

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) October 2, 1995

SUPERVALU INC.

(Exact name of registrant as specified in its charter)

Delaware	1-5418	41-0617000
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(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)
11840 Valley View Road Eden Prairie, Minnesota		55344
-----		-----
(Address of principal executive offices)		(Zip Code)

Registrant's telephone number, including area code (612) 828-4000

(Former name or former address, if changed since last report)

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Item 5. Other Events.

On October 2, 1995, the Registrant entered into a Distribution Agreement dated October 2, 1995 between the Registrant and Goldman, Sachs & Co., BT Securities Corporation, Citicorp Securities, Inc. and J.P. Morgan Securities Inc. pursuant to which the Registrant may offer from time to time its Medium-Term Notes, Series B (the "Notes") at an aggregate initial offering price not to exceed \$400,000,000.

The Notes are the subject of a Registration Statement on Form S-3 (File No. 33-56415) filed by the Registrant with the Securities and Exchange Commission.

Item 7. Financial Statements and Exhibits.

(c) Exhibits.

- 1.1 Distribution Agreement dated October 2, 1995 between the Registrant and Goldman, Sachs & Co., BT Securities Corporation,

Citicorp Securities, Inc. and J.P. Morgan Securities Inc., including the form of Terms Agreement, relating to the Registrant's Medium-Term Notes, Series B (the "Notes").

- 4.1 Third Supplemental Indenture dated as of September 1, 1995 between the Registrant and Bankers Trust Company, as Trustee, to Indenture dated as of July 1, 1987 between the Registrant and Bankers Trust Company, as Trustee.
- 4.2 Officers' Certificate and Authentication Order dated October 2, 1995 relating to the Notes, including the forms of Notes.
- 10.1 Credit Agreement dated as of May 26, 1995 among the Company, the Banks named therein and Citibank, N.A., as Agent.
- 12.1 Ratio of Earnings to Fixed Charges.
- 99.1 Press Release of the Registrant dated September 21, 1995.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: October 2, 1995

SUPERVALU INC.

By: /s/ Kim M. Erickson

Kim M. Erickson
Vice President and Treasurer

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EXHIBIT INDEX

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SUPERVALU INC.

U.S. \$400,000,000

Medium-Term Notes, Series B

Distribution Agreement

October 2, 1995

Goldman, Sachs & Co.
85 Broad Street
New York, New York 10004

BT Securities Corporation
130 Liberty Street
New York, New York 10006

Citicorp Securities, Inc.
399 Park Avenue
New York, New York 10043

J.P. Morgan Securities Inc.
60 Wall Street
New York, New York 10260

Ladies and Gentlemen:

SUPERVALU INC., a Delaware corporation (the "Company"), proposes to issue and sell from time to time its Medium-Term Notes, Series B (the "Securities") in an aggregate amount up to U.S. \$400,000,000, or its equivalent in another currency or composite currency, and agrees with each of you (individually, an "Agent," and collectively, the "Agents") as set forth in this Agreement.

Subject to the terms and conditions stated herein and to the reservation by the Company of the right to sell Securities directly on its own behalf, the Company hereby (i) appoints each Agent as an agent of the Company for the purpose of soliciting and receiving offers to purchase Securities from the Company pursuant to Section 2(a) hereof and (ii) agrees that, except as otherwise contemplated herein, whenever it determines to sell Securities directly to any Agent as principal, it will enter into a separate agreement (each a "Terms Agreement"), substantially in the form of Annex I hereto, relating to such sale in accordance with Section 2(b) hereof. This Distribution Agreement shall not be construed to create either an obligation on the part of the Company to sell any Securities or an obligation

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of the Agents to purchase Securities as principal.

The Securities will be issued under an indenture, dated as of July 1, 1987, as supplemented by the First Supplemental Indenture dated as of August 1, 1990, the Second Supplemental Indenture dated as of October 1, 1992 and the Third Supplemental Indenture dated as of September 1, 1995 (as so supplemented, the "Indenture"), between the Company and Bankers Trust Company, as Trustee (the "Trustee"). The Securities shall have the maturity ranges, interest rates, if any, redemption provisions and other terms set forth in the Prospectus referred to below as it may be amended or supplemented from time to time. The Securities will be issued, and the terms and rights thereof established, from time to time by the Company in accordance with the Indenture.

1. The Company represents and warrants to, and agrees with, each Agent that:

(a) A registration statement on Form S-3 (File No. 33-56415) in respect of a total of U.S. \$400,000,000 aggregate amount of debt securities of the Company, including the Securities, has been filed under the Securities Act of 1933, as amended (the "Act"), with the Securities and Exchange Commission (the "Commission"); such registration statement and any post-effective amendment thereto, each in the form heretofore delivered or to be delivered to such Agent, excluding exhibits to such registration statement but including all documents incorporated by reference in the prospectus included therein, and such registration statement in such form has been declared effective by the Commission and no stop order suspending the effectiveness of such registration statement has been issued and no proceeding for that purpose has been initiated or threatened by the Commission (any preliminary prospectus included in such registration statement or filed with the Commission pursuant to Rule 424(a) of the rules and regulations of the Commission under the Act, being hereinafter called a "Preliminary Prospectus"; the various parts of such registration statement, including all exhibits thereto and the documents incorporated by reference in the prospectus contained in such registration statement at the time such part of such registration statement became effective but excluding Form T-1, each as amended at the time such part of such registration statement became effective, being hereinafter collectively called the "Registration Statement"; the prospectus (including, if applicable, any prospectus supplement) relating to the Securities, in the form in which it has most recently been filed or transmitted for filing with the Commission on or prior to the date of this Agreement, being hereinafter called the "Prospectus"; any reference herein to any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include the documents incorporated by reference therein pursuant to the applicable form under the Act, as of the date of such Preliminary Prospectus or Prospectus, as the case may be; any reference to any amendment or supplement to any Preliminary Prospectus or the Prospectus, including any supplement to the Prospectus that sets forth only the terms of a particular issue of the Securities (a "Pricing Supplement"), shall be deemed to refer to and include any documents filed after the date of such Preliminary Prospectus or Prospectus, as the case may be,

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under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and incorporated therein by reference; any reference to any amendment to the Registration Statement shall be deemed to refer to and include any annual report of the Company filed pursuant to Section 13(a) or 15(d) of the Exchange Act after the effective date of the Registration Statement that is incorporated by reference in the Registration Statement; and any reference to the Prospectus as amended or supplemented shall be deemed to refer to and include the Prospectus as amended or supplemented (including any applicable Pricing Supplement filed in accordance with Section 4(a) hereof) in relation to Securities to be sold pursuant to this Agreement, in the form filed or transmitted for filing with the Commission pursuant to Rule 424(b) under the Act and in accordance with Section 4(a) hereof, including any documents incorporated by reference therein as of the date of such filing);

(b) The documents incorporated by reference in the Prospectus, when they became effective or were filed with the Commission, as the case may be, conformed in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder, and none of such documents contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading; and any further documents so filed and incorporated by reference in the Prospectus, or any amendment or supplement thereto, when such documents become effective or are filed with the Commission, as the

case may be, will conform in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that this representation and warranty shall not apply to the Statement of Eligibility of the Trustee on Form T-1 or to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by any Agent expressly for use in the Prospectus as amended or supplemented to relate to a particular issuance of Securities;

(c) The Registration Statement and the Prospectus conform, and any amendments or supplements thereto will conform, in all material respects to the requirements of the Act and the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"), and the rules and regulations of the Commission thereunder and do not and will not, as of the applicable effective date in case of the Registration Statement and any amendment thereto and as of the applicable filing date in the case of the Prospectus and any amendment or supplement thereto, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that this representation and warranty shall not apply to the Statement of Eligibility of the Trustee on Form T-1 or to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company

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by any Agent expressly for use in the Prospectus as amended or supplemented to relate to a particular issuance of Securities;

(d) Neither the Company nor any of its subsidiaries has sustained since the date of the latest audited financial statements included or incorporated by reference in the Prospectus any material loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Prospectus; and, since the respective dates as of which information is given in the Registration Statement and the Prospectus, there has not been any change in the capital stock (except for issuances of capital stock pursuant to employee or director stock plans, purchases of common stock pursuant to the common stock repurchase program and other increases or decreases in capital stock of less than \$5,000,000 in the aggregate) or increase in long-term debt (except for any increases of less than \$50,000,000 in the aggregate) of the Company or any of its subsidiaries or any material adverse change, or any development involving a prospective material adverse change, in or affecting the general affairs, management, financial position, stockholders' equity or results of operations of the Company and its subsidiaries, taken as a whole, otherwise than as set forth or contemplated in the Prospectus;

(e) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation, with power and authority (corporate and other) to own its properties and conduct its business as described in the Prospectus;

(f) The authorized capital stock of the Company is as set forth in the Prospectus, and all of the issued shares of capital stock of the Company have been duly and validly authorized and issued and are fully paid and non-assessable;

(g) The Securities have been duly authorized, and, when issued and delivered pursuant to this Agreement and any Terms Agreement, will have been duly executed, authenticated, issued and delivered and will constitute valid and legally binding obligations of the Company entitled to the benefits provided by the Indenture, which will be substantially in the form

filed or incorporated by reference as an exhibit to the Registration Statement; the Indenture has been duly authorized by the Company and qualified under the Trust Indenture Act and constitutes a valid and legally binding instrument, enforceable in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles; the Indenture conforms, and the Securities of any particular issuance of Securities will conform, in all material respects, to the descriptions thereof contained in the Prospectus as amended or supplemented to relate to such issuance of Securities;

(h) The issue and sale of the Securities and the compliance by the

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Company with all of the provisions of the Securities, the Indenture, this Agreement and any Terms Agreement, and the consummation of the transactions herein and therein contemplated will not conflict with or result in a breach of any of the terms or provisions of, or constitute a default under, any material indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company is a party or by which the Company is bound or to which any of the property or assets of the Company is subject (as any such agreement or instrument may be amended or modified, taking into account any waiver obtained), nor will such action result in any violation of the provisions of the Restated Certificate of Incorporation or the By-Laws of the Company or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its properties; and no consent, approval, authorization, order, registration or qualification of or with any court or governmental agency or body is required for the solicitation of offers to purchase Securities, the issue and sale of the Securities or the consummation by the Company of the transactions contemplated by this Agreement, any Terms Agreement or the Indenture, except such as have been, or will have been prior to the Commencement Date (as defined in Section 3 hereof), obtained under the Act or the Trust Indenture Act and such consents, approvals, authorizations, registrations or qualifications as may be required under securities or Blue Sky laws of any state or foreign jurisdiction in connection with the solicitation by such Agent of offers to purchase Securities from the Company and with purchases of Securities by such Agent as principal, as the case may be, in each case in the manner contemplated hereby;

(i) Other than as set forth or contemplated in the Prospectus, there are no legal or governmental proceedings pending to which the Company or any of its subsidiaries is a party or of which any property of the Company or any of its subsidiaries is the subject which, if determined adversely to the Company or any of its subsidiaries, would individually or in the aggregate have a material adverse effect on the consolidated financial position, stockholders' equity or results of operations of the Company and its subsidiaries taken as a whole; and, to the best of the Company's knowledge, no such proceedings are threatened or contemplated by governmental authorities or threatened by others;

(j) Immediately after any sale of Securities by the Company hereunder or under any Terms Agreement, the aggregate amount of Securities which shall have been issued and sold by the Company hereunder or under any Terms Agreement and of any debt securities of the Company (other than such Securities) that shall have been issued and sold pursuant to the Registration Statement will not exceed the amount of debt securities registered under the Registration Statement; and

(k) All issued and outstanding shares of capital stock of Supermarket Operators of America Inc., a Delaware corporation ("SOA"), are owned directly by the Company, and all issued and outstanding shares of capital stock of SUPERVALU Holdings, Inc., a Missouri corporation ("Holdings"), and, except as set forth in the

Prospectus, ShopKo Stores, Inc., a Minnesota corporation, are owned directly by SOA, in each case free and clear of all liens, encumbrances, equities and claims.

2. (a) On the basis of the representations and warranties, and subject to the terms and conditions herein set forth, each of the Agents hereby severally and not jointly agrees, as agent of the Company, to use its reasonable efforts to solicit and receive offers to purchase the Securities from the Company upon the terms and conditions set forth in the Prospectus as amended or supplemented from time to time. The appointment of the Agents hereunder is not exclusive and the Company may from time to time offer Securities for sale otherwise than to or through an Agent; provided, however, that so long as this Agreement is in effect the Company will not appoint any other agent for the purpose of soliciting purchases of the Securities on a continuous basis. It is understood, however, that if from time to time the Company is approached by a prospective agent offering to solicit a specific purchase of Securities, the Company may engage such agent with respect to such specific purchase, provided that (i) such agent is engaged on terms substantially similar (including the same commission schedule) to the applicable terms of this Agreement (which may be accomplished by the execution of a letter agreement between the Company and such prospective agent substantially in the form of Annex IV hereto) and (ii) the Agents are given notice of such purchase promptly after it is agreed to. Each Agent is acting in connection with the Securities individually and not collectively or jointly. The Company reserves the right to sell, and may solicit and accept offers to purchase, Securities directly on its own behalf, and, in the case of any such sale not resulting from a solicitation made by any Agent, no commission will be payable with respect to such sale. These provisions shall not limit Section 4(f) hereof or any similar provision included in any Terms Agreement.

Procedural details relating to the issue and delivery of Securities, the solicitation of offers to purchase Securities and the payment in each case thereof shall be as set forth in the Administrative Procedure attached hereto as Annex II as it may be amended from time to time by written agreement between the Agents and the Company (the "Administrative Procedure"). The provisions of the Administrative Procedure shall apply to all transactions contemplated hereunder other than those made pursuant to a Terms Agreement. Each Agent and the Company agree to perform the respective duties and obligations specifically provided to be performed by each of them in the Administrative Procedure. The Company will furnish to the Trustee a copy of the Administrative Procedure as from time to time in effect.

The Company reserves the right, in its sole discretion, to instruct the Agents to suspend at any time, for any period of time or permanently, the solicitation of offers to purchase the Securities. As soon as practicable, but in any event not later than one business day in New York City after receipt of notice from the Company, the Agents will forthwith suspend solicitation of offers to purchase Securities from the Company until such time as the Company has advised the Agents that such solicitation

may be resumed. During such period, the Company shall not be required to comply with the provisions of Sections 4(i), 4(j) and 4(k). Upon advising the Agents that such solicitation may be resumed, however, the Company shall simultaneously provide the documents required to be delivered by Sections 4(i), 4(j) and 4(k), and the Agents shall have no obligation to solicit offers to purchase the Securities until such documents have been received by the Agents. In addition, any failure by the Company to comply with its obligations hereunder, including without limitation its obligations to deliver the documents required by Sections

4(i), 4(j) and 4(k), shall automatically terminate the Agents obligations hereunder, including without limitation its obligations to solicit offers to purchase the Securities hereunder as agent or to purchase Securities hereunder as principal.

The Company agrees to pay each Agent a commission, at the time of settlement of any sale of a Security by the Company as a result of a solicitation made by such Agent, in an amount equal to the following applicable percentage of the principal amount of such Security sold:

Range of Maturities -----	Commission (percentage of aggregate principal amount of Securities sold) -----
From 9 months to less than 1 year.....	.125%
From 1 year to less than 18 months.....	.150%
From 18 months to less than 2 years.....	.200%
From 2 years to less than 3 years.....	.250%
From 3 years to less than 4 years.....	.350%
From 4 years to less than 5 years.....	.450%
From 5 years to less than 6 years.....	.500%
From 6 years to less than 7 years.....	.550%
From 7 years to less than 10 years.....	.600%
From 10 years to less than 15 years.....	.625%
From 15 years to less than 20 years.....	.675%
From 20 years to 30 years.....	.750%

(b) Each sale of Securities to any Agent as principal shall be made in accordance with the terms of this Agreement and (unless the Company and such Agent shall otherwise agree) a Terms Agreement that will provide for the sale of such Securities to and the purchase thereof by such Agent.

A Terms Agreement may also specify certain provisions relating to the reoffering of such Securities by such Agent. The commitment of any Agent to purchase Securities as principal, whether pursuant to a Terms Agreement or

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otherwise, shall be deemed to have been made on the basis of the representations and warranties of the Company herein contained and shall be subject to the terms and conditions herein set forth. Each Terms Agreement shall specify the principal amount of Securities to be purchased by any Agent pursuant thereto, the price to be paid to the Company for such Securities, any provisions relating to rights of, and default by, underwriters acting together with such Agent in the reoffering of the Securities and the time and date and place of delivery of and payment for such Securities. Such Terms Agreement shall also specify any requirements for opinions of counsel, accountants' letters and officers' certificates pursuant to Section 4 hereof.

For each sale of Securities to an Agent as principal that is not made pursuant to a Terms Agreement, the procedural details relating to the issue and delivery of such Securities and payment therefor shall be as set forth in the Administrative Procedure. For each such sale of Securities to an Agent as principal that is not made pursuant to a Terms Agreement, the Company agrees to pay such Agent a commission (or grant an equivalent discount) as provided in Section 2(a) hereof and in accordance with the schedule set forth therein.

Each time and date of delivery of and payment for Securities to be

purchased by an Agent as principal, whether set forth in a Terms Agreement or in accordance with the Administrative Procedure, is referred to herein as a "Time of Delivery."

(c) Each Agent agrees, with respect to any Security denominated in a currency other than U.S. dollars, as agent, directly or indirectly, not to solicit offers to purchase, and as principal under any Terms Agreement or otherwise, directly or indirectly, not to offer, sell or deliver, such Security in, or to residents of, the country issuing such currency (or, if such Security is denominated in a composite currency, in any country issuing a currency comprising a portion of such composite currency), except as permitted by applicable law.

3. The documents required to be delivered pursuant to Section 6 hereof on the Commencement Date (as defined below) shall be delivered to the Agents at the offices of Dorsey & Whitney P.L.L.P., 220 South Sixth Street, Minneapolis, Minnesota, at 11:00 a.m., New York City time, on the date of this Agreement, which date and time of such delivery may be postponed by agreement between the Agents and the Company but in no event shall be later than the day prior to the date on which solicitation of offers to purchase Securities is commenced or on which any Terms Agreement is executed (such time and date being referred to herein as the "Commencement Date").

4. The Company covenants and agrees with each Agent:

(a) (i) To make no amendment or supplement to the Registration Statement or the Prospectus (A) prior to the Commencement Date which shall be disapproved by any Agent promptly after reasonable notice thereof or (B) after the date of any Terms

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Agreement or other agreement by an Agent to purchase Securities as principal and prior to the related Time of Delivery which shall be disapproved by any Agent party to such Terms Agreement or so purchasing as principal promptly after reasonable notice thereof; (ii) to prepare, with respect to any Securities to be sold through or to such Agent pursuant to this Agreement, a Pricing Supplement with respect to such Securities in a form previously approved by such Agent and to file such Pricing Supplement pursuant to Rule 424(b) under the Act not later than the close of business of the Commission on the fifth business day after the date on which such Pricing Supplement is first used; (iii) to make no amendment or supplement to the Registration Statement or Prospectus (other than any Pricing Supplement, any supplement relating to an offering of securities other than the Securities, or any periodic report filed pursuant to the Exchange Act and incorporated by reference in the Prospectus) at any time prior to having afforded each Agent a reasonable opportunity to review and comment thereon; (iv) to file promptly all reports and any definitive proxy or information statements required to be filed by the Company with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act for so long as the delivery of a prospectus is required in connection with the offering or sale of the Securities, and during such same period to advise such Agent, promptly after the Company receives notice thereof, of the time when any amendment to the Registration Statement has been filed or has become effective or any supplement to the Prospectus or any amended Prospectus (other than any Pricing Supplement that relates to Securities not purchased through or by such Agent) has been filed with the Commission, of the issuance by the Commission of any stop order or of any order preventing or suspending the use of any prospectus relating to the Securities, of the suspension of the qualification of the Securities for offering or sale in any jurisdiction, of the initiation or threatening of any proceeding for any such purpose, or of any request by the Commission for the amendment or supplement of the Registration Statement or Prospectus or for additional information; and (v) in the event of the issuance of any such stop order or of any such order preventing or suspending the use of any such prospectus or suspending any such qualification to use promptly its best efforts to obtain its withdrawal;

(b) Promptly from time to time to take such action as such Agent reasonably may request to qualify the Securities for offering and sale under the securities laws of such jurisdictions as such Agent may request and to comply with such laws so as to permit the continuance of sales and dealings therein for as long as may be necessary to complete the distribution or sale of the Securities; provided, however, that in connection therewith the Company shall not be required to qualify as a foreign corporation or to file a general consent to service of process in any jurisdiction;

(c) To furnish such Agent with copies of the Registration Statement and each amendment thereto, with copies of the Prospectus as each time amended or supplemented, other than any Pricing Supplement (except as provided in the

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Administrative Procedure), in the form in which it is filed with the Commission pursuant to Rule 424 under the Act, and with copies of the documents incorporated by reference therein, all in such quantities as such Agent may reasonably request from time to time; and, if the delivery of a prospectus is required at any time in connection with the offering or sale of the Securities (including Securities purchased from the Company by such Agent as principal) and if at such time any event shall have occurred as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus is delivered, not misleading, or, if for any other reason it shall be necessary during such same period to amend or supplement the Prospectus or to file under the Exchange Act any document incorporated by reference in the Prospectus in order to comply with the Act, the Exchange Act or the Trust Indenture Act, to notify such Agent and request such Agent, in its capacity as agent of the Company, to suspend solicitation of offers to purchase Securities from the Company (and, if so notified, such Agent shall forthwith cease such solicitations); and if the Company shall decide to amend or supplement the Registration Statement or the Prospectus as then amended or supplemented, to so advise such Agent promptly by telephone (with confirmation in writing) and to prepare and cause to be filed promptly with the Commission an amendment or supplement to the Registration Statement or the Prospectus as then amended or supplemented that will correct such statement or omission or effect such compliance; provided, however, that if during such same period such Agent continues to own Securities purchased from the Company by such Agent as principal or such Agent is otherwise required to deliver a prospectus in respect of transactions in the Securities, the Company shall promptly prepare and file with the Commission such an amendment or supplement;

(d) To make generally available to its securityholders as soon as practicable, but in any event not later than eighteen months after (i) the effective date of the Registration Statement, (ii) the effective date of each post-effective amendment to the Registration Statement, and (iii) the date of each filing by the Company with the Commission of an Annual Report on Form 10-K that is incorporated by reference in the Registration Statement, an earnings statement of the Company and its subsidiaries (which need not be audited) complying with Section 11(a) of the Act and the rules and regulations of the Commission thereunder (including, at the option of the Company, Rule 158);

(e) During the period this Agreement is in effect with respect to any Agent, to furnish to such Agent copies of all reports or other communications (financial or other) furnished to stockholders, and deliver to such Agent (i) as soon as they are available, copies of any reports and financial statements furnished to or filed with the Commission or any national securities exchange on which any class of securities of the Company is listed (except registration statements filed with the Commission

on Form S-8 and reports of the Company' employee benefit plans filed with the

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Commission on Form 11-K); and (ii) such additional information concerning the business and financial condition of the Company as such Agent may from time to time reasonably request (such financial statements to be on a consolidated basis to the extent the accounts of the Company and its subsidiaries are consolidated in reports furnished to its stockholders generally or to the Commission);

(f) That, from the date of any Terms Agreement with such Agent or other agreement by such Agent to purchase Securities as principal and continuing to and including the later of (i) the termination of trading restrictions for the Securities purchased thereunder, as notified to the Company by such Agent and (ii) the related Time of Delivery, the Company will not, without the prior written consent of such Agent, offer, sell, contract to sell or otherwise dispose of any debt securities of the Company which both mature more than 9 months after such Time of Delivery and have terms which are substantially similar to the Securities which are the subject of such Terms Agreement or other agreement;

(g) That each acceptance by the Company of an offer to purchase Securities hereunder (including any purchase by such Agent as principal not pursuant to a Terms Agreement), and each execution and delivery by the Company of a Terms Agreement with such Agent, shall be deemed to be an affirmation to such Agent that the representations and warranties of the Company contained in or made pursuant to this Agreement are true and correct as of the date of such acceptance or of such Terms Agreement, as the case may be, as though made at and as of such date, and an undertaking that such representations and warranties will be true and correct as of the settlement date for the Securities relating to such acceptance or as of the Time of Delivery relating to such sale, as the case may be, as though made at and as of such date (except that such representations and warranties shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented relating to such Securities);

(h) That each time the Company sells Securities to such Agent as principal pursuant to a Terms Agreement and such Terms Agreement specifies the delivery of an opinion or opinions by Sullivan & Cromwell, counsel to the Agents, as a condition to the purchase of Securities pursuant to such Terms Agreement, the Company shall furnish to such counsel such papers and information as they may reasonably request to enable them to furnish to such Agent the opinion or opinions referred to in Section 6(b) hereof;

(i) That each time the Registration Statement or the Prospectus shall be amended or supplemented (other than by a Pricing Supplement), each time a document filed under the Act or the Exchange Act is incorporated by reference into the Prospectus and each time the Company sells Securities to such Agent as principal pursuant to a Terms Agreement and such Terms Agreement specifies the delivery of

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an opinion under this Section 4(i) as a condition to the purchase of Securities pursuant to such Terms Agreement, the Company shall furnish or cause to be furnished forthwith to such Agent a written opinion of Dorsey & Whitney P.L.L.P., counsel for the Company, or other counsel for the Company satisfactory to such Agent, dated the date of such amendment, supplement, incorporation or Time of Delivery relating to such sale, as the case may be, in form satisfactory to such Agent in its reasonable judgment, to the effect that such Agent may rely on the opinion of such counsel referred to in Section 6(c) hereof which was last furnished to such Agent to the same extent as though it were dated the date of such letter authorizing reliance (except that the statements in such last opinion shall be deemed to relate

to the Registration Statement and the Prospectus as amended and supplemented to such date) or, in lieu of such opinion, an opinion of the same tenor as the opinion of such counsel referred to in Section 6(c) hereof but modified to relate to the Registration Statement and the Prospectus as amended and supplemented to such date;

(j) That each time the Registration Statement or the Prospectus shall be amended or supplemented and each time that a document filed under the Act or the Exchange Act is incorporated by reference into the Prospectus, in either case to set forth financial information included in or derived from the Company's consolidated financial statements or accounting records, and each time the Company sells Securities to such Agent as principal pursuant to a Terms Agreement and such Terms Agreement specifies the delivery of a letter under this Section 4(j) as a condition to the purchase of Securities pursuant to such Terms Agreement, the Company shall cause the independent certified public accountants who have certified the financial statements of the Company and its subsidiaries included or incorporated by reference in the Registration Statement forthwith to furnish such Agent a letter, dated the date of such amendment, supplement, incorporation or Time of Delivery relating to such sale, as the case may be, in form satisfactory to such Agent in its reasonable judgment, of the same tenor as the letter referred to in Section 6(d) hereof but modified to relate to the Registration Statement and the Prospectus as amended or supplemented to the date of such letter, with such changes as may be necessary to reflect changes in the financial statements and other information derived from the accounting records of the Company, to the extent such financial statements and other information are available as of a date not more than five business days prior to the date of such letter; provided, however, that, with respect to any financial information or other matter, such letter may reconfirm as true and correct at such date as though made at and as of such date, rather than repeat, statements with respect to such financial information or other matter made in the letter referred to in Section 6(d) hereof which was last furnished to such Agent;

(k) That each time the Registration Statement or the Prospectus shall be amended or supplemented (other than by a Pricing Supplement), each time a document filed under the Act or the Exchange Act is incorporated by reference into the Prospectus, and each time the Company sells Securities to such Agent as principal

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pursuant to a Terms Agreement and the applicable Terms Agreement specifies the delivery of a certificate under this Section 4(k) as a condition to the purchase of Securities pursuant to such Terms Agreement, the Company shall furnish or cause to be furnished forthwith to such Agent a certificate, dated the date of such supplement, amendment, incorporation or Time of Delivery relating to such sale, as the case may be, in such form and executed by such officers of the Company as shall be satisfactory to such Agent in its reasonable judgment, to the effect that the statements contained in the certificate referred to in Section 6(h) hereof which was last furnished to such Agent are true and correct at such date as though made at and as of such date (except that such statements shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to such date) or, in lieu of such certificate, certificates of the same tenor as the certificates referred to in said Section 6(h) but modified to relate to the Registration Statement and the Prospectus as amended and supplemented to such date; and

(l) To offer to any person who has agreed to purchase Securities as the result of an offer to purchase solicited by such Agent the right to refuse to purchase and pay for such Securities if, on the related settlement date fixed pursuant to the Administrative Procedure, any condition set forth in Section 6(a), 6(e) or 6(g) hereof shall not have been satisfied (it being understood that the judgment of such person with respect to the impracticability or inadvisability of such purchase of Securities shall be substituted, for purposes of this Section 4(l), for the

respective judgments of an Agent with respect to certain matters referred to in such Sections 6(a), 6(e) and 6(g), and that such Agent shall have no duty or obligation whatsoever to exercise the judgment permitted under such Sections 6(a), 6(e) and 6(g) on behalf of any such person).

5. The Company covenants and agrees with each Agent that the Company will pay or cause to be paid the following: (i) the fees, disbursements and expenses of the Company's counsel and accountants in connection with the registration of the Securities under the Act and all other expenses in connection with the preparation, printing and filing of the Registration Statement, any Preliminary Prospectus, the Prospectus and any Pricing Supplements and all other amendments and supplements thereto and the mailing and delivering of copies thereof to such Agent; (ii) the reasonable fees and expenses of counsel for the Agents incurred in connection with the establishment of the program contemplated hereby, any opinions to be rendered by such counsel hereunder and the transactions contemplated hereunder (up to a maximum amount of \$65,000 with respect to the establishment of the program and related opinions); (iii) the cost of printing, preparing by word processor or reproducing this Agreement, any Terms Agreement, any Indenture, any Blue Sky and Legal Investment Memoranda and any other documents in connection with the offering, purchase, sale and delivery of the Securities; (iv) all expenses in connection with the qualification of the Securities for offering and sale under state securities laws as provided in Section 4(b) hereof, including the fees and disbursements of counsel for the Company in connection with such qualification and in connection with the Blue Sky and Legal Investment

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Surveys; (v) any fees charged by securities rating services for rating the Securities; (vi) any filing fees incident to any required review by the National Association of Securities Dealers, Inc. of the terms of the sale of the Securities; (vii) the cost of preparing the Securities; (viii) the fees and expenses of any Trustee and any agent of any Trustee and any transfer or paying agent of the Company and the fees and disbursements of counsel for any Trustee or such agent in connection with any Indenture and the Securities; (ix) any advertising expenses connected with the solicitation of offers to purchase and the sale of Securities so long as such advertising expenses have been approved in advance by the Company; and (x) all other costs and expenses incident to the performance of the Company's obligations hereunder which are not otherwise specifically provided for in this Section. Except as provided in Sections 7 and 8 hereof, each Agent shall pay all other expenses it incurs.

6. The obligation of any Agent, as agent of the Company, at any time ("Solicitation Time") to solicit offers to purchase the Securities and the obligation of any Agent to purchase Securities as principal, pursuant to any Terms Agreement or otherwise, shall in each case be subject, in such Agent's discretion, to the condition that all representations and warranties and other statements of the Company herein (and, in the case of an obligation of an Agent under a Terms Agreement, in or incorporated in such Terms Agreement by reference) are true and correct at and as of the Commencement Date and any applicable date referred to in Section 4(k) hereof that is prior to such Solicitation Time or Time of Delivery, as the case may be, and at and as of such Solicitation Time or Time of Delivery, as the case may be, the condition that prior to such Solicitation Time or Time of Delivery, as the case may be, the Company shall have performed all of its obligations hereunder theretofore to be performed, and the following additional conditions:

(a) (i) With respect to any Securities sold at or prior to such Solicitation Time or Time of Delivery, as the case may be, the Prospectus as amended or supplemented (including the Pricing Supplement) with respect to such Securities shall have been filed with the Commission pursuant to Rule 424(b) under the Act within the applicable time period prescribed for such filing by the rules and regulations under the Act and in accordance with Section 4(a) hereof; (ii) no stop order suspending the effectiveness of the Registration Statement shall have been issued and no proceeding for that purpose shall have been initiated or threatened by the Commission; and (iii) all requests for additional information on the part of the Commission

shall have been complied with to the reasonable satisfaction of such Agent;

(b) Sullivan & Cromwell, counsel to the Agents, shall have furnished to such Agent (i) such opinion or opinions, dated the Commencement Date, with respect to the incorporation of the Company, the validity of the Indenture, the Securities, the Registration Statement, the Prospectus as amended or supplemented and other related matters as such Agent may reasonably request, and (ii) if and to the extent requested by such Agent, with respect to each applicable date referred to in Section 4(h) hereof that is on or prior to such Solicitation Time or Time of Delivery, as the case may be, an opinion or opinions, dated such applicable date, to the effect that such Agent may

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rely on the opinion or opinions which were last furnished to such Agent pursuant to this Section 6(b) to the same extent as though it or they were dated the date of such letter authorizing reliance (except that the statements in such last opinion or opinions shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to such date) or, in any case, in lieu of such an opinion or opinions, an opinion or opinions of the same tenor as the opinion or opinions referred to in clause (i) but modified to relate to the Registration Statement and the Prospectus as amended and supplemented to such date; and in each case such counsel shall have received such papers and information as they may reasonably request to enable them to pass upon such matters;

(c) Dorsey & Whitney P.L.L.P., counsel for the Company, or other counsel for the Company satisfactory to such Agent, shall have furnished to such Agent their written opinion, dated the Commencement Date and each applicable date referred to in Section 4(i) hereof that is on or prior to such Solicitation Time or Time of Delivery, as the case may be, in form and substance satisfactory to such Agent, to the effect that:

(i) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation, with corporate power and authority to own its properties and conduct its business as described in the Prospectus as amended or supplemented;

(ii) The authorized capital stock of the Company is as set forth in the Prospectus as amended or supplemented;

(iii) Holdings has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Missouri, with corporate power and authority to own its properties and conduct its business as described in the Prospectus as amended or supplemented; and all issued and outstanding shares of capital stock of Holdings are owned directly by SOA and all issued and outstanding shares of capital stock of SOA are owned directly by the Company, in each case free and clear of all liens, encumbrances, equities and claims which have been perfected by possession or filing under the Uniform Commercial Code (in the form in which it is then in effect in the State of Minnesota) or with respect to which any federal or state tax lien filing has been made in the State of Minnesota, and such counsel has no reason to believe that any such ownership by SOA or the Company, as the case may be, is subject to any other lien, encumbrance, equity or claim;

(iv) To the best of such counsel's knowledge and other than as set forth or contemplated in the Prospectus, there are no legal or governmental proceedings pending to which the Company or any of its subsidiaries is a party

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or of which any property of the Company or any of its subsidiaries is the subject which, if determined adversely to the Company or any of its subsidiaries, would individually or in the aggregate have a material adverse effect on the consolidated financial position, stockholders' equity or results

of operations of the Company and its subsidiaries, taken as a whole; and, to the best of such counsel's knowledge, no such proceedings are threatened or contemplated by governmental authorities or threatened by others;

(v) This Agreement and any applicable Terms Agreement have been duly authorized, executed and delivered by the Company;

(vi) The Securities have been duly authorized and, when duly executed, authenticated, issued and delivered by the Company, will constitute valid and legally binding obligations of the Company entitled to the benefits provided by the Indenture; and the Indenture conforms and the Securities will conform in all material respects to the descriptions thereof in the Prospectus as amended or supplemented;

(vii) The Indenture has been duly authorized, executed and delivered by the Company and, assuming due authorization, execution and delivery by the Trustee, constitutes a valid and legally binding instrument, enforceable in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles; and the Indenture has been duly qualified under the Trust Indenture Act;

(viii) The issue and sale of the Securities, the compliance by the Company with all of the provisions of the Securities, the Indenture, this Agreement and any applicable Terms Agreement and the consummation of the transactions herein and therein contemplated will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument known to such counsel (after reasonable inquiry) and material to the Company to which the Company is a party or by which the Company is bound or to which any of the property or assets of the Company is subject (as any such agreement or instrument may be amended or modified, taking into account any waiver obtained), nor will such action result in any violation of the provisions of the Restated Certificate of Incorporation, as amended, or the By-Laws of the Company or any statute or any order, rule or regulation known to such counsel of any court or governmental agency or body having jurisdiction over the Company or any of its properties; provided, however, that, for the purposes of this paragraph (viii), such counsel need not express any opinion with respect to Federal or state securities laws, or other antifraud laws, fraudulent transfer laws, the Employee Retirement Income

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Security Act of 1974 and related laws, laws that restrict transactions between United States persons and citizens or residents of certain foreign countries and state laws relating to the payment of dividends or the redemption or repurchase of stock;

(ix) No consent, approval, authorization, order, registration or qualification of or with any court or governmental agency or body is required for the solicitation of offers to purchase Securities, the issue and sale of the Securities or the consummation by the Company of the other transactions contemplated by this Agreement, any applicable Terms Agreement, or the Indenture, except such as have been obtained under the Act and the Trust Indenture Act and such consents, approvals, authorizations, registrations or qualifications as may be required under securities or Blue Sky laws of any state or foreign jurisdiction in connection with the solicitation by the Agents of offers to purchase Securities from the Company and with purchases of Securities by an Agent as principal, as the case may be, in each case in the manner contemplated hereby;

(x) The documents incorporated by reference in the Prospectus as amended or supplemented (other than the financial statements and related schedules or other financial data therein, as to which such counsel need express no opinion), when they became effective or were filed with the Commission, as the case may be, complied as to form in all material respects with the requirements of the Act or the Exchange Act, as applicable, and the rules and

regulations of the Commission thereunder; and such counsel has no reason to believe that any of such documents, when they became effective or were so filed, as the case may be, contained, in the case of a registration statement which became effective under the Act, an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or, in the case of other documents which were filed under the Act or the Exchange Act with the Commission, an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such documents were so filed, not misleading; and

(xi) The Registration Statement and the Prospectus as amended and supplemented and any further amendments and supplements thereto made by the Company prior to the date of such opinion (other than the financial statements and related schedules or other financial data therein, as to which such counsel need express no opinion) comply as to form in all material respects with the requirements of the Act and the Trust Indenture Act and the rules and regulations thereunder; although such counsel does not assume any responsibility for the accuracy, completeness or fairness of the statements

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contained in the Registration Statement or the Prospectus, except for those referred to in the opinion in subsection (vi) of this Section 6(c), such counsel has no reason to believe that, as of its effective date, the Registration Statement or any amendment or supplement thereto made by the Company prior to the date of such opinion (other than the financial statements and related schedules or other financial data therein, as to which such counsel need express no opinion) contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading or that, as of the date of such opinion, the Prospectus as amended or supplemented or any further amendment or supplement thereto made by the Company prior to the date of such opinion (other than the financial statements and related schedules or other financial data therein, as to which such counsel need express no opinion) contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading; and such counsel does not know of any amendment to the Registration Statement required to be filed or any contracts or other documents of a character required to be filed as an exhibit to the Registration Statement or required to be incorporated by reference into the Prospectus as amended or supplemented or required to be described in the Registration Statement or the Prospectus as amended or supplemented which are not filed or incorporated by reference or described as required.

(d) Not later than 10:00 a.m., New York City time, on the Commencement Date and on each applicable date referred to in Section 4(j) hereof that is on or prior to such Solicitation Time or Time of Delivery, as the case may be, the independent certified public accountants who have certified the financial statements of the Company and its subsidiaries included or incorporated by reference in the Registration Statement shall have furnished to such Agent a letter, dated the Commencement Date or such applicable date, as the case may be, in form and substance satisfactory to such Agent, to the effect set forth in Annex III hereto;

(e) (i) Neither the Company nor any of its subsidiaries shall have sustained since the date of the latest audited financial statements included or incorporated by reference in the Prospectus as amended or supplemented on or prior to the date of the Pricing Supplement relating to the Securities to be delivered at the relevant Time of Delivery any material loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Prospectus as amended or supplemented on or prior to the date of the Pricing Supplement relating to the Securities

to be delivered at the relevant Time of Delivery and (ii) since the respective dates as of which information is given in the Prospectus as amended or supplemented on or prior to the date of the Pricing Supplement relating to the Securities to be delivered at the relevant Time of Delivery

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there shall not have been any change in the capital stock (except for issuances of capital stock pursuant to employee or director stock plans, purchases of common stock pursuant to the common stock repurchase program and other increases or decreases in capital stock of less than \$5,000,000 in the aggregate) or increase in long-term debt (except for any increases of less than \$50,000,000 in the aggregate) of the Company or any of its subsidiaries or any material adverse change, or any development involving a prospective material adverse change, in or affecting the general affairs, management, financial position, stockholders' equity or results of operations of the Company and its subsidiaries, taken as a whole, otherwise than as set forth or contemplated in the Prospectus as amended or supplemented on or prior to the date of the Pricing Supplement relating to the Securities to be delivered at the relevant Time of Delivery, the effect of which, in any such case described in clause (i) or (ii), is in the judgment of such Agent so material and adverse as to make it impracticable or inadvisable to proceed with the solicitation by such Agent of offers to purchase Securities from the Company or the purchase by such Agent of Securities from the Company as principal, as the case may be, on the terms and in the manner contemplated in the Prospectus as amended or supplemented on or prior to the date of the Pricing Supplement relating to the Securities to be delivered at the relevant Time of Delivery;

(f) On or after the date hereof, (i) no downgrading shall have occurred in the rating accorded the Company's debt securities by any "nationally recognized statistical rating organization," as that term is defined by the Commission for purposes of Rule 436(g)(2) under the Act and (ii) no such organization shall have publicly announced that it has under surveillance or review, with possible negative implications, its rating of any of the Company's debt securities;

(g) There shall not have occurred any of the following: (i) a suspension or material limitation in trading in securities generally on the New York Stock Exchange; (ii) a general moratorium on commercial banking activities in New York declared by either Federal or New York State authorities; (iii) the outbreak or escalation of hostilities involving the United States or the declaration by the United States of a national emergency or war, if the effect of any such event specified in this clause (iii) in the judgment of such Agent makes it impracticable or inadvisable to proceed with the solicitation of offers to purchase Securities or the purchase of Securities from the Company as principal, pursuant to the applicable Terms Agreement or otherwise, as the case may be, on the terms and in the manner contemplated in the Prospectus as amended or supplemented; and

(h) The Company shall have furnished or caused to be furnished to such Agent certificates of officers of the Company dated the Commencement Date and each applicable date referred to in Section 4(k) hereof that is on or prior to such Solicitation Time or Time of Delivery, as the case may be, in such form and executed by such officers of the Company as shall be satisfactory to such Agent, as to the

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accuracy of the representations and warranties of the Company herein at and as of the Commencement Date or such applicable date, as the case may be, as to the performance by the Company of all of its obligations hereunder to be performed at or prior to the Commencement Date or such applicable date, as the case may be, as to the matters set forth in subsections (a) and (e) of this Section 6, and as to such other matters as such Agent may reasonably

request.

(i) With respect to any Security denominated in a currency other than the U.S. dollar, more than one currency or a composite currency or any Security the principal or interest of which is indexed to such currency, currencies or composite currency, there shall not have occurred a suspension or material limitation in foreign exchange trading in such currency, currencies or composite currency by a major international bank, a general moratorium on commercial banking activities in the country or countries issuing such currency, currencies or composite currency, the outbreak or escalation of hostilities involving, the occurrence of any material adverse change in the existing financial, political or economic conditions of, or the declaration of war or a national emergency by, the country or countries issuing such currency, currencies or composite currency or the imposition or proposal of exchange controls by any governmental authority in the country or countries issuing such currency, currencies or composite currency; and

7. (a) The Company will indemnify and hold harmless each Agent against any losses, claims, damages or liabilities, joint or several, to which such Agent may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, the Registration Statement, the Prospectus, the Prospectus as amended or supplemented or any other prospectus relating to the Securities, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse such Agent for any legal or other expenses reasonably incurred by it in connection with investigating or defending any such action or claim as such expenses are incurred; provided, however, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in any Preliminary Prospectus, the Registration Statement, the Prospectus, the Prospectus as amended or supplemented or any other prospectus relating to the Securities, or any such amendment or supplement, in reliance upon and in conformity with written information furnished to the Company by such Agent expressly for use therein.

(b) Each Agent will indemnify and hold harmless the Company against any losses, claims, damages or liabilities to which the Company may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or

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actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, the Registration Statement, the Prospectus, the Prospectus as amended or supplemented or any other prospectus relating to the Securities, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in any Preliminary Prospectus, the Registration Statement, the Prospectus, the Prospectus as amended or supplemented or any other prospectus relating to the Securities, or any such amendment or supplement, in reliance upon and in conformity with written information furnished to the Company by such Agent expressly for use therein; and will reimburse the Company for any legal or other expenses reasonably incurred by the Company in connection with investigating or defending any such action or claim as such expenses are incurred.

(c) Promptly after receipt by an indemnified party under subsection

(a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under such subsection. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation.

(d) If the indemnification provided for in this Section 7 is unavailable to or insufficient to hold harmless an indemnified party under subsection (a) or (b) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and each Agent on the other from the offering of the Securities to which such loss, claim, damage or liability (or action in respect thereof) relates. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the

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indemnified party failed to give the notice required under subsection (c) above, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and each Agent on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and each Agent on the other shall be deemed to be in the same proportion as the total net proceeds from the sale of Securities (before deducting expenses) received by the Company bear to the total commissions or discounts received by such Agent in respect thereof. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading relates to information supplied by the Company on the one hand or by any Agent on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and each Agent agree that it would not be just and equitable if contribution pursuant to this subsection (d) were determined by per capita allocation (even if all Agents were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), an Agent shall not be required to contribute any amount in excess of the amount by which the total public offering price at which the Securities purchased by or through it were sold

exceeds the amount of any damages which such Agent has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The obligations of each of the Agents under this subsection (d) to contribute are several in proportion to the respective purchases made by or through it to which such loss, claim, damage or liability (or action in respect thereof) relates and are not joint.

(e) The obligations of the Company under this Section 7 shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls any Agent within the meaning of the Act; and the obligations of each Agent under this Section 7 shall be in addition to any liability which such Agent may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company and to each person, if any, who controls the Company within the meaning

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of the Act.

8. Each Agent, in soliciting offers to purchase Securities from the Company and in performing the other obligations of such Agent hereunder (other than in respect of any purchase by an Agent as principal, pursuant to a Terms Agreement or otherwise), is acting solely as agent for the Company and not as principal. Each Agent will make reasonable efforts to assist the Company in obtaining performance by each purchaser whose offer to purchase Securities from the Company was solicited by such Agent and has been accepted by the Company, but such Agent shall not have any liability to the Company in the event such purchase is not consummated for any reason. If the Company shall default on its obligation to deliver Securities to a purchaser whose offer it has accepted, the Company shall (i) hold each Agent harmless against any loss, claim or damage arising from or as a result of such default by the Company and (ii) notwithstanding such default, pay to the Agent that solicited such offer any commission to which it would be entitled in connection with such sale.

9. The respective indemnities, agreements, representations, warranties and other statements by any Agent and the Company set forth in or made pursuant to this Agreement shall remain in full force and effect regardless of any investigation (or any statement as to the results thereof) made by or on behalf of any Agent or any controlling person of any Agent, or the Company, or any officer or director or any controlling person of the Company, and shall survive each delivery of and payment for any of the Securities.

10. The provisions of this Agreement relating to the solicitation of offers to purchase Securities from the Company may be suspended or terminated at any time by the Company as to any Agent or by any Agent as to such Agent upon the giving of written notice of such suspension or termination to such Agent or the Company, as the case may be. In the event of such suspension or termination with respect to any Agent, (x) this Agreement shall remain in full force and effect with respect to any Agent as to which such suspension or termination has not occurred, (y) this Agreement shall remain in full force and effect with respect to the rights and obligations of any party which have previously accrued or which relate to Securities which are already issued, agreed to be issued or the subject of a pending offer at the time of such suspension or termination and (z) in any event, this Agreement shall remain in full force and effect insofar as the fourth paragraph of Section 2(a), Section 4(d), Section 4(e), Section 5, Section 7, Section 8 and Section 9 hereof are concerned.

11. Except as otherwise specifically provided herein or in the Administrative Procedure, all statements, requests, notices and advice hereunder shall be in writing, or by telephone if promptly confirmed in writing, and if to Goldman, Sachs & Co. shall be sufficient in all respects when delivered or sent by facsimile transmission, overnight express service or certified mail to 85

Broad Street, New York, New York 10004, Facsimile Transmission No. (212) 363-7609, Attention: Credit Department; and if to BT Securities Corporation shall be sufficient in all respects when delivered or sent by facsimile transmission, overnight express service or certified mail to 130 Liberty Street, New York, New York 10006, Facsimile Transmission No. _____, Attention: _____; and

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if to Citicorp Securities, Inc. shall be sufficient in all respects when delivered or sent by facsimile transmission, overnight express service or certified mail to 399 Park Avenue, New York, New York 10043, Facsimile Transmission No. _____, Attention: _____; and if to J.P. Morgan Securities Inc. shall be sufficient in all respects when delivered or sent by facsimile transmission, overnight express service or certified mail to 60 Wall Street, New York, New York 10260, Facsimile Transmission No. _____, Attention: _____; and if to the Company shall be sufficient in all respects when delivered or sent by facsimile transmission, overnight express service or certified mail to SUPERVALU INC., 11840 Valley View Road, Eden Prairie, Minnesota 55344, Facsimile Transmission No. (612) 828-4576, Attention: Treasurer.

12. This Agreement and any Terms Agreement shall be binding upon, and inure solely to the benefit of, each Agent and the Company, and to the extent provided in Section 7, Section 8 and Section 9 hereof, the officers and directors of the Company and any person who controls any Agent or the Company, and their respective personal representatives, successors and assigns, and no other person shall acquire or have any right under or by virtue of this Agreement or any Terms Agreement. No purchaser of any of the Securities through or from any Agent hereunder shall be deemed a successor or assign by reason of such purchase.

13. Time shall be of the essence in this Agreement and any Terms Agreement. As used herein, the term "business day" shall mean any day when the office of the Commission in Washington, D.C. is normally open for business.

14. This Agreement and any Terms Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

15. This Agreement and any Terms Agreement may be executed by any one or more of the parties hereto and thereto in any number of counterparts, each of which shall be an original, but all of such respective counterparts shall together constitute one and the same instrument.

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If the foregoing is in accordance with your understanding, please sign and return to us five counterparts thereof, whereupon this letter and the acceptance by each of you shall constitute a binding agreement between the Company and each of you in accordance with its terms.

Very truly yours,

SUPERVALU INC.

/s/ Kim M. Erickson
By: _____

Accepted in New York, New York,
as of the date hereof:

/s/ Goldman, Sachs & Co.

Goldman, Sachs & Co.

BT Securities Corporation

/s/ Jacques de Saint Phalle
By: _____

Citicorp Securities, Inc.

/s/ Kimberly A. Conyngham
By: _____

J.P. Morgan Securities Inc.

/s/ Margaret Brody
By: _____

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ANNEX I

SUPERVALU INC.

Medium-Term Notes, Series B

Terms Agreement

_____, 1995

[Goldman, Sachs & Co.
85 Broad Street
New York, New York 10004]

[BT Securities Corporation
130 Liberty Street
New York, New York 10006]

[Citicorp Securities, Inc.
399 Park Avenue
New York, New York 10043]

[J.P. Morgan Securities Inc.
60 Wall Street
New York, New York 10260]

Ladies and Gentlemen:

SUPERVALU INC. (the "Company") proposes, subject to the terms and conditions stated herein and in the Distribution Agreement, dated October 2, 1995 (the "Distribution Agreement"), between the Company on the one hand and Goldman, Sachs & Co., BT Securities Corporation, Citicorp Securities, Inc. and J.P. Morgan Securities Inc. (the "Agents") on the other, to issue and sell to [Goldman, Sachs & Co.], [BT Securities Corporation], [Citicorp Securities, Inc.] and [J.P. Morgan Securities Inc.] the securities specified in the Schedule hereto (the "Purchased Securities"). Each of the provisions of the Distribution Agreement not specifically related to the solicitation by the Agents, as agents of the Company, of offers to purchase Securities is incorporated herein by reference in its entirety, and shall be deemed to be part of this Terms Agreement to the same extent as if

such provisions had been set forth in full herein. Nothing contained herein or in the Distribution Agreement shall make any party hereto an agent of the Company or make such party subject to the provisions therein relating to the solicitation of offers to purchase securities from the Company, solely by virtue of its execution of this Terms Agreement. Each of the representations and warranties set forth therein shall be deemed to have been made at and as of the date of this Terms Agreement, except that each representation and warranty in Section 1 of the Distribution Agreement which makes reference to the Prospectus shall be deemed to be a representation and warranty as of the date of the Distribution Agreement in relation to the Prospectus (as therein defined), and also a representation and a warranty as of the date of this Terms Agreement in relation to the Prospectus as amended and supplemented to relate to the Purchased Securities.

An amendment to the Registration Statement, or a supplement to the Prospectus, as the case may be, relating to the Purchased Securities, in the form heretofore delivered to you is now proposed to be filed with the Commission.

Subject to the terms and conditions set forth herein and in the Distribution Agreement incorporated herein by reference, the Company agrees to issue and sell to [Goldman, Sachs & Co.], [BT Securities Corporation], [Citicorp Securities, Inc.] and [J.P. Morgan Securities Inc.] and [Goldman, Sachs & Co.], [BT Securities Corporation], [Citicorp Securities, Inc.] and [J.P. Morgan Securities Inc.] agree[s] to purchase from the Company, the Purchased Securities, at the time and place, in the principal amount and at the purchase price set forth in the Schedule hereto.

If the foregoing is in accordance with your understanding, please sign and return to us three counterparts hereof, and upon acceptance hereof by you this letter and such acceptance hereof, including those provisions of the Distribution Agreement incorporated herein by reference, shall constitute a binding agreement between you and the Company.

SUPERVALU INC.

By _____

Accepted:

[_____
Goldman, Sachs & Co.]

[BT Securities Corporation

By: _____]

[Citicorp Securities, Inc.

By: _____]

By: _____]

Schedule to Annex I

[%] Medium-Term Notes, Series B

[\$ or units of the Specified Currency indicated above]

[%] of the principal amount of the Purchased Securities [, plus accrued interest from _____ to _____] [and accrued amortization, if any, from _____ to _____]

[By certified or official bank check or checks, payable to the order of the Company, in [[New York] Clearing House] [immediately available] funds]

Indenture:

Form of Purchased Securities:

Closing Location:

Maturity:

Denominations (if other than U.S. dollars):

- -----

Interest Rate:

- -----

[Fixed Rate Note: %]

[Floating Rate Note:

Interest Rate Basis:

Index Maturity:

Spread or Spread Multiplier:

Maximum Rate: %

Minimum Rate: %

Initial Interest Rate: %

Interest Reset Dates:

Calculation Dates:

Interest Determination Dates:

Record Dates:

Calculation Agent (if other than Bankers Trust Company):]

Interest Payment Dates:

- -----

[months and dates]

[Indexed Note:

Indexed Currency or Commodity:

Base Rate:]

Documents to be Delivered:

- -----

The following documents referred to in the Distribution Agreement shall be delivered as a condition to the Closing:

[(1) The opinion or opinions of counsel to the Agents referred to in Section 4(h).]

[(2) The opinion or opinions of counsel to the Company referred to in Section 4(i).]

[(3) The accountants' letter referred to in Section 4(j).]

[(4) The officers' certificate referred to in Section 4(k).]

Other Provisions (including Syndicate Provisions, if applicable):

- -----

Administrative Procedure

This Administrative Procedure relates to the Securities defined in the Distribution Agreement, dated October 2, 1995 (the "Distribution Agreement"), between SUPERVALU INC. (the "Company") and Goldman, Sachs & Co., BT Securities Corporation, Citicorp Securities, Inc. and J.P. Morgan Securities Inc. (together, the "Agents"), to which this Administrative Procedure is attached as Annex II. Defined terms used herein and not defined herein shall have the meanings given such terms in the Distribution Agreement, the Prospectus as amended or supplemented or the Indenture as amended or supplemented. To the extent any procedure set forth below conflicts with the provisions of the Securities, the Indenture or the Distribution Agreement, the relevant provisions of the Securities, the Indenture or the Distribution Agreement shall control.

The procedures to be followed with respect to the settlement of sales of Securities directly by the Company to purchasers solicited by an Agent, as agent, are set forth below. The terms and settlement details related to a purchase of Securities by an Agent, as principal, from the Company will be set forth in a Terms Agreement pursuant to the Distribution Agreement, unless the Company and such Agent otherwise agree as provided in Section 2(b) of the Distribution Agreement, in which case the procedures to be followed in respect of the settlement of such sale will be as set forth below. An Agent, in relation to a purchase of a Security by a purchaser solicited by such Agent, is referred to herein as the "Selling Agent" and, in relation to a purchase of a Security by such Agent as principal other than pursuant to a Terms Agreement, as the "Purchasing Agent".

The Company will advise each Agent in writing of those persons with whom such Agent is to communicate regarding offers to purchase Securities and the related settlement details.

Each Security will be issued only in fully registered form and will be represented by either a global certificate (a "Global Security") delivered to the Trustee, as custodian for The Depository Trust Company (the "Depository") and recorded in the book-entry system maintained by the Depository (a "Book-Entry Security") or a certificate (a "Certificated Security") delivered to a person designated by an Agent as set forth in the applicable Pricing Supplement. An owner of a Book-Entry Security will not be entitled to receive a certificate representing such a Security, except as provided in the Indenture or the Prospectus as amended or supplemented.

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Book-Entry Securities will be issued in accordance with the Administrative Procedure set forth in Part I hereof, and Certificated Securities will be issued in accordance with the Administrative Procedure set forth in Part II hereof.

PART I: ADMINISTRATIVE PROCEDURE FOR BOOK-ENTRY SECURITIES

In connection with the qualification of the Book-Entry Securities for eligibility in the book-entry system maintained by the Depository, the Trustee will perform the custodial, document control and administrative functions described below, in accordance with its respective obligations under a Letter of Representation from the Company and the Trustee to the Depository, dated the date hereof, and a Medium-Term Note Certificate Agreement between the Trustee and the Depository, dated as of October 21, 1988 (the "Certificate Agreement"), and its obligations as a participant in the Depository, including the Depository's Same-Day Funds Settlement System ("SDFS").

Posting Rates by the Company:

The Company and the Agents will discuss from time to time the rates of interest per annum to be borne by and the maturity of Book-Entry Securities that may be sold as a result of the solicitation of offers by an Agent. The Company

may establish a fixed set of interest rates and maturities for an offering period ("posting"). If the Company decides to change already posted rates, it will promptly advise the Agents to suspend solicitation of offers until the new posted rates have been established with the Agents.

Acceptance of Offers by the Company:

Each Agent will promptly advise the Company by telephone or other appropriate means of all reasonable offers to purchase Book-Entry Securities, other than those rejected by such Agent. Each Agent may, in its discretion reasonably exercised, reject any offer received by it in whole or in part. Each Agent also may make offers to the Company to purchase Book-Entry Securities as a Purchasing Agent. The Company will have the sole right to accept offers to purchase Book-Entry Securities and may reject any such offer in whole or in part.

The Company will promptly notify the Agent or Purchasing Agent, as the case may be, of its acceptance or rejection of an offer to purchase Book-Entry Securities. If the Company accepts an offer to purchase Book-Entry Securities, it will confirm such acceptance in writing to the Selling Agent or Purchasing Agent, as the case may be, and the Trustee.

Communication of Sale Information to the Company by Agent and Settlement Procedures:

A. After the acceptance of an offer by the Company, the Selling Agent or Purchasing Agent, as the case may be, will communicate promptly, but in no event later than

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the time set forth under "Settlement Procedure Timetable" below, the following details of the terms of such offer (the "Sale Information") to the Company by telephone (confirmed in writing) or by facsimile transmission or other acceptable written means:

- (1) Principal Amount of Book-Entry Securities to be purchased;
- (2) If a Fixed Rate Book-Entry Security, the interest rate, initial interest payment date, Interest Payment Dates and Regular Record Dates;
- (3) Trade Date;
- (4) Settlement Date;
- (5) Maturity Date;
- (6) Specified Currency and, if the Specified Currency is other than U.S. dollars, the applicable Exchange Rate for such Specified Currency (it being understood that currently the Depositary accepts deposits of Global Securities denominated in U.S. dollars only) and the Exchange Rate Agent;
- (7) Indexed Currency, the Base Rate and the Exchange Rate Determination Date, if applicable;
- (8) Issue Price;
- (9) Selling Agent's commission or Purchasing Agent's discount, as the case may be;
- (10) Net Proceeds to the Company;
- (11) If a redeemable Book-Entry Security, such of the following as are applicable:
 - (i) Redemption Commencement Date,

(ii) Initial Redemption Price (% of par), and

(iii) Amount (% of par) that the Redemption Price shall decline (but not below par) on each anniversary of the Redemption Commencement Date;

(12) If a Floating Rate Book-Entry Security, such of the following as are applicable:

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(i) Interest Rate Basis,

(ii) Index Maturity,

(iii) Spread or Spread Multiplier,

(iv) Maximum Rate,

(v) Minimum Rate,

(vi) Initial Interest Rate,

(vii) Interest Reset Dates,

(viii) Calculation Dates,

(ix) Interest Determination Dates,

(x) Interest Payment Dates,

(xi) Regular Record Dates, and

(xii) Calculation Agent;

(13) Name, address and taxpayer identification number of the registered owner(s);

(14) Denomination of certificates to be delivered at settlement;

(15) If a Renewable Note, a Note with respect to which the Company has the option to reset the interest rate or the Spread and/or Spread Multiplier, or a Note with respect to which the Company has the option to extend the Maturity Date, the applicable terms;

(16) Book-Entry Security; and

(17) Selling Agent or Purchasing Agent.

B. After receiving the Sale Information from the Selling Agent or Purchasing Agent, as the case may be, the Company will communicate such Sale Information to the Trustee by facsimile transmission or other acceptable written means. The Company will assign a CUSIP number to the Global Security from a list of CUSIP numbers previously obtained by the Company representing such Book-Entry Security and then advise the Trustee and the Selling Agent or Purchasing Agent, as the case may be, of such CUSIP number.

C. The Trustee will enter a pending deposit message through the Depository's Participant Terminal System, providing the following settlement information to the Depository, and the Depository shall forward such information to such Agent and Standard & Poor's Corporation:

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(1) The applicable Sale Information;

(2) CUSIP number of the Global Security representing such Book-Entry

Security;

(3) Whether such Global Security will represent any other Book-Entry Security (to the extent known at such time);

(4) Number of the participant account maintained by the Depositary on behalf of the Selling Agent or Purchasing Agent, as the case may be;

(5) The interest payment period; and

(6) Initial Interest Payment Date for such Book-Entry Security, number of days by which such date succeeds the record date for the Depositary's purposes (or, in the case of Floating Rate Securities which reset daily or weekly, the date five calendar days immediately preceding the applicable Interest Payment Date and, in the case of all other Book-Entry Securities, the Regular Record Date, as defined in the Security) and, if calculable at that time, the amount of interest payable on such Interest Payment Date.

D. The Trustee will complete and authenticate the Global Security previously delivered by the Company representing such Book-Entry Security.

E. The Depositary will credit such Book-Entry Security to the Trustee's participant account at the Depositary.

F. The Trustee will enter an SDFS deliver order through the Depositary's Participant Terminal System instructing the Depositary to (i) debit such Book-Entry Security to the Trustee's participant account and credit such Book-Entry Security to such Agent's participant account and (ii) debit such Agent's settlement account and credit the Trustee's settlement account for an amount equal to the price of such Book-Entry Security less such Agent's commission. The entry of such a deliver order shall constitute a representation and warranty by the Trustee to the Depositary that (a) the Global Security representing such Book-Entry Security has been issued and authenticated and (b) the Trustee is holding such Global Security pursuant to the Certificate Agreement.

G. Such Agent will enter an SDFS deliver order through the Depositary's Participant Terminal System instructing the Depositary (i) to debit such Book-Entry Security to such Agent's participant account and credit such Book-Entry Security to the participant accounts of the Participants with respect to such Book-Entry Security and (ii) to debit the settlement accounts of such Participants and credit the settlement account of such Agent for an amount equal to the price of such Book-Entry Security.

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H. Transfers of funds in accordance with SDFS deliver orders described in Settlement Procedures "F" and "G" will be settled in accordance with SDFS operating procedures in effect on the settlement date.

I. Upon confirmation of receipt of funds, the Trustee will transfer to the account of the Company maintained at Bankers Trust Company, New York, New York, or such other account as the Company may have previously specified to the Trustee, in funds available for immediate use in the amount transferred to the Trustee in accordance with Settlement Procedure "F".

J. Upon request, the Trustee will send to the Company a statement setting forth the principal amount of Book-Entry Securities outstanding as of that date under the Indenture.

K. Such Agent will confirm the purchase of such Book-Entry Security to the purchaser either by transmitting to the Participants with respect to such Book-Entry Security a confirmation order or orders through the Depositary's institutional delivery system or by mailing a written confirmation to such purchaser.

L. The Depositary will, at any time, upon request of the Company or the Trustee, promptly furnish to the Company or the Trustee a list of the names and

addresses of the participants for whom the Depositary has credited Book-Entry Securities.

Preparation of Pricing Supplement:

If the Company accepts an offer to purchase a Book-Entry Security, it will prepare a Pricing Supplement reflecting the terms of such Book-Entry Security and arrange to have delivered to the Selling Agent or Purchasing Agent, as the case may be, at least ten copies of such Pricing Supplement, not later than 5:00 p.m., New York City time, on the Business Day following the Trade Date (as defined below), or if the Company and the purchaser agree to settlement on the Business Day following the date of acceptance of such offer, not later than noon, New York City time, on such date. The Company will arrange to have ten Pricing Supplements filed with the Commission not later than the close of business of the Commission on the fifth Business Day following the date on which such Pricing Supplement is first used.

Delivery of Confirmation and Prospectus to Purchaser by Selling Agent:

The Selling Agent will deliver to the purchaser of a Book-Entry Security a written confirmation of the sale and delivery and payment instructions. In addition, the Selling Agent will deliver to such purchaser or its agent the Prospectus as amended or supplemented (including the Pricing Supplement) in relation to such Book-Entry Security prior to or together with the earlier of the delivery to such purchaser or its agent of (a) the confirmation

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of sale or (b) the Book-Entry Security.

Date of Settlement:

The receipt by the Company of immediately available funds in payment for a Book-Entry Security and the authentication and issuance of the Global Security representing such Book-Entry Security shall constitute "settlement" with respect to such Book-Entry Security. All orders of Book-Entry Securities solicited by a Selling Agent or made by a Purchasing Agent and accepted by the Company on a particular date (the "Trade Date") will be settled on a date (the "Settlement Date") which is the third Business Day after the Trade Date pursuant to the "Settlement Procedure Timetable" set forth below, unless the Company and the purchaser agree to settlement on another Business Day which shall be no earlier than the next Business Day after the Trade Date.

Settlement Procedure Timetable:

For orders of Book-Entry Securities solicited by a Selling Agent and accepted by the Company for settlement on the third Business Day after the Trade Date, Settlement Procedures "A" through "I" set forth above shall be completed as soon as possible but not later than the respective times (New York City time) set forth below:

SETTLEMENT PROCEDURE

- -----		TIME

A	5:00 p.m.	on the Business Day following the Trade Date or 10:00 a.m. on the Business Day prior to the Settlement Date, whichever is earlier
B	12:00 noon	on the second Business Day immediately preceding the Settlement Date
C	2:00 p.m.	on the second Business Day immediately preceding the Settlement Date
D	9:00 a.m.	on the Settlement Date

E 10:00 a.m. on the Settlement Date
F-G 2:00 p.m. on the Settlement Date
H 4:45 p.m. on the Settlement Date
I 5:00 p.m. on the Settlement Date

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If the initial interest rate for a Floating Rate Book-Entry Security has not been determined at the time that Settlement Procedure "A" is completed, Settlement Procedures "B" and "C" shall be completed as soon as such rate has been determined but no later than 2:00 p.m. on the second Business Day immediately preceding the Settlement Date. Settlement Procedure "H" is subject to extension in accordance with any extension of Fedwire closing deadlines and in the other events specified in the SDFS operating procedures in effect on the Settlement Date.

If settlement of a Book-Entry Security is rescheduled or canceled, the Trustee, upon obtaining knowledge thereof, will deliver to the Depository, through the Depository's Participant Terminal System, a cancellation message to such effect by no later than 2:00 p.m. on the Business Day immediately preceding the scheduled Settlement Date.

Failure to Settle:

If the Trustee fails to enter an SDFS deliver order with respect to a Book-Entry Security pursuant to Settlement Procedure "F", the Trustee may deliver to the Depository, through the Depository's Participant Terminal System, as soon as practicable a withdrawal message instructing the Depository to debit such Book-Entry Security to the Trustee's participant account, provided that the Trustee's participant account contains a principal amount of the Global Security representing such Book-Entry Security that is at least equal to the principal amount to be debited. If a withdrawal message is processed with respect to all the Book-Entry Securities represented by a Global Security, the Trustee will mark such Global Security "canceled", make appropriate entries in the Trustee's records and send such canceled Global Security to the Company. The CUSIP number assigned to such Global Security shall, in accordance with CUSIP Service Bureau procedures, be canceled and not immediately reassigned. If a withdrawal message is processed with respect to one or more, but not all, of the Book-Entry Securities represented by a Global Security, the Trustee will exchange such Global Security for two Global Securities, one of which shall represent such Book-Entry Security or Securities and shall be canceled immediately after issuance and the other of which shall represent the remaining Book-Entry Securities previously represented by the surrendered Global Security and shall bear the CUSIP number of the surrendered Global Security.

If the purchase price for any Book-Entry Security is not timely paid to the participants with respect to such Book-Entry Security by the beneficial purchaser thereof (or a person, including an indirect participant in the Depository, acting on behalf of such purchaser), such participants and, in turn, the Agent for such Book-Entry Security may enter deliver orders through the Depository's Participant Terminal System debiting such Book-Entry Security to such participant's account and crediting such Book-Entry Security to such Agent's account and then debiting such Book-Entry Security to such Agent's participant account and crediting such Book-Entry Security to the Trustee's participant account and shall notify the Company and the Trustee thereof. Thereafter, the Trustee will (i) immediately notify the Company of

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such order and the Company shall transfer to such Agent funds available for immediate use in an amount equal to the price of such Book-Entry Security which was credited to the account of the Company maintained at the Trustee in

accordance with Settlement Procedure I, and (ii) deliver the withdrawal message and take the related actions described in the preceding paragraph. If such failure shall have occurred for any reason other than default by the applicable Agent to perform its obligations hereunder or under the Distribution Agreement, the Company will reimburse such Agent on an equitable basis for the loss of its use of funds during the period when the funds were credited to the account of the Company.

Notwithstanding the foregoing, upon any failure to settle with respect to a Book-Entry Security, the Depositary may take any actions in accordance with its SDFS operating procedures then in effect. In the event of a failure to settle with respect to one or more, but not all, of the Book-Entry Securities to have been represented by a Global Security, the Trustee will provide, in accordance with Settlement Procedure "D", for the authentication and issuance of a Global Security representing the other Book-Entry Securities to have been represented by such Global Security and will make appropriate entries in its records. The Company will, from time to time, furnish the Trustee with a sufficient quantity of Securities.

PART II: ADMINISTRATIVE PROCEDURE FOR CERTIFICATED SECURITIES

Posting Rates by Company:

The Company and the Agents will discuss from time to time the rates of interest per annum to be borne by and the maturity of Certificated Securities that may be sold as a result of the solicitation of offers by an Agent. The Company may establish a fixed set of interest rates and maturities for an offering period ("posting"). If the Company decides to change already posted rates, it will promptly advise the Agents to suspend solicitation of offers until the new posted rates have been established with the Agents.

Acceptance of Offers by Company:

Each Agent will promptly advise the Company by telephone or other appropriate means of all reasonable offers to purchase Certificated Securities, other than those rejected by such Agent. Each Agent may, in its discretion reasonably exercised, reject any offer received by it in whole or in part. Each Agent also may make offers to the Company to purchase Certificated Securities as a Purchasing Agent. The Company will have the sole right to accept offers to purchase Certificated Securities and may reject any such offer in whole or in part.

The Company will promptly notify the Selling Agent or Purchasing Agent, as the case may be, of its acceptance or rejection of an offer to purchase Certificated Securities. If the Company accepts an offer to purchase Certificated Securities, it will confirm such acceptance in writing to the Selling Agent or Purchasing Agent, as the case may be, and the Trustee.

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Communication of Sale Information to Company by Agent:

After the acceptance of an offer by the Company, the Selling Agent or Purchasing Agent, as the case may be, will communicate the following details of the terms of such offer (the "Sale Information") to the Company by telephone (confirmed in writing) or by facsimile transmission or other acceptable written means:

- (1) Principal Amount of Certificated Securities to be purchased;
- (2) If a Fixed Rate Certificated Security, the interest rate, initial interest payment date, Interest Payment Dates and Regular Record Dates;
- (3) Trade Date;
- (4) Settlement Date;

(5) Maturity Date;

(6) Specified Currency and, if the Specified Currency is other than U.S. dollars, the applicable Exchange Rate for such Specified Currency and the Exchange Rate Agent;

(7) Indexed Currency, the Base Rate and the Exchange Rate Determination Date, if applicable;

(8) Issue Price;

(9) Selling Agent's commission or Purchasing Agent's discount, as the case may be;

(10) Net Proceeds to the Company;

(11) If a redeemable Certificated Security, such of the following as are applicable:

(i) Redemption Commencement Date,

(ii) Initial Redemption Price (% of par), and

(iii) Amount (% of par) that the Redemption Price shall decline (but not below par) on each anniversary of the Redemption Commencement Date;

(12) If a Floating Rate Certificated Security, such of the following as are

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applicable:

(i) Interest Rate Basis,

(ii) Index Maturity,

(iii) Spread or Spread Multiplier,

(iv) Maximum Rate,

(v) Minimum Rate,

(vi) Initial Interest Rate,

(vii) Interest Reset Dates,

(viii) Calculation Dates,

(ix) Interest Determination Dates,

(x) Interest Payment Dates,

(xi) Regular Record Dates, and

(xii) Calculation Agent;

(13) Name, address and taxpayer identification number of the registered owner(s);

(14) Denomination of certificates to be delivered at settlement;

(15) If a Renewable Note, a Note with respect to which the Company has the option to reset the interest rate or the Spread and/or Spread Multiplier, or a Note with respect to which the Company has the option to extend the Maturity Date, the applicable terms;

(16) Certificated Security; and

(17) Selling Agent or Purchasing Agent.

Preparation of Pricing Supplement by Company:

If the Company accepts an offer to purchase a Certificated Security, it will prepare a Pricing Supplement reflecting the terms of such Certificated Security and arrange to have delivered to the Selling Agent or Purchasing Agent, as the case may be, at least ten copies of such Pricing Supplement, not later than 5:00 p.m., New York City time, on the Business Day following the Trade Date, or if the Company and the purchaser agree to settlement on the date of acceptance of such offer, not later than noon, New York City time, on such date. The Company will arrange to have ten Pricing Supplements filed with the Commission not

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later than the close of business of the Commission on the fifth Business Day following the date on which such Pricing Supplement is first used.

Delivery of Confirmation and Prospectus to Purchaser by Selling Agent:

The Selling Agent will deliver to the purchaser of a Certificated Security a written confirmation of the sale and delivery and payment instructions. In addition, the Selling Agent will deliver to such purchaser or its agent the Prospectus as amended or supplemented (including the Pricing Supplement) in relation to such Certificated Security prior to or together with the earlier of the delivery to such purchaser or its agent of (a) the confirmation of sale or (b) the Certificated Security.

Date of Settlement:

All offers of Certificated Securities solicited by a Selling Agent or made by a Purchasing Agent and accepted by the Company will be settled on a date (the "Settlement Date") which is the third Business Day after the date of acceptance of such offer, unless the Company and the purchaser agree to settlement (a) on another Business Day after the acceptance of such offer or (b) with respect to an offer accepted by the Company prior to 10:00 a.m., New York City time, on the date of such acceptance.

Instruction from Company to Trustee for Preparation of Certificated Securities:

After receiving the Sale Information from the Selling Agent or Purchasing Agent, as the case may be, the Company will communicate such Sale Information to the Trustee by telephone (confirmed in writing) or by facsimile transmission or other acceptable written means.

The Company will instruct the Trustee by facsimile transmission or other acceptable written means to authenticate and deliver the Certificated Securities no later than 2:15 p.m., New York City time, on the Settlement Date. Such instruction will be given by the Company prior to 9:00 a.m., New York City time, on the Business Day immediately preceding the Settlement Date unless the Settlement Date is the date of acceptance by the Company of the offer to purchase Certificated Securities in which case such instruction will be given by the Company by 11:00 a.m., New York City time.

Preparation and Delivery of Certificated Securities by Trustee and Receipt of Payment Therefor:

The Trustee will prepare each Certificated Security and appropriate receipts that will serve as the documentary control of the transaction.

In the case of a sale of Certificated Securities to a purchaser solicited by a Selling

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Agent, the Trustee will, by 2:15 p.m., New York City time, on the Settlement Date, deliver the Certificated Securities to the Selling Agent for the benefit of the purchaser of such Certificated Securities against delivery by the Selling Agent of a receipt therefor. On the Settlement Date the Selling Agent will deliver payment for such Certificated Securities in immediately available funds to the Company in an amount equal to the issue price of the Certificated Securities less the Selling Agent's commission; provided that the Selling Agent reserves the right to withhold payment for which it has not received funds from the purchaser. The Company shall not use any proceeds advanced by a Selling Agent to acquire securities.

In the case of a sale of Certificated Securities to a Purchasing Agent, the Trustee will, by 2:15 p.m., New York City time, on the Settlement Date, deliver the Certificated Securities to the Purchasing Agent against delivery of payment for such Certificated Securities in immediately available funds to the Company in an amount equal to the issue price of the Certificated Securities less the Purchasing Agent's discount.

Failure of Purchaser to Pay Selling Agent:

If a purchaser (other than a Purchasing Agent) fails to make payment to the Selling Agent for a Certificated Security, the Selling Agent will promptly notify the Trustee and the Company thereof by telephone (confirmed in writing) or by facsimile transmission or other acceptable written means. The Selling Agent will immediately return the Certificated Security to the Trustee. Immediately upon receipt of such Certificated Security by the Trustee, the Company will return to the Selling Agent an amount equal to the amount previously paid to the Company in respect of such Certificated Security. The Company will reimburse the Selling Agent on an equitable basis for its loss of the use of funds during the period when they were credited to the account of the Company.

The Trustee will cancel the Certificated Security in respect of which the failure occurred, make appropriate entries in its records and, unless otherwise instructed by the Company, destroy the Certificated Security.

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ANNEX III

Accountants' Letter -----

Pursuant to Section 4(j) and Section 6(d), as the case may be, of the Distribution Agreement, the Company's independent certified public accountants shall furnish letters to the effect that:

(i) They are independent certified public accountants with respect to the Company and its subsidiaries within the meaning of the Act and the applicable rules and regulations thereunder;

(ii) In their opinion, the financial statements and any supplementary financial information and schedules audited (and, if applicable, financial forecasts and/or pro forma financial information) by them and included or incorporated by reference in the Registration Statement or the Prospectus comply as to form in all material respects with the applicable accounting requirements of the Act or the Exchange Act, as applicable, and the related published rules and regulations thereunder; and, if applicable, they have made a review in accordance with standards established by the American Institute of Certified Public Accountants of the consolidated interim financial statements, selected financial data, pro forma financial information and/or condensed financial statements derived from audited financial statements of the Company for the periods specified in such letter, as indicated in their reports thereon, copies

of which have been furnished to the Agents;

(iii) They have made a review in accordance with standards established by the American Institute of Certified Public Accountants of the unaudited condensed consolidated statements of earnings, consolidated balance sheets and consolidated statements of cash flows included in the Prospectus and/or included in the Company's Quarterly Reports on Form 10-Q incorporated by reference into the Prospectus as indicated in their reports thereon copies of which have been separately furnished to the Agents; and on the basis of specified procedures including inquiries of officials of the Company who have responsibility for financial and accounting matters regarding whether the unaudited condensed consolidated financial statements referred to in paragraph (vi)(A)(i) below comply as to form in all material respects with the applicable accounting requirements of the Act and the Exchange Act and the related published rules and regulations, nothing came to their attention that caused them to believe that the unaudited condensed consolidated financial statements do not comply as to form in all material respects with the applicable accounting requirements of the Act and the Exchange Act and the related published rules and regulations;

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(iv) The unaudited selected financial information with respect to the consolidated results of operations and financial position of the Company for the five most recent fiscal years included in the Prospectus and included or incorporated by reference in Item 6 of the Company's Annual Report on Form 10-K for the most recent fiscal year agrees with the corresponding amounts (after restatement where applicable) in the audited consolidated financial statements for five such fiscal years which were included or incorporated by reference in the Company's Annual Reports on Form 10-K for such fiscal years;

(v) They have compared the information in the Prospectus under selected captions with the disclosure requirements of Regulation S-K and on the basis of limited procedures specified in such letter nothing came to their attention as a result of the foregoing procedures that caused them to believe that this information does not conform in all material respects with the disclosure requirements of Items 301, 302, 402 and 503(d), respectively, of Regulation S-K;

(vi) On the basis of limited procedures, not constituting an audit in accordance with generally accepted auditing standards, consisting of a reading of the unaudited financial statements and other information referred to below, a reading of the latest available interim financial statements of the Company and its subsidiaries, inspection of the minute books of the Company and its subsidiaries since the date of the latest audited financial statements included or incorporated by reference in the Prospectus, inquiries of officials of the Company and its subsidiaries responsible for financial and accounting matters and such other inquiries and procedures as may be specified in such letter, nothing came to their attention that caused them to believe that:

(A) (i) the unaudited condensed consolidated statements of earnings, consolidated balance sheets and consolidated statements of cash flows included in the Prospectus and/or included or incorporated by reference in the Company's Quarterly Reports on Form 10-Q incorporated by reference in the Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the Exchange Act and the related published rules and regulations, or (ii) any material modifications should be made to the unaudited condensed consolidated statements of earnings, consolidated balance sheets and consolidated statements of cash flows included in the Prospectus or included in the Company's Quarterly Reports on Form 10-Q incorporated by reference in the Prospectus for them to be in conformity with generally accepted accounting principles;

(B) any other unaudited income statement data and balance sheet items included in the Prospectus do not agree with the corresponding items in the unaudited consolidated financial statements from which such data and items were derived, and any such unaudited data and items were not determined on a basis substantially consistent with the basis for the corresponding amounts in the audited consolidated financial statements included or

incorporated by reference in the Company's Annual

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Report on Form 10-K for the most recent fiscal year;

(C) the unaudited financial statements which were not included in the Prospectus but from which were derived the unaudited condensed financial statements referred to in clause (A) and any unaudited income statement data and balance sheet items included in the Prospectus and referred to in Clause (B) were not determined on a basis substantially consistent with the basis for the audited financial statements included or incorporated by reference in the Company's Annual Report on Form 10-K for the most recent fiscal year;

(D) any unaudited pro forma consolidated condensed financial statements included or incorporated by reference in the Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the Act and the published rules and regulations thereunder or the pro forma adjustments have not been properly applied to the historical amounts in the compilation of those statements;

(E) as of a specified date not more than five days prior to the date of such letter, there have been any changes in the consolidated capital stock (other than issuances of capital stock pursuant to employee and director stock plans, upon earn-outs of performance shares and upon conversions of convertible securities, in each case which were outstanding on the date of the latest balance sheet included or incorporated by reference in the Prospectus, or repurchases of common stock pursuant to the repurchase program) or any increase in the consolidated long-term debt of the Company and its subsidiaries, or any decreases in consolidated net current assets or stockholders' equity or other items specified by the Agents, or any increases in any items specified by the Agents, in each case as compared with amounts shown in the latest balance sheet included or incorporated by reference in the Prospectus, except in each case for changes, increases or decreases which the Prospectus discloses have occurred or may occur or which are described in such letter; and

(F) for the period from the date of the latest financial statements included or incorporated by reference in the Prospectus to the specified date referred to in Clause (E) there were any decreases in consolidated net revenues or operating profit or the total or per share amounts of consolidated net income or other items specified by the Agents, or any increases in any items specified by the Agents, in each case as compared with the comparable period of the preceding year and with any other period of corresponding length specified by the Agents, except in each case for increases or decreases which the Prospectus discloses have occurred or may occur or which are described in such letter; and

(vii) In addition to the audit referred to in their report(s) included or incorporated by reference in the Prospectus and the limited procedures, inspection of minute books, inquiries and other procedures referred to in paragraphs (iii) and (vi) above, they have

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carried out certain specified procedures, not constituting an audit in accordance with generally accepted auditing standards, with respect to certain amounts, percentages and financial information specified by the Agents which are derived from the general accounting records of the Company and its subsidiaries, which appear in the Prospectus (excluding documents incorporated by reference), or in Part II of, or in exhibits and schedules to, the Registration Statement specified by the Agents or in documents incorporated by reference in the Prospectus specified by the Agents, and have compared certain of such amounts, percentages and financial information with the accounting records of the Company

and its subsidiaries and have found them to be in agreement.

All references in this Annex III to the Prospectus shall be deemed to refer to the Prospectus (including the documents incorporated by reference therein) as defined in the Distribution Agreement as of the Commencement Date referred to in Section 6(d) thereof and to the Prospectus as amended or supplemented (including the documents incorporated by reference therein) as of the date of the amendment, supplement, incorporation or the Time of Delivery relating to the Terms Agreement requiring the delivery of such letter under Section 4(j) thereof.

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ANNEX IV

[Name and address of Agent]

Re: \$ _____,000,000 Medium-Term Notes, Series B
Pricing Supplement Number: _____
Settlement Date: _____
(See Attached Term Sheet)

Ladies and Gentlemen:

Reference is made to the Distribution Agreement dated October 2, 1995 (the "Agreement") pertaining to up to U.S. \$400,000,000 aggregate amount of Medium-Term Notes, Series B (the "Notes") to be offered from time to time by SUPERVALU INC. (the "Company"). The provisions of the Agreement (a copy of which has been previously provided to you) are hereby incorporated by reference and each of the representations and warranties set forth therein shall be deemed to have been made to you as of the date hereof. Subject to the terms as set forth therein, the Company hereby appoints you as an Agent (as such term is defined in the Agreement) of the Company for the purposes of soliciting one offer to purchase Notes from the Company containing the terms as set forth in the above referenced Pricing Supplement. This appointment is effective as to and extends only to the one transaction which you are presenting to the Company (see attached Term Sheet) and the Agreement shall automatically be terminated as to you upon the earlier to occur of (i) payment made in full to the Company for the Notes sold pursuant to the offer presented or (ii) the Company or you determine not to proceed with the transaction. Upon such termination of the Agreement by the Company, neither you nor the Company shall have any liability to the other except as provided in those sections of the Agreement referenced in Section 10 thereof. You agree to be bound by, and comply with, all of the provisions of the Agreement applicable to Agents thereunder.

[As a condition precedent to your obligation to consummate the transaction referred to above, you shall receive the following: (i) the opinions of counsel, dated _____ [recent date or most recent periodic update] pursuant to Sections 4(h) and 4(i) of the Agreement; (ii) an Officer's Certificate dated _____ [recent date], pursuant to Section 4(k) of the Agreement; (iii) a letter from [Accountant] dated _____ [recent date or most recent periodic update] delivered pursuant to Section 4(j) of the Agreement; and (iv) a copy of the resolutions adopted by the Company with respect to the form of Note evidencing the securities described in the above referenced Pricing Supplement, certified by an appropriate officer of the Company.]

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This letter agreement shall be governed by and construed in accordance with the laws of the State of New York.

If the foregoing is in accordance with your understanding, please sign and return to us two counterparts hereof, whereupon this letter shall constitute

a binding agreement between the Company and you in accordance with its terms.

SUPERVALU INC.

By _____

Agreed and Accepted as of the date hereof:

By _____

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=====

SUPERVALU INC.,
ISSUER

AND

BANKERS TRUST COMPANY,
TRUSTEE

THIRD SUPPLEMENTAL INDENTURE

TO

INDENTURE DATED AS OF JULY 1, 1987, AS AMENDED BY THE FIRST SUPPLEMENTAL
INDENTURE DATED AS OF AUGUST 1, 1990 AND THE SECOND SUPPLEMENTAL INDENTURE DATED
AS OF OCTOBER 1, 1992

DATED AS OF SEPTEMBER 1, 1995

=====

THIRD SUPPLEMENTAL INDENTURE, dated as of September 1, 1995, between
SUPERVALU INC. (formerly Super Valu Stores, Inc.), a corporation duly organized
and existing under the laws of the State of Delaware (herein called the
"Company"), having its principal office at 11840 Valley View Road, Eden Prairie,
Minnesota 55344, and BANKERS TRUST COMPANY, a banking corporation duly organized
and existing under the laws of the State of New York, as Trustee (herein called
the "Trustee").

RECITALS

The Company has heretofore executed and delivered to the Trustee a
certain Indenture, dated as of July 1, 1987, as amended by that certain First
Supplemental Indenture, dated as of August 1, 1990, and that certain Second
Supplemental Indenture, dated as of October 1, 1992 (said Indenture, as so
amended, being herein called the "Indenture"), pursuant to which one or more
series of unsecured debentures, notes or other evidences of indebtedness of the
Company (herein called the "Securities") may be issued from time to time. All
terms used in this Third Supplemental Indenture which are defined in the
Indenture shall have the meanings assigned to them in the Indenture.

The Company desires and has requested the Trustee to join with it in
the execution and delivery of this Third Supplemental Indenture for the purpose
of amending certain operating and financial covenants of the Company with

respect to series of Securities to be issued by the Company subsequent to the date hereof.

Section 901(9) of the Indenture provides that a supplemental indenture may be entered into by the Company and the Trustee without the consent of any Holders to make provisions with respect to matters arising under the Indenture which do not adversely affect the interests of the Holders of Securities of any series in any material respect.

The Company has furnished the Trustee with (i) an Opinion of Counsel stating that the execution of this Third Supplemental Indenture is authorized or permitted by the Indenture and (ii) a copy of the resolutions of its Board of Directors certified by its Secretary, pursuant to which this Third Supplemental Indenture has been authorized.

All things necessary to make this Third Supplemental Indenture a valid agreement of the Company and the Trustee and a valid amendment of and supplement to the Indenture have been done.

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NOW, THEREFORE, THIS THIRD SUPPLEMENTAL INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Securities and any coupons appertaining thereto by the Holders thereof, it is mutually covenanted and agreed, for the equal and proportionate benefit of all Holders of the Securities of any series thereof or of any coupons appertaining thereto, as follows:

ARTICLE ONE

SECTION 101. Subsection (b) of Section 1007 of the Indenture is hereby amended in its entirety as follows:

"(b) The provisions of Subsection (a) of this Section 1007 shall not apply (x) when a determination is made in respect of any series of Securities issued prior to October 1, 1992, to the issuance, assumption or guarantee by the Company or any Domestic Subsidiary of Debt secured by a mortgage which would otherwise be subject to the foregoing restrictions up to an aggregate amount which, together with all other Debt of the Company and its Domestic Subsidiaries secured by mortgages (other than mortgages permitted by Subsection (a) of this Section 1007) which would otherwise be subject to the foregoing restrictions and the Value of all Sale and Lease-back Transactions in existence at such time (other than any Sale and Lease-back Transaction which if such Sale and Lease-back Transaction had been a mortgage, would have been permitted by clause (i) of Section 1007(a) and other than Sale and Lease-back Transactions as to which application of amounts have been made in accordance with clause (b) of Section 1008) does not at the time exceed 5% of Consolidated Net Tangible Assets, (y) when a determination is made in respect of any series of Securities issued on or after October 1, 1992 and prior to September 1, 1995, to the issuance, assumption or guarantee by the Company or any Domestic Subsidiary of Debt secured by a mortgage which would otherwise be subject to the foregoing restrictions up to an aggregate amount which, together with all other Debt of the Company and its Domestic Subsidiaries secured by mortgages (other than mortgages permitted by Subsection (a) of this Section 1007) which would otherwise be subject to the foregoing restrictions and the Value of all Sale and Lease-back Transactions in existence at such time (other than any Sale and Lease-back Transaction which if such Sale and Lease-back Transaction had been a mortgage, would have been permitted by clause (i) of Section 1007(a) and other than Sale and Lease-back Transactions as to

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which application of amounts have been made in accordance with clause (b) of Section 1008) does not at the time exceed 10% of Consolidated Net Tangible

Assets and (z) when a determination is made in respect of any series of Securities issued on or after September 1, 1995, to the issuance, assumption or guarantee by the Company or any Domestic Subsidiary of Debt secured by a mortgage which would otherwise be subject to the foregoing restrictions up to an aggregate amount which, together with all other Debt of the Company and its Domestic Subsidiaries secured by mortgages (other than mortgages permitted by Subsection (a) of this Section 1007) which would otherwise be subject to the foregoing restrictions and the Value of all Sale and Lease-back Transactions in existence at such time (other than any Sale and Lease-back Transaction which if such Sale and Lease-back Transaction had been a mortgage, would have been permitted by clause (i) of Section 1007(a) and other than Sale and Lease-back Transactions as to which application of amounts have been made in accordance with clause (b) of Section 1008) does not at the time exceed the greater of \$200,000,000 or 10% of Consolidated Net Tangible Assets."

SECTION 102. The Company hereby certifies that the amendments to the Indenture set forth in this Third Supplemental Indenture do not adversely affect in any material respect the interests of the Holders of Securities of any series issued prior to November 1, 1994. The Company hereby covenants and agrees that (a) the Company shall comply with Sections 1007 and 1008 of the Indenture, as amended by Section 101 of this Third Supplemental Indenture, as they apply by their terms to Securities of any series and (b) the Company shall confirm to the Trustee annually its compliance with Sections 1007 and 1008 of the Indenture, as amended by Section 101 of this Third Supplemental Indenture, as they apply by their terms to Securities of any series, in the certificate referred to in Section 704(4) of the Indenture; provided however, that, consistent with the provisions of paragraph (4) of Section 501 of the Indenture, a default in the performance, or breach, of the covenants set forth in Sections 1007 and 1008 of the Indenture, as amended by Section 101 of this Third Supplemental Indenture, as they apply by their terms to Securities of any series, shall constitute such a default or breach only with respect to Securities of such series.

ARTICLE TWO

SECTION 201. For all purposes of this Third Supplemental Indenture, except as otherwise herein expressly provided or unless the context otherwise requires: (i) the terms and expressions used herein shall have the same meanings as corresponding terms and expressions used in the Indenture; and (ii) the words "herein," "hereof" and "hereby" and other words of similar import used in this Third Supplemental Indenture refer to this Third

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Supplemental Indenture as a whole and not to any particular section hereof.

SECTION 202. Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect.

SECTION 203. This Third Supplemental Indenture shall form a part of the Indenture for all purposes, and every Holder of Securities heretofore or hereafter authenticated and delivered shall be bound hereby.

SECTION 204. This Third Supplemental Indenture may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original, and all of such counterparts shall together constitute one and the same instrument.

SECTION 205. The Trustee makes no representation as to the validity or sufficiency of this Third Supplemental Indenture.

SECTION 206. The Recitals contained herein shall be taken as the statements of the Company and the Trustee assumes no responsibility for their correctness.

SECTION 207. This instrument shall be deemed to be a contract made under the laws of the State of New York and for all purposes shall be governed by and construed in accordance with the laws of the State of New York.

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IN WITNESS WHEREOF, the parties hereto have caused this Third Supplemental Indenture to be duly executed, and their respective corporate seals to be hereunto affixed and attested, all as of the day and year first above written.

SUPERVALU INC.

[SEAL]

By /s/ Kim M. Erickson

Name: Kim M. Erickson
Title: Vice President and Treasurer

Attest:

By /s/ Theresa H. Johnson

Name: Theresa H. Johnson
Title: Corporate Secretary

BANKERS TRUST COMPANY

[SEAL]

By /s/ Susan Johnson

Name: Susan Johnson
Title: Assistant Vice President

Attest:

By /s/ Terence Rawlins

Name: Terence Rawlins
Title: Assistant Treasurer

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STATE OF MINNESOTA)
 : ss.:
COUNTY OF HENNEPIN)

On the 29th of September, 1995, before me personally came Kim M. Erickson, to me known, who, being by me duly sworn, did depose and say that she is Vice President and Treasurer of SUPERVALU INC., one of the corporations described in and which executed the foregoing instrument; that she knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by authority of the Board of Directors of said corporation, and that she signed her name thereto by like authority.

Nancy L. Leonard

Notary Public

STATE OF NEW YORK)
 : ss.:
COUNTY OF NEW YORK)

On the 29th of September, 1995, before me personally came Susan Johnson, to me known, who, being by me duly sworn, did depose and say that she is Assistant Vice President of Bankers Trust Company, one of the corporations described in and which executed the foregoing instrument; that she knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by authority of the Board of Directors of said corporation, and that she signed her name thereto by like authority.

Margaret Bereza

Notary Public

SUPERVALU INC.

Officers' Certificate and Authentication Order

For Medium-Term Notes, Series B

Pursuant to the Indenture dated as of July 1, 1987 between SUPERVALU INC. (the "Company") and Bankers Trust Company, as trustee (the "Trustee"), as supplemented by the First Supplemental Indenture dated as of August 1, 1990, the Second Supplemental Indenture dated as of October 1, 1992 and the Third Supplemental Indenture dated as of September 1, 1995 (as so supplemented, the "Indenture") and resolutions adopted by the Board of Directors of the Company on June 29, 1994, this Officers' Certificate and Authentication Order is being delivered to the Trustee to establish the terms of a series of Securities in accordance with Section 301 of the Indenture, to establish the forms of the Securities of such series in accordance with Section 201 of the Indenture and to establish procedures for the authentication and delivery of specific Securities of such series from time to time pursuant to Section 303 of the Indenture.

Capitalized terms used but not defined herein and defined in the Indenture shall have the respective meanings ascribed to them in the Indenture.

All conditions precedent provided for in the Indenture relating to the establishment of (i) a series of Securities, (ii) the forms of such series of Securities and (iii) the procedures for the authentication and delivery of such series of Securities have been complied with.

A. Establishment of Series pursuant to Section 301 of Indenture.

There is hereby established pursuant to Section 301 of the Indenture a series of Securities which shall have the following terms:

(1) The series of Securities hereby being authorized shall bear the title "Medium-Term Notes, Series B" (referred to herein as the "Notes").

(2) The aggregate principal amount of the Notes of such series which may be authenticated and delivered under the Indenture and pursuant to this Officers' Certificate is limited to \$400,000,000 or the equivalent thereof in foreign currencies or composite currencies as specified (the "Specified Currency") in the applicable Authentication Certificate (as defined in Section C below) or, in the case of Original Issue Discount Notes (as defined below), such principal amount as will result in an aggregate initial offering price as specified in the applicable Authentication Certificate not to exceed such amount (except for Notes authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Notes of such series pursuant to Section 304, 305, 306, 906 or 1107 of the Indenture

and except for any Notes which, pursuant to Section 303 of the Indenture, are deemed never to have been authenticated and delivered thereunder) as such amount may be reduced by the issuance of other series of the Securities.

(3) The Notes shall be issuable only as Registered Securities. The Notes shall not be issuable in temporary global form. Each Note will be represented by either a Global Security registered in the name of the Depository or its nominee (each Note represented by a Global Security being herein referred to as a "Book-Entry Note") or a certificate issued in definitive registered form, without coupons (a "Certificated Note"), as set forth in the applicable Authentication Certificate. Unless otherwise specified in the applicable Authentication Certificate, The Depository Trust Company will act as Depository,

and the circumstances under which a Global Security may be exchanged for Certificated Notes registered in the name of, and any transfer of a Global Security may be registered to, a Person other than the Depositary or its nominee shall be as provided in Section 305 of the Indenture.

(4) Interest will be payable to the person in whose name a Note (or any predecessor Note) is registered at the close of business on the Regular Record Date (as defined below) next preceding each Interest Payment Date (as defined below); provided, however, that interest payable on the Maturity Date (as defined below) or upon redemption or repayment on any Note will be payable to the person to whom principal shall be payable. The first payment of any interest on any Note originally issued after a Regular Record Date and on or before an Interest Payment Date will be made on the Interest Payment Date following the next succeeding Regular Record Date to the registered owner on such next succeeding Regular Record Date. Any interest which is payable, but not punctually paid or duly provided for, on any Interest Payment Date will be payable to the person and in the manner specified in Section 307 of the Indenture.

(5) Unless previously redeemed or repaid, the principal of each Note will be payable on the date from 9 months to 30 years from its date of issue, as specified in such Note and in the applicable Authentication Certificate (the "Maturity Date"). If the Maturity Date (or date of redemption or repayment) of any Note would fall on a day that is not a Market Day (as defined below), the payment of principal may be made on the next succeeding Market Day (or, in the case of a LIBOR Note, if such day falls in the next calendar month, the next preceding Market Day), and no interest on such payment will accrue for the period from and after the Maturity Date (or the date of redemption or repayment). The term "Market Day" means (a) with respect to any Note (other than any LIBOR Note (as defined below)), any Business Day (as defined below), and (b) with respect to any LIBOR Note, any such Business Day which is also a London Business Day (as defined below). The term "London Business Day" means any day on which dealing in deposits in U.S. dollars are transacted in the London interbank market. The term "Business Day" means each Monday, Tuesday, Wednesday, Thursday and Friday which is (i) not a day on which banking institutions in The City of New York generally are authorized or obligated

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by law or executive order to close, and (ii) if the Note is denominated in a Specified Currency (as defined below) other than U.S. dollars, not a day on which banking institutions are authorized or obligated by law or executive order to close in the financial center of the country issuing the Specified Currency (which in the case of European Currency Units ("ECUs") shall be Luxembourg, in which case "Business Day" shall not include any day that is a non-ECU clearing day as determined by the ECU Banking Association in Paris).

If so provided in the applicable Authentication Certificate, the Company will have the option to extend the Maturity Date of any Note for one or more periods (each an "Extension Period") up to but not beyond the date (the "Final Maturity Date") set forth in the such Authentication Certificate. Such Authentication Certificate will indicate such option and the basis or formula, if any, for setting the interest rate, in the case of a Fixed Rate Note, or the Spread and/or Spread Multiplier, in the case of a Floating Rate Note, applicable to any such Extension Period.

If so provided in the applicable Authentication Certificate, Notes may be issued which mature on an Interest Payment Date (as defined below) specified in the such Authentication Certificate occurring in or prior to the twelfth month following the original issue date of such Notes unless the term of all or any portion of any such Note is renewed in accordance with the procedures described in such Authentication Certificate (a "Renewable Note").

(6) Unless otherwise indicated in the applicable Authentication Certificate, each Note will bear interest at either (i) a fixed rate (a "Fixed Rate Note"), which may be zero in the case of Notes issued at a discount from the principal amount payable at the Maturity Date thereof (a "Zero Coupon Note")

or (ii) a floating rate (a "Floating Rate Note") determined by reference to one or more of the interest rate formulas which may be adjusted by adding or subtracting the Spread or multiplying by the Spread Multiplier (each term as defined below).

Notes may be issued as "Indexed Notes," with the amount of principal payable at the Maturity Date, or the amount of interest payable on an Interest Payment Date, to be determined by reference to a currency exchange rate, composite currency, commodity price or other financial or non-financial index as set forth in the applicable Authentication Certificate.

Notes may be issued as "Amortizing Notes," for which payments of principal and interest are made in installments over the life of the Note. Interest on each Amortizing Note will be computed on the basis of a 360-day year of twelve 30-day months. Payments with respect to Amortizing Notes will be applied first to interest due and payable thereon and then to the reduction of the unpaid principal amount thereof. A table setting forth repayment information in respect of each Amortizing Note will be provided in the applicable Authentication Certificate.

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The Authentication Certificate relating to each Note will specify: (i) whether such Note is a Fixed Rate Note or a Floating Rate Note; (ii) if such Note is a Fixed Rate Note, the rate per annum at which such Note will bear interest, if any, and the Interest Payment Dates and the Regular Record Dates, if different from those set forth below; (iii) if such Note is a Floating Rate Note, the interest rate basis (the "Interest Rate Basis") for each such Floating Rate Note which will be (a) the Commercial Paper Rate, in which case such Note will be a Commercial Paper Rate Note, (b) the Prime Rate, in which case such Note will be a Prime Rate Note, (c) the London Inter-Bank Offered Rate ("LIBOR"), in which case such Note will be a LIBOR Note, (d) the Treasury Rate, in which case such Note will be a Treasury Rate Note, (e) the CD Rate, in which case such Note will be a CD Rate Note, (f) the Federal Funds Rate, in which case such Note will be a Federal Funds Rate Note, (g) the CMT Rate, in which case such Note will be a CMT Rate Note, or (h) such other interest rate formula as is set forth in such Authentication Certificate, and, if applicable, the Calculation Agent, the Index Maturity, the Spread or Spread Multiplier, the Maximum Rate, the Minimum Rate, the Initial Interest Rate, the Interest Payment Dates, the Regular Record Dates, the Calculation Date, the Interest Determination Date and the Interest Reset Date with respect to such Floating Rate Note (as all such terms are defined below); (iv) whether such Note is an Original Discount Note, and if so, the yield to maturity; (v) whether such Note is an Indexed Note, and if so, the amount of interest payable on an Interest Payment Date, as determined by reference to the applicable index; (vi) whether such Note is an Amortizing Note, and if so, repayment information with respect to installments of principal and interest; (vii) whether any Note is a Renewable Note, and if so, the renewal dates; (viii) whether the Company has the option to reset the interest rate, in the case of a Fixed Rate Note, or to reset the Spread and/or Spread Multiplier, in the case of a Floating Rate Note, and if so, the date or dates on which such interest rate or such Spread and/or Spread Multiplier, as the case may be, may be reset and the basis or formula, if any, for such resetting; and (ix) whether the Company will have the option to extend the Maturity Date of any Note for one or more Extension Periods up to but not beyond the Final Maturity Date, and if so, the basis or formula, if any, for setting the interest rate, in the case of a Fixed Rate Note, or the Spread and/or Spread Multiplier, in the case of a Floating Rate Note, applicable to any such Extension Period.

FIXED RATE NOTES

Each Fixed Rate Note (except any Zero Coupon Note) will bear interest from its date of issue or from the most recent Interest Payment Date to which interest on such Note has been paid or duly provided for at the fixed rate per annum stated on the face thereof and in the applicable Authentication Certificate until the principal thereof is paid or made available for payment. Unless otherwise specified in the applicable Authentication Certificate,

interest on such Fixed Rate Note will be payable semi-annually each February 1 and August 1 (each an "Interest Payment Date") and at the Maturity Date or upon earlier redemption or repayment. Unless otherwise indicated in the applicable Authentication Certificate, the "Regular Record Date" with respect to any Fixed Rate Note shall be the January 15 and July 15 (whether or not a Market Day) next preceding the February 1 and August 1 Interest

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Payment Dates. Each payment of interest in respect of an Interest Payment Date will include interest accrued to but excluding such Interest Payment Date. Interest on Fixed Rate Notes will be computed on the basis of a 360-day year of twelve 30-day months. If any Interest Payment Date or the Maturity Date (or the date of redemption or repayment) of any Fixed Rate Note falls on a day that is not a Market Day, the payment will be made on the next Market Day as if it were made on the date such payment was due, and no interest will accrue on the amount so payable for the period from and after such Interest Payment Date or the Maturity Date (or the date of redemption or repayment), as the case may be.

FLOATING RATE NOTES

Each Floating Rate Note will bear interest from its date of issue, at the rate per annum determined pursuant to the interest rate formula stated therein and in the applicable Authentication Certificate until the principal thereof is paid or made available for payment.

The interest rate for each Floating Rate Note will be determined by reference to an interest rate formula which may be adjusted by adding or subtracting the Spread and/or multiplying by the Spread Multiplier. A Floating Rate Note may also have either or both of the following: (a) a maximum numerical interest rate limitation, or ceiling, on the rate of interest which may accrue during any interest period (a "Maximum Rate"); and (b) a minimum numerical interest rate limitation, or floor, on the rate of interest which may accrue during any interest period (a "Minimum Rate"). The "Spread" is the number of basis points specified in the applicable Authentication Certificate as being applicable to the interest rate for such Note, and the "Spread Multiplier" is the percentage specified in the applicable Authentication Certificate as being applicable to the interest rate for such Note. "Index Maturity" means, with respect to a Floating Rate Note, the period to maturity of the instrument or obligation on which the interest rate formula is based, as specified in the applicable Authentication Certificate.

The rate of interest on each Floating Rate Note will be reset daily, weekly, monthly, quarterly, semi-annually or annually (each an "Interest Reset Date"), as specified in the applicable Authentication Certificate. The Interest Reset Date will be, in the case of Floating Rate Notes which reset daily, each Business Day; in the case of Floating Rate Notes (other than Treasury Rate Notes) which reset weekly, the Wednesday of each week; in the case of Treasury Rate Notes which reset weekly, the Tuesday of each week; in the case of Floating Rate Notes which reset monthly, the third Wednesday of each month; in the case of Floating Rate Notes which reset quarterly, the third Wednesday of March, June, September and December; in the case of Floating Rate Notes which reset semi-annually, the third Wednesday of two months of each year as specified in the applicable Authentication Certificate; and in the case of Floating Rate Notes which reset annually, the third Wednesday of one month of each year as specified in the applicable Authentication Certificate; provided, however, that the interest rate in effect from the date of issue to the first Interest Reset Date with respect to a Floating Rate Note will be the Initial Interest Rate (as set forth in the

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applicable Authentication Certificate). If any Interest Reset Date for any Floating Rate Note would otherwise be a day that is not a Market Day with respect to such Floating Rate Note, the Interest Reset Date for such Floating Rate Note shall be postponed to the next day that is a Market Day with respect

to such Floating Rate Note, except that in the case of a LIBOR Note, if such Market Day is in the next succeeding calendar month, such Interest Reset Date shall be the immediately preceding Market Day.

The Interest Determination Date pertaining to an Interest Reset Date for a Commercial Paper Rate Note (the "Commercial Paper Interest Determination Date"), for a Prime Rate Note (the "Prime Rate Interest Determination Date"), for a CD Rate Note (the "CD Rate Interest Determination Date"), for a Federal Funds Rate Note (the "Federal Funds Rate Interest Determination Date") and for a CMT Rate Note (the "CMT Rate Interest Determination Date") will be the second Market Day preceding such Interest Reset Date. The Interest Determination Date pertaining to an Interest Reset Date for a LIBOR Note (the "LIBOR Interest Determination Date") will be the second London Business Day preceding such Interest Reset Date. The Interest Determination Date pertaining to an Interest Reset Date for a Treasury Rate Note (the "Treasury Interest Determination Date") will be the day of the week in which such Interest Reset Date falls on which Treasury bills would normally be auctioned. If, as the result of a legal holiday, an auction is so held on the preceding Friday, such Friday will be the Treasury Interest Determination Date pertaining to the Interest Reset Date occurring in the next succeeding week. If an auction date shall fall on any Interest Reset Date for a Treasury Rate Note, then such Interest Reset Date shall instead be the first Market Day immediately following such auction date.

Payments of interest on any Floating Rate Note with respect to any Interest Payment Date will include interest accrued to but excluding such Interest Payment Date; provided, however, that if the Interest Reset Dates with respect to any Floating Rate Note are daily or weekly, interest payable on such Note on any Interest Payment Date, other than interest payable on the date on which principal on such Note is payable, unless otherwise specified in the applicable Authentication Certificate, will include interest accrued through but excluding the day following the next preceding Regular Record Date.

With respect to a Floating Rate Note, accrued interest from the date of issue or from the last date to which interest has been paid is calculated by multiplying the face amount of such Floating Rate Note by an accrued interest factor. Such accrued interest factor is computed by adding the interest factor calculated for each day from the date of issue, or from the last date to which interest has been paid, to but excluding the date for which accrued interest is being calculated. The interest factor (expressed as a decimal) for each such day is computed by dividing the interest rate (expressed as a decimal) applicable to such date by 360, in the case of Commercial Paper Rate Notes, Prime Rate Notes, LIBOR Notes, CD Rate Notes or Federal Funds Rate Notes, or by the actual number of days in the year, in the case of Treasury Rate Notes or CMT Rate Notes.

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Unless otherwise indicated in the applicable Authentication Certificate, the "Regular Record Date" with respect to any Floating Rate Note shall be the date 15 calendar days prior to each Interest Payment Date, whether or not such date shall be a Business Day.

Unless otherwise indicated in the applicable Authentication Certificate and except as provided below, interest will be payable: (i) in the case of Floating Rate Notes which reset daily or weekly, on the third Wednesday of March, June, September and December of each year; (ii) in the case of Floating Rate Notes which reset monthly, on the third Wednesday of each month or on the third Wednesday of March, June, September and December of each year (as indicated in the applicable Authentication Certificate); (iii) in the case of Floating Rate Notes which reset quarterly, on the third Wednesday of March, June, September and December of each year; (iv) in the case of Floating Rate Notes which reset semi-annually, on the third Wednesday of the two months of each year specified in the applicable Authentication Certificate; and (v) in the case of Floating Rate Notes which reset annually, on the third Wednesday of the month specified in the applicable Authentication Certificate (each an "Interest Payment Date"), and in each case, at the Maturity Date. If any Interest Payment Date for any Floating Rate Note would fall on a day that is not a Market Day with respect to

such Note, such Interest Payment Date will be the following day that is a Market Day with respect to such Note and interest will accrue to such Market Day, except that, in the case of a LIBOR Note, if such Market Day is in the next succeeding calendar month, such Interest Payment Date will be the immediately preceding day that is a Market Day with respect to such LIBOR Note. If the Maturity Date (or date of redemption or repayment) of any Floating Rate Note would fall on a day that is not a Market Day, the payment of interest and principal (and premium, if any) may be made on the next succeeding Market Day (or, the case of a LIBOR Note, if such day falls in the next calendar month, the next preceding day), and no interest on such payment will accrue for the period from and after the Maturity Date (or the date of redemption or repayment).

All percentages resulting from any calculations referred to herein will be rounded upwards, if necessary, to the next higher one hundred-thousandth of a percentage point, with five one-millionths of a percentage point rounded upward (e.g., 9.876545% (or .09876545) being rounded to 9.87655% (or .0987655)), and all U.S. dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one-half cent or more being rounded upwards).

In addition to any maximum interest rate which may be applicable to any Floating Rate Note pursuant to the above provisions, the interest rate on the Floating Rate Notes will in no event be higher than the maximum rate permitted by New York law, as the same may be modified by United States law of general application.

The calculation agent (the "Calculation Agent") with respect to any Floating Rate Notes will be specified in the applicable Authentication Certificate. The Calculation Agent's determination of the interest rate with respect to any Floating Rate Note will be final and

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binding in the absence of manifest error.

COMMERCIAL PAPER RATE NOTES. Commercial Paper Rate Notes will bear interest at the interest rates (calculated with reference to the Commercial Paper Rate and the Spread and/or Spread Multiplier, if any) and will be payable on the dates specified on the face of the Commercial Paper Rate Note and in the applicable Authentication Certificate. Unless otherwise indicated in the applicable Authentication Certificate, the "Calculation Date" pertaining to a Commercial Paper Interest Determination Date will be the tenth day after such Commercial Paper Interest Determination Date or, if any such day is not a Market Day, the next succeeding Market Day.

Unless otherwise indicated in the applicable Authentication Certificate, "Commercial Paper Rate" means, with respect to any Interest Reset Date, the Money Market Yield (calculated as described below) of the per annum rate (quoted on a bank discount basis) for the relevant Commercial Paper Interest Determination Date for commercial paper having the specified Index Maturity as published by the Board of Governors of the Federal Reserve System in "Statistical Release H.15(519), Selected Interest Rates" or any successor publication of the Board of Governors of the Federal Reserve System ("H.15(519)") under the heading "Commercial Paper." In the event that such rate is not published prior to 9:00 a.m. New York City time, on the relevant Calculation Date, then the Commercial Paper Rate with respect to such Interest Reset Date shall be the Money Market Yield of such rate on such Commercial Paper Interest Determination Date for commercial paper having the specified Index Maturity as published by the Federal Reserve Bank of New York in its daily statistical release, "Composite 3:30 p.m. Quotations for United States Government Securities" or any successor publication published by the Federal Reserve Bank of New York ("Composite Quotations") under the heading "Commercial Paper." If by 3:00 p.m., New York City time, on such Calculation Date such rate is not yet published in either H.15(519) or Composite Quotations, the Commercial Paper Rate with respect to such Interest Reset Date shall be calculated by the Calculation Agent and shall be the Money Market Yield of the arithmetic mean of the offered per annum rates (quoted on a bank discount basis), as of 11:00 a.m.,

New York City time, on such Commercial Paper Interest Determination Date, of three leading dealers of commercial paper in The City of New York selected by the Calculation Agent for commercial paper of the specified Index Maturity placed for an industrial issuer whose bond rating is "AA," or the equivalent, from a nationally recognized statistical rating agency; provided, however, that if fewer than three dealers selected as aforesaid by the Calculation Agent are quoting as mentioned in this sentence, the Commercial Paper Rate with respect to such Interest Reset Date will be the Commercial Paper Rate in effect on such Commercial Paper Interest Determination Date.

"Money Market Yield" shall be a yield (expressed as a percentage) calculated in accordance with the following formula:

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$$\text{Money Market Yield} = 100 \times \frac{D \times 360}{360 - (D \times M)}$$

where "D" refers to the per annum rate for commercial paper quoted on a bank discount basis and expressed as a decimal; and "M" refers to the actual number of days in the period from the Interest Reset Date to but excluding the day that numerically corresponds to such Interest Reset Date (or, if there is not any such numerically corresponding day, the last day) in the calendar month that is the number of months corresponding to the specified Index Maturity after the month in which such Interest Reset Date falls.

PRIME RATE NOTES. Prime Rate Notes will bear interest at the interest rates (calculated with reference to the Prime Rate and the Spread and/or Spread Multiplier, if any), and will be payable on the dates specified on the face of the Prime Rate Note and in the applicable Authentication Certificate. Unless otherwise indicated in the applicable Authentication Certificate, the "Calculation Date" pertaining to a Prime Rate Interest Determination Date will be the tenth day after such Prime Rate Interest Determination Date or, if any such day is not a Market Day, the next succeeding Market Day.

Unless otherwise indicated in the applicable Authentication Certificate, "Prime Rate" means, with respect to any Interest Reset Date, the rate set forth for the relevant Prime Rate Interest Determination Date in H.15(519) under the heading "Bank Prime Loan." In the event that such rate is not published prior to 9:00 a.m., New York City time, on the relevant Calculation Date, then the Prime Rate with respect to such Interest Reset Date will be the arithmetic mean of the rates of interest publicly announced by each bank that appears on the display designated as page "NYMF" on the Reuters Monitor Money Rates Service (or such other page as may replace the NYMF page on that service for the purpose of displaying prime rates or base lending rates of major United States banks) ("Reuters Screen NYMF Page") as such bank's prime rate or base lending rate as in effect for such Prime Rate Interest Determination Date. If fewer than four such rates appear on the Reuters Screen NYMF Page on such Prime Rate Interest Determination Date, the Prime Rate with respect to such Interest Reset Date will be the arithmetic mean of the prime rates or base lending rates (quoted on the basis of the actual number of days in the year divided by a 360-day year) as of the close of business on such Prime Rate Interest Determination Date by three major banks in The City of New York selected by the Calculation Agent; provided, however, that if fewer than three banks selected as aforesaid by the Calculation Agent are quoting as mentioned in this sentence, the Prime Rate with respect to such Interest Reset Date will be the Prime Rate in effect on such Prime Rate Interest Determination Date.

LIBOR NOTES. LIBOR Notes will bear interest at the interest rates (calculated with reference to LIBOR and the Spread and/or Spread Multiplier, if any), and will be payable on the dates specified on the face of the LIBOR Note and in the applicable Authentication Certificate.

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Unless otherwise indicated in the applicable Authentication Certificate, LIBOR, with respect to any Interest Reset Date, will be determined by the Calculation Agent in accordance with the following provisions:

(i) With respect to a LIBOR Interest Determination Date, LIBOR will be determined on the basis of the offered rates for deposits in the Index Currency (as defined below) having the Index Maturity designated in the applicable Authentication Certificate, commencing on the second Business Day immediately following that LIBOR Interest Determination Date, that appear as of 11:00 a.m., London time, on that LIBOR Interest Determination Date on the display screen designated "Page 3750" by Telerate Data Service, or such other page as may replace such page on that service or such other service or services as may be nominated by the British Bankers' Association for the purpose of displaying London interbank offered rates for deposits in the relevant Index Currency ("Telerate Page 3750"). If no such rate appears on Telerate Page 3750, then LIBOR in respect of that LIBOR Interest Determination Date will be the arithmetic mean of the offered rates (unless the display referred to below by its terms provides only for a single rate, in which case such single rate shall be used) for deposits in the London interbank market in the Index Currency having the Index Maturity designated in the applicable Authentication Certificate and commencing on the second Business Day immediately following such LIBOR Interest Determination Date that appear on the display on the Reuters Monitor Money Rates Service for the purpose of displaying the London interbank offered rates of major banks for the applicable Index Currency as of 11:00 a.m., London time, on such LIBOR Interest Determination Date, if at least two such offered rates appear (unless, as aforesaid, only a single rate is required). If fewer than two such rates appear (or, if such display by its terms provides for only a single rate, in which case if no such rate appears), then LIBOR in respect of such LIBOR Interest Determination Date will be determined as if the parties had specified the rate described in clause (ii) below.

(ii) If LIBOR with respect to a LIBOR Interest Determination Date is to be determined pursuant to this clause (ii), the Calculation Agent will request the principal London offices of each of three major reference banks in the London interbank market, as selected by the Calculation Agent, to provide the Calculation Agent with its offered quotation for deposits in the Index Currency for the period of the Index Maturity designated in the applicable Authentication Certificate, commencing on the second London Business Day immediately following such LIBOR Interest Determination Date, the prime banks in the London interbank market at approximately 11:00 a.m., London time, on such LIBOR Interest Determination Date and in a principal amount that is representative for a single transaction in such Index Currency in such market at such time. If at least two such quotations are provided, LIBOR determined on such LIBOR Interest Determination Date will be the arithmetic mean of such quotations. If fewer than two quotations are provided, LIBOR determined on such LIBOR Interest Determination Date will be the arithmetic mean

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of the rates quoted at approximately 11:00 a.m., or such other time specified in the applicable Authentication Certificate, in the applicable Principal Financial Center (as defined below), on such LIBOR Interest Determination Date by three major banks in such Principal Financial Center selected by the Calculation Agent for loans in the Index Currency to leading European banks, having the Index Maturity designated in the applicable Authentication Certificate and in a principal amount that is representative for a single transaction in such Index Currency in such market at such time; provided, however, that if the banks so selected by the Calculation Agent are not quoting as mentioned in this sentence, LIBOR determined on such LIBOR Interest Determination Date will be LIBOR in effect on such LIBOR Interest Determination Date.

"Index Currency" means the currency (including composite currencies) specified in the applicable Authentication Certificate as the currency for which

LIBOR shall be calculated. If no such currency is specified in the applicable Authentication Certificate, the Index Currency shall be United States dollars.

"Principal Financial Center" will generally be the capital city of the country of the specified Index Currency, except that with respect to United States dollars, Deutsche marks, Italian lira, Swiss francs, Dutch guilders and ECUs, the Principal Financial Center shall be The City of New York, Frankfurt, Milan, Zurich, Amsterdam and Luxembourg, respectively.

TREASURY RATE NOTES. Treasury Rate Notes will bear interest at the interest rates (calculated with reference to the Treasury Rate and the Spread and/or Spread Multiplier, if any) and will be payable on the dates specified on the face of the Treasury Rate Note and in the applicable Authentication Certificate. Unless otherwise specified in the applicable Authentication Certificate, the "Calculation Date" with respect to a Treasury Interest Determination Date will be the tenth day after such Treasury Interest Determination Date or, if any such day is not a Market Day, the next succeeding Market Day.

Unless otherwise indicated in the applicable Authentication Certificate, "Treasury Rate" means, with respect to any Interest Reset Date, the rate for the auction on the relevant Treasury Interest Determination Date of direct obligations of the United States ("Treasury bills") having the specified Index Maturity as published in H.15(519) under the heading "United States Government Securities--Treasury Bills--auction average (investment)" or, if not so published by 9:00 a.m., New York City time, on the relevant Calculation Date, the auction average rate (expressed as a bond equivalent on the basis of a year of 365 or 366 days, as applicable, and applied on a daily basis) for such auction as otherwise announced by the United States Department of the Treasury. In the event that the results of such auction of Treasury bills having the specified Index Maturity are not published or reported as provided above by 3:00 p.m., New York City time, on such Calculation Date, or if no such auction is held during such week, then the Treasury Rate shall be the rate set forth in H.15(519) for the

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relevant Treasury Rate Interest Determination Date for the specified Index Maturity under the heading "United States Government Securities--Treasury Bills - --Secondary Market." In the event such rate is not so published by 3:00 p.m., New York City time, on the relevant Calculation Date, the Treasury Rate with respect to such Interest Reset Date shall be calculated by the Calculation Agent and shall be a yield to maturity (expressed as a bond equivalent on the basis of a year of 365 or 366 days, as applicable, and applied on a daily basis) of the arithmetic mean of the secondary market bid rates as of approximately 3:30 p.m., New York City time, on such Treasury Interest Determination Date, of three primary United States government securities dealers in The City of New York selected by the Calculation Agent for the issue of Treasury bills with a remaining maturity closest to the specified Index Maturity; provided, however, that if fewer than three dealers selected as aforesaid by the Calculation Agent are quoting as mentioned in this sentence, the Treasury Rate with respect to such Interest Reset Date will be the Treasury Rate in effect on such Treasury Interest Determination Date.

CD RATE NOTES. CD Rate Notes will bear interest at the interest rates (calculated with reference to the CD Rate and the Spread and/or Spread Multiplier, if any), and will be payable on the dates specified on the face of the CD Rate Note and in the applicable Authentication Certificate. Unless otherwise indicated in the applicable Authentication Certificate, the "Calculation Date" pertaining to a CD Rate Interest Determination Date will be the tenth day after such CD Rate Interest Determination Date or, if such day is not a Market Day, the next succeeding Market Day.

Unless otherwise indicated in the applicable Authentication Certificate, "CD Rate" means, with respect to any Interest Reset Date, the rate for the relevant CD Rate Interest Determination Date for negotiable certificates of deposit having the specified Index Maturity as published in H.15(519) under the

heading "CDs (Secondary Market)." In the event that such rate is not published prior to 9:00 a.m., New York City time, on the relevant Calculation Date, then the CD Rate with respect to such Interest Reset Date shall be the rate on such CD Rate Interest Determination Date for negotiable certificates of deposit having the specified Index Maturity as published in Composite Quotations under the heading "Certificates of Deposit." If by 3:00 p.m., New York City time, on such Calculation Date such rate is not published in either H.15(519) or Composite Quotations, the CD Rate with respect to such Interest Reset Date shall be calculated by the Calculation Agent and shall be the arithmetic mean of the secondary market offered rates, as of 10:00 a.m., New York City time, on such CD Rate Interest Determination Date, of three leading nonbank dealers of negotiable U.S. dollar certificates of deposit in The City of New York selected by the Calculation Agent for negotiable certificates of deposit of major United States money market banks with a remaining maturity closest to the specified Index Maturity in a denomination of U.S. \$5,000,000; provided, however, that if fewer than three dealers selected as aforesaid by the Calculation Agent are quoting as mentioned in this sentence, the CD Rate with respect to such Interest Reset Date will be the CD Rate in effect on such CD Rate Interest Determination Date.

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FEDERAL FUNDS RATE NOTES. Federal Funds Rate Notes will bear interest at the interest rates (calculated with reference to the Federal Funds Rate and the Spread and/or Spread Multiplier, if any), and will be payable on the dates specified on the face of the Federal Funds Rate Note and in the applicable Authentication Certificate. Unless otherwise indicated in the applicable Authentication Certificate, the "Calculation Date" pertaining to a Federal Funds Interest Determination Date will be the tenth day after such Federal Funds Interest Determination Date or, if such day is not a Market Day, the next succeeding Market Day.

Unless otherwise indicated in the applicable Authentication Certificate, "Federal Funds Rate" means, with respect to any Interest Reset Date, the rate on the relevant Federal Funds Interest Determination Date for Federal Funds as published in H.15(519) under the heading "Federal Funds (Effective)." In the event that such rate is not published prior to 9:00 a.m., New York City time, on the relevant Calculation Date, then the Federal Funds Rate with respect to such Interest Reset Date will be the rate on such Federal Funds Interest Determination Date for Federal Funds as published in Composite Quotations under the heading "Federal Funds/Effective Rate." If by 3:00 p.m., New York City time, on such Calculation Date such rate is not published in either H.15(519) or Composite Quotations, the Federal Funds Rate with respect to such Interest Reset Date shall be calculated by the Calculation Agent and shall be the arithmetic mean of the rates, as of 9:00 a.m., New York City time, on such Federal Funds Interest Determination Date, for the last transaction in overnight Federal Funds arranged by three leading brokers of Federal Funds transactions in The City of New York selected by the Calculation Agent; provided, however, that if fewer than three brokers selected as aforesaid by the Calculation Agent are quoting as mentioned in this sentence, the Federal Funds Rate with respect to such Interest Reset Date will be the Federal Funds Rate in effect on such Federal Funds Interest Determination Date.

CMT RATE NOTES. CMT Rate Notes will bear interest at the interest rates (calculated with reference to the CMT Rate and the Spread and/or Spread Multiplier, if any) and will be payable on the dates specified on the face of the CMT Rate Note and in the applicable Authentication Certificate. Unless otherwise specified in the applicable Authentication Certificate, the "Calculation Date" with respect to a CMT Interest Determination Date will be the tenth day after such CMT Interest Determination Date or, if any such day is not a Market Day, the next succeeding Market Day.

Unless otherwise specified in the applicable Authentication Certificate, "CMT Rate" means, with respect to any CMT Interest Determination Date, the rate displayed on the Designated CMT Telerate Page (as defined below) under the caption ". . . Treasury Constant Maturities . . . Federal Reserve Board Release H.15 . . . Mondays Approximately 3:45 p.m.," under the column for the Designated CMT Maturity Index (as defined below) for (i) if the Designated CMT Telerate

Page is 7055, the rate on such CMT Interest Determination Date and (ii) if the Designated CMT Telerate Page is 7052, the week or the month, as applicable, ended immediately preceding the week in which the related CMT Interest

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Determination Date occurs. If such rate is no longer displayed on the relevant page, or is not displayed prior to 3:00 p.m., New York City time, on the relevant Calculation Date, then the CMT Rate with respect to such CMT Interest Determination Date will be such Treasury Constant Maturity rate for the Designated CMT Maturity Index as published in the relevant H.15(519). If such rate is no longer published, or, is not published by 3:00 p.m., New York City time, on such Calculation Date, then the CMT Rate for such CMT Interest Determination Date will be such Treasury Constant Maturity rate for the Designated CMT Maturity Index (or other United States Treasury rate for the Designated CMT Maturity Index) for the CMT Interest Determination Date with respect to such Interest Reset Date as may then be published by either the Board of Governors of the Federal Reserve System or the United States Department of the Treasury that the Calculation Agent determines to be comparable to the rate formerly displayed on the Designated CMT Telerate Page and published in the relevant H.15(519). If such information is not provided by 3:00 p.m., New York City time, on the related Calculation Date, then the CMT Rate for the CMT Interest Determination Date will be calculated by the Calculation Agent and will be a yield to maturity, based on the arithmetic mean of the secondary market closing offer side prices as of approximately 3:30 p.m., New York City time on the CMT Interest Determination Date reported, according to their written records, by three leading primary United States government securities dealers (each, a "Reference Dealer") in The City of New York selected by the Calculation Agent (from five such Reference Dealers selected by the Calculation Agent and eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest)), for the most recently issued direct noncallable fixed rate obligations of the United States ("Treasury notes") with an original maturity of approximately the Designated CMT Maturity Index and a remaining term to maturity of not less than such Designated CMT Maturity Index minus one year. If the Calculation Agent cannot obtain three such Treasury notes quotations, the CMT Rate for such CMT Interest Determination Date will be calculated by the Calculation Agent and will be a yield to maturity based on the arithmetic mean of the secondary market offer side prices as of approximately 3:30 p.m., New York City time, on the CMT Interest Determination Date of three Reference Dealers in The City of New York (from five such Reference Dealers selected by the Calculation Agent and eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest)), for Treasury notes with an original maturity of the number of years that is the next highest to the Designated CMT Maturity Index and a remaining term to maturity closest to the Designated CMT Maturity Index and in an amount of at least \$100,000,000. If three or four (and not five) of such Reference Dealers are quoting as described above, then the CMT Rate will be based on the arithmetic mean of the offer prices obtained and neither the highest nor the lowest of such quotes will be eliminated; provided however, that if fewer than three Reference Dealers selected by the Calculation Agent are quoting as described herein, the CMT Rate will be the CMT Rate in effect on such CMT Interest Determination Date. If two Treasury notes with an original maturity as described in the third preceding sentence have remaining terms to maturity equally close to the Designated CMT Maturity Index, the quotes for the CMT Rate Note with the shorter remaining term to

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maturity will be used.

"Designated CMT Telerate Page" means the display on the Dow Jones Telerate Service on the page designated in the applicable Authentication Certificate (or any other page as may replace such page on that service for the purpose of displaying Treasury Constant Maturities as reported in H.15(519)), for the purpose of displaying Treasury Constant Maturities as reported in H.15(519). If

no such page is specified in the applicable Authentication Certificate, the Designated CMT Telerate Page shall be 7052, for the most recent week.

"Designated CMT Maturity Index" means the original period to maturity of the U.S. Treasury securities (either 1, 2, 3, 5, 7, 10, 20 or 30 years) specified in the applicable Authentication Certificate with respect to which the CMT Rate will be calculated. If no such maturity is specified in the applicable Authentication Certificate, the Designated CMT Maturity Index shall be 2 years.

(7) Payment of the principal of (and premium, if any) and any interest due with respect to any Certificated Note at the Maturity Date or upon redemption or repayment thereof to be made in U.S. dollars will be made in immediately available funds upon surrender of such Note at the Corporate Trust Office of the Trustee in The City of New York, provided that the Certificated Note is presented to the Paying Agent in time for the Paying Agent to make such payments in such funds in accordance with its normal procedures. Payments of interest with respect to Certificated Notes to be made in U.S. dollars other than at the Maturity Date or upon redemption or repayment thereof will be made by check mailed to the address of the person entitled thereto as it appears in the Security Register or by wire transfer to such account as may have been appropriately designated by such Person.

Unless otherwise specified in the applicable Authentication Certificate, payments of interest and principal (and premium, if any) with respect to any Certificated Note to be made in a Specified Currency other than U.S. dollars will be made by wire transfer of immediately available funds to such account with a bank located in the country issuing the Specified Currency (or, with respect to Certificated Notes denominated in ECUs, to an ECU account) or other jurisdiction acceptable to the Company and the Trustee as shall have been designated at least ten Business Days prior to the Interest Payment Date or the Maturity Date, as the case may be, by the registered Holder of such Note on the relevant Regular Record Date or the Maturity Date, provided that, in the case of payment of principal (and premium, if any) and any interest due at the Maturity Date, the Certificated Note is presented to the Paying Agent in time for the Paying Agent to make such payments in such funds in accordance with its normal procedures. Such designation shall be made by filing the appropriate information in writing with the Trustee at its Corporate Trust Office in The City of New York and, unless revoked, any such designation made with respect to any Certificated Note by a registered Holder will remain in effect with respect to any further payments with respect to

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such Note payable to such Holder. If a payment with respect to any such Note cannot be made by wire transfer because the required designation has not been received by the Trustee on or before the requisite date or for any other reason, a notice will be mailed to the Holder at its registered address requesting a designation pursuant to which such wire transfer can be made and, upon the Trustee's receipt of such a designation, such payment will be made within five Business Days of such receipt. The Company will pay any administrative costs imposed by banks in connection with making payments by wire transfer, but any tax, assessment or governmental charge imposed upon payments will be borne by the Holders of the Notes in respect of which payments are made.

Payment of principal of and any premium and interest on Book-Entry Notes represented by any Global Security will be made to the Depositary or its nominee, as the case may be, as the sole registered owner and the sole Holder of the Book-Entry Notes represented thereby for all purposes under the Indenture.

Certificated Notes may be presented for registration of transfer or exchange at the Corporate Trust Office of the Trustee in The City of New York.

(8) Unless an initial date on which a Note may be redeemed by the Company (a "Redemption Commencement Date") is specified in the applicable Authentication Certificate, the Notes shall not be redeemable prior to their Maturity Date. If a Redemption Commencement Date is so specified with respect to any Note, the applicable Authentication Certificate shall also specify one or

more redemption prices (expressed as a percentage of the principal amount of such Note) ("Redemption Prices") and the redemption period or periods ("Redemption Periods") during which such Redemption Prices shall apply. Unless otherwise specified in the applicable Authentication Certificate, any such Note shall be redeemable at the option of the Company at any time on or after such specified Redemption Commencement Date, as a whole or from time to time in part, at the specified Redemption Price applicable to the Redemption Period during which such Note is to be redeemed, together with interest accrued to the date on which such Note is redeemed.

(9) Unless otherwise specified in the applicable Authentication Certificate, the Notes will not be subject to any sinking fund and, unless a date on which a Note may be repayable at the option of the Holder thereof (each a "Repayment Date") is specified in the applicable Authentication Certificate, the Notes will not be repayable at the option of a holder prior to their Maturity Date. If a Repayment Date is so specified with respect to any Note, the applicable Authentication Certificate will also specify one or more repayment prices (expressed as a percentage of the principal amount of such Note) ("Repayment Prices"), the repayment period or periods ("Repayment Periods") during which such Repayment Prices shall apply and any other terms of such repayment. Unless otherwise specified in the Authentication Certificate, any such Note shall be repayable at the option of the Holder thereof (as specified in such Authentication

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Certificate) at any time on or after such specified Repayment Date for a limited period (as specified in such Authentication Certificate), at the specified Repayment Price applicable to the Repayment Period during which such Note may be repaid, together with interest accrued to the date on which such Note is repaid.

(10) Unless otherwise specified in the applicable Authentication Certificate, the authorized denominations of any Note denominated in U.S. dollars will be \$100,000 and integral multiples of \$1,000 in excess thereof. The authorized denominations of any Note denominated in other than U.S. dollars will be the amount of the Specified Currency for such Note equivalent, at the noon buying rate for cable transfers in The City of New York for such Specified Currency (the "Exchange Rate") on the first Business Day next preceding the date on which the Company accepts the offer to purchase such Note, to U.S. \$100,000 (rounded down to an integral multiple of 1,000 units of such Specified Currency) and any greater amount that is an integral multiple of 1,000 units of such Specified Currency.

(11) Each Note will be denominated in a Specified Currency as specified on the face thereof and in the applicable Authentication Certificate, which may include U.S. dollars, Australian dollars, New Zealand dollars, Canadian dollars, Danish kroner, Italian lire, ECUs or any other currency set forth in the applicable Authentication Certificate.

(12) Notes may be issued with the principal amount payable at the Maturity Date or upon redemption or repayment, or the amount of interest payable on an Interest Payment Date, to be determined by reference to a currency exchange rate, composite currency, commodity price or other financial or non-financial index as set forth in the applicable Authentication Certificate. Holders of Indexed Notes may receive a principal amount at the Maturity Date that is greater than or less than the face amount of such Notes depending upon the value at the Maturity Date of the applicable index. Information as to the methods for determining the principal amount payable at the Maturity Date or the amount of interest payable on an interest payment date, as the case may be, and any currency or commodity market to which principal or interest is indexed will be set forth in the applicable Authentication Certificate.

(13) A Note may be issued as an "Original Issue Discount Note," which is a Note, including any Zero Coupon Note, issued at a price lower than the principal amount thereof and which provides that upon redemption, repayment or acceleration of the Maturity Date thereof an amount less than the principal thereof shall become due and payable. In the event of redemption, repayment or

acceleration of the Maturity Date of an Original Issue Discount Note, the amount payable to the Holder of such Note upon such redemption, repayment or acceleration will be determined in accordance with the terms of the Note, but will be an amount less than the amount payable at the Maturity Date of such Note.

(14) Unless otherwise specified in the applicable Authentication Certificate, payments of principal of (and premium, if any) and interest on all Fixed Rate Notes and Floating Rate Notes will be made in the applicable Specified Currency; provided, however,

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that payments of principal (and premium, if any) and interest on Notes denominated in other than U.S. dollars will nevertheless be made in U.S. dollars (i) at the option of the Holders thereof under the procedures described in the two following paragraphs and (ii) at the option of the Company in the case of imposition of exchange controls or other circumstances beyond the control of the Company as described in the third following paragraph.

Unless otherwise specified in the applicable Authentication Certificate, and except as provided in the next paragraph, payments of interest and principal (and premium, if any) with respect to any Note denominated in other than U.S. dollars will be made in U.S. dollars if the registered Holder of such Note on the relevant Regular Record Date or at the Maturity Date, as the case may be, has transmitted a written request for such payment in U.S. dollars to the Trustee at its Corporate Trust Office in The City of New York on or prior to such Regular Record Date or the date 15 days prior to the Maturity Date, as the case may be. Such request may be in writing (mailed or hand delivered) or by cable or telex or, if promptly confirmed in writing, by other form of facsimile transmission. Any such request made with respect to any Note by a registered Holder will remain in effect with respect to any further payments of interest and principal (and premium, if any) with respect to such Note payable to such Holder, unless such request is revoked on or prior to the relevant Regular Record Date or the date 15 days prior to the Maturity Date, as the case may be.

Unless otherwise specified in the applicable Authentication Certificate, the U.S. dollar amount to be received by a Holder of a Note denominated in other than U.S. dollars who elects to receive payment in U.S. dollars will be based on the highest bid quotation in The City of New York received by the exchange rate agent for the Notes designated in the applicable Authentication Certificate (the "Exchange Rate Agent") as of 11:00 a.m., New York City time, on the second Business Day next preceding the applicable payment date from three recognized foreign exchange dealers (one of which may be the Exchange Rate Agent) for the purchase by the quoting dealer of the Specified Currency for U.S. dollars for settlement on such payment date in the aggregate amount of the Specified Currency payable to all Holders of Notes electing to receive U.S. dollar payments and at which the applicable dealer commits to execute a contract. If three such bid quotations are not available on the second Business Day preceding the date of payment of principal (and premium, if any) or interest with respect to any Note, such payment will be made in the Specified Currency. All currency exchange costs associated with any payment in U.S. dollars on any such Note will be borne by the Holder thereof by deductions from such payment.

If the principal of (and premium, if any) or interest on any Note is payable in other than U.S. dollars and such Specified Currency is not available due to the imposition of exchange controls or other circumstances beyond the control of the Company, the Company will be entitled to satisfy its obligations to Holders of the Notes by making such payment in U.S. dollars on the basis of the most recently available Exchange Rate. Any payment made under such circumstances in U.S. dollars where the required payment is in other than U.S. dollars will not constitute an Event of Default under the Indenture.

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(15) Unless otherwise specified in the applicable Authentication

Certificate, the Company shall not pay any additional amounts on Notes held by a Person who is a United States Alien in respect of any tax, assessment or governmental charge withheld or deducted.

(16) If principal of or any premium or interest on any Note is denominated or payable in a Specified Currency other than U.S. dollars, the applicable Authentication Certificate will set forth whether and under what terms and conditions the Company may be discharged from obligations pursuant to Sections 403 and 1011 of the Indenture with respect to such Notes.

(17) Subject to the terms of the Indenture and the resolutions and authorizations referred to in the first paragraph hereof, the Notes shall have such other terms (which may be in addition to or different from the terms set forth herein) as are specified in the applicable Authentication Certificate.

B. Establishment of Note Forms pursuant to Section 201 of Indenture.

It is hereby established pursuant to Section 201 of the Indenture that Notes denominated in U.S. dollars (whether Book-Entry Notes or Certificated Notes) shall be substantially in the forms attached as Exhibits A, B, C and D hereto, unless a different form is provided in the applicable Authentication Certificate (which Authentication Certificate shall be an "Officers' Certificate" satisfying the requirements of Section 201 of the Indenture). The Notes shall have such additional terms as shall be set forth in the applicable Authentication Certificate and delivered to the Trustee or its authenticating agent. Upon receipt (including by facsimile) of such an Authentication Certificate, the Trustee or its authenticating agent is hereby instructed to insert such terms on the face of the Notes relating thereto.

C. Establishment of Procedures for Authentication and Delivery of Notes Pursuant to Section 303 of Indenture.

It is hereby ordered pursuant to Section 303 of the Indenture that Notes may be authenticated from time to time by the Trustee and issued in an aggregate principal amount not to exceed the amount set forth in Section A(2) above, in accordance with the Administrative Procedure attached hereto as Exhibit E (the "Administrative Procedure") and upon receipt by the Trustee (including by facsimile) of an Authentication Certificate supplemental to this Officers' Certificate and Authