a lending transaction negotiated, consummated, and to be performed in the State of California, and this Note is to be governed by and construed according to the domestic laws of the State of California without giving effect to the conflict of law provision (whether of the State of California or any other jurisdiction) that would cause the application of the law of any other jurisdiction. This Note is given for an actual loan of money for business purposes and not for personal, residential, or agricultural purposes. The records of holder shall be *prima facie* evidence of the amount owing on this Note.

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 circumstances 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. No previous waiver and no failure or delay by any holder in acting with respect to the terms of this Note shall constitute a waiver of any breach, default or failure of condition under this Note. Any waiver must be in writing by a duly authorized person on behalf of holder and shall be limited to the express terms of such waiver.

R.M.S.

IN WITNESS WHEREOF, the undersigned has duly executed this Note, this and day of ~~March~~, 1998.
April

Notice Address:

Molsberry Markets, Inc.
522 Larkfield Center
Santa Rosa, CA 95403
Attn.: President

Molsberry Markets, Inc.
a California Corporation

By: *Robert M. Molsberry*
Robert M. Molsberry

Its: President

By: *Richard A. Molsberry*
Richard A. Molsberry

Its: Secretary/Treasurer

TAB 121

114-1144

DEMAND NOTE

\$484,500.00

26 July, 1999

FOR VALUE RECEIVED, the undersigned, jointly and severally, if more than one, (hereinafter called the "Borrower"), promises to pay to the order of Fleming Companies, Inc., ("Fleming") an Oklahoma corporation, at 3771 Channel Drive, West Sacramento, California 95691, at such other place as may be designated from time to time by the holder of this Note, **ON DEMAND** the principal sum of Four Hundred Eighty-Four Thousand Five Hundred Dollars (\$484,500.00), 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 (3) percentage points.

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 interest rate under this Note shall be adjusted as of the date the first weekly installment is due hereunder following January 1, April 1, July 1 and October 1 of each year (the "Adjustment Date") to equal the Prime Rate plus three (3) percentage points. The interest rate to which the rate hereunder shall be adjusted will be based upon the Prime Rate published on 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 July 1, 1999, is eight percent (8%) per annum, and that the amount outstanding under this Note on this date will initially bear interest at the rate of eleven percent (11%) per annum.

Payment Terms:

This Note shall be payable on demand. Until such demand is made, payments shall be made as follows: One hundred and fifty six (156) consecutive weekly installments of principal and interest with each installment in the amount of Three Thousand Six Hundred Forty-Three Dollars and Thirty-Seven Cents (\$3,643.37) commencing on 2 August, 1999, and on the same day of each and every week thereafter for the next one hundred fifty-five (155) weeks; provided, however, with the 156th such weekly payment, all amounts due under this Note in excess of the regular weekly payment shall also be paid in full. In the event the Prime Rate increases so that the amount of the weekly installments set forth herein is insufficient to pay the accrued interest, Borrower agrees to pay an increased weekly installment in an amount sufficient to pay accrued interest. As each weekly installment is paid, the same shall be applied first to accrued interest on the outstanding principal balance of this Note, and the balance, if any, to the payment of principal. If no demand is made prior thereto, the

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entire principal balance of this Note, together with accrued interest, shall be due and payable in full ^{three} one year from the date of this Note. 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.

Borrower may, at any time, and from time to time, on 30 days prior written notice to holder, prepay the unpaid principal balance of this Note in whole or in part without premium or penalty, but with all accrued but unpaid interest to the date of prepayment. Any partial prepayment of principal shall not postpone the due date of any subsequent installment provided in this Note or change the amount of any such installment.

Any amount not paid on or before the date required by this Note will bear interest at a rate equal to the lesser of (i) 9% plus the Prime Rate and, (ii) the maximum rate of interest allowed by applicable law. The holder of this Note may collect a late charge equal to 5% of any installment that is not paid on the date required by this Note for the purpose of covering the extra expenses involved in handling the delinquent payment. This late charge shall not be applicable if the holder elects to receive interest at the increased rate provided above.

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 presentment, for payment, notice of intent to demand, notice of dishonor of nonpayment and notice of protest and any and all other notices or defenses in connection with the delivery, acceptance, performance, or enforcement of, this Note; (ii) 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; (iii) 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; (iv) 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, mailing, express 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; (v) **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 (vi) 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 final payment date set forth above, unless such date is extended in writing by the holder of this Note, which shall then be the final payment date.

This Note is secured by, among other things, a security agreement executed by Borrower granting a security interest 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 occur 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.

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 or financial statements/information of Borrower relating hereto.

This Note is issued by the Borrower and accepted by the holder pursuant to a lending transaction negotiated, consummated, and to be performed in the State of California, and this Note is to be governed by and construed according to the domestic laws of the State of California without giving effect to the conflict of law provision (whether of the State of California or any other jurisdiction) that would cause the application of the law of any other jurisdiction. This Note is given for an actual loan of money for business purposes and not for personal, residential, or agricultural purposes. The records of holder shall be prima facie evidence of the amount owing on this Note.

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 principle 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.

IN WITNESS WHEREOF, the undersigned has duly executed this Note on the day and year first above written.

L & V, INC., a
California corporation

By: 
LaREECE DeSTEFANI,
President and Secretary

Notice Address:

L & V, Inc.
5820 S. Land Park Drive
Sacramento, California 95822

TAB 122

DEMAND NOTE

Principal Sum: \$510,000.00

Date of This Note: November 20, 2000

First Weekly Payment Date: JAN 2, 2000 ^{MS}

FOR VALUE RECEIVED, the undersigned, jointly and severally, if more than one, (hereinafter called the "Borrower"), promises to pay to the order of Fleming Companies, Inc., ("Fleming") an Oklahoma corporation, at Sacramento, California, or at such other place as may be designated from time to time by the holder of this Note, **ON DEMAND** the principal sum of Five Hundred Ten Thousand Dollars (\$510,000.00), together with interest on the principal amount outstanding commencing from the date of disbursement of the loan represented by this note and continuing until paid in full at a fluctuating rate per annum equal to the Prime Rate plus two (2) percentage points.

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 interest rate under this Note shall be adjusted as of the date the first weekly installment is due hereunder following January 1, April 1, July 1 and October 1 of each year (the "Adjustment Date") to equal the Prime Rate plus two (2) percentage points. The interest rate to which the rate hereunder shall be adjusted will be based upon the Prime Rate published on 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 eleven and one-half percent (11.5%) per annum.

Payment Terms:

This Note shall be payable on demand. Until such demand is made, payments shall be made as follows: Two hundred and sixty (260) consecutive weekly installments of principal and interest in the amount of Two Thousand Five Hundred Eighty-One Dollars and Thirty-Four Cents (\$2,581.34) commencing on the First Weekly Payment Date specified above, and on the same day of each and every week thereafter for the next two hundred and fifty nine (259) weeks until paid in full. With the two hundred and sixtieth (260th) weekly installment all then unpaid amounts under this Note shall be due and payable. In the event the Prime Rate increases so that the amount of the weekly installments set forth herein is insufficient to pay the accrued interest, Borrower agrees to pay an increased weekly installment in an amount sufficient to pay accrued interest. As each weekly installment is paid, the same shall be applied first to accrued interest on the outstanding principal balance of this Note, and the balance, if any, 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 or before December 31, 2005.

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.

Borrower may, at any time, and from time to time, on 30 days prior written notice to holder, prepay the unpaid principal balance of this Note in whole or in part without premium or penalty, but with all accrued but unpaid interest to the date of prepayment. Any partial prepayment of principal shall not postpone the due date of any subsequent installment provided in this Note or change the amount of any such installment.

Any amount not paid on or before the date required by this Note will bear interest at a rate equal to the lesser of (i) 9% plus the Prime Rate and, (ii) the maximum rate of interest allowed by applicable law. The holder of this Note may collect a late charge equal to 5% of any installment that is not paid on the date required by this Note for the purpose of covering the extra expenses involved in handling the delinquent payment. This late charge shall not be applicable if the holder elects to receive interest at the increased rate provided above.

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 presentment, for payment, notice of intent to demand, notice of dishonor of nonpayment and notice of protest and any and all other notices or defenses in connection with the delivery, acceptance, performance, or enforcement of, this Note; (ii) 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; (iii) 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; (iv) 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, mailing, express 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; (v) **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 (vi) 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 final payment date set forth above, unless such date is extended in writing by the holder of this Note, which shall then be the final payment date.

This Note is secured by, among other things, a security agreement executed by Borrower granting a security interest 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 occur 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.

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 or financial statements/information of Borrower relating hereto.

This Note is issued by the Borrower and accepted by the holder pursuant to a lending transaction negotiated, consummated, and to be performed in the State of California, and this Note is to be governed by and construed according to the domestic laws of the State of California without giving effect to the conflict of law provision (whether of the State of California or any other jurisdiction) that would cause the application of the law of any other jurisdiction. This Note is given for an actual loan of money for business purposes and not for personal, residential, or agricultural purposes. The records of holder shall be prima facie evidence of the amount owing on this Note.

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 principle 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.

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

Notice address:
3624 Daystar Drive
Modesto, California 95355

STRICKLER ENTERPRISES, INC.,
a California corporation

By: Michael J. Strickler
MICHAEL J. STRICKLER, President

By: Vicki L. Strickler
Type or Print Name: VICKI L. STRICKLER
Title: Secretary

TAB 123

DEMAND NOTE

Principal Sum: \$180,000.00

Date of This Note: *July* June 26, 2001

FOR VALUE RECEIVED, the undersigned, jointly and severally, if more than one, (hereinafter called the "Borrower"), promises to pay to the order of Fleming Companies, Inc., ("Fleming") an Oklahoma corporation, at Sacramento, California, or at such other place as may be designated from time to time by the holder of this Note, **ON DEMAND** the principal sum of One Hundred Eighty Thousand Dollars (\$180,000.00). Except as otherwise provided in this Note, this loan shall not bear interest.

Payment Terms:

This Note shall be payable on demand. If no demand is made prior thereto, the entire principal balance of this Note shall be due and payable in full on or before *August* ~~July 1, 2006~~. 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 requirement 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.

Notwithstanding any other provision of this Note, and provided Borrower is not in default, if Borrower has paid to Fleming, on or before *July 26* ~~June 30, 2005~~, at least One Hundred and Forty-Four Thousand Dollars (\$144,000) of principal payments, then Fleming agrees to forgive any remaining principal balance under this Note.

Borrower may, at any time, and from time to time, on 30 days prior written notice to holder, prepay the unpaid principal balance of this Note in whole or in part without premium or penalty, but with all accrued but unpaid interest to the date of prepayment. Any partial prepayment of principal shall not postpone the due date of any subsequent installment provided in this Note or change the amount of any such installment.

Notwithstanding the provision of this Note making the Note interest free, any amount not paid on or before the date required by this Note will bear interest at a rate equal to the lesser of (i) 9% plus the Prime Rate and, (ii) the maximum rate of interest allowed by applicable law. The holder of this Note may collect a late charge equal to 5% of any installment that is not paid on the date required by this Note for the purpose of covering the extra expenses involved in handling the delinquent payment. This late charge shall not be applicable if the holder elects to receive interest at the increased rate provided above. 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 interest rate under this Note shall be adjusted as of the date the first weekly installment is due hereunder following January 1, April 1, July 1 and October 1 of each year (the "Adjustment Date") to equal the Prime Rate.

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 presentment, for payment, notice of intent to demand, notice of dishonor of nonpayment and notice of protest and any and all other notices or defenses in connection with the delivery, acceptance, performance, or enforcement of, this Note; (ii) 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; (iii) 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; (iv) 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, mailing, express 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; (v) **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 (vi) 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 final payment date set forth above, unless such date is extended in writing by the holder of this Note, which shall then be the final payment date.

This Note is secured by, among other things, a security agreement executed by Borrower granting a security interest 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 occur 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.

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 or financial statements/information of Borrower relating hereto.

This Note is issued by the Borrower and accepted by the holder pursuant to a lending transaction negotiated, consummated, and to be performed in the State of California, and this Note is to be governed by and construed according to the domestic laws of the State of California without giving effect to the conflict of law provision (whether of the State of California or any other jurisdiction) that would cause the application of the law of any other jurisdiction. This Note is given for an actual loan of money for business purposes and not for personal, residential, or agricultural purposes. The records of holder shall be prima facie evidence of the amount owing on this Note.

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 principle 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.

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

Notice address:
4525 Shasta Dam Blvd.
Shasta Lake, CA 96019

AL MANCASOLA'S GROCERY MARKETS, INC.,
a California corporation

By:



RON MANCASOLA,
President

By:



SUSAN MANCASOLA,
Secretary

TAB 124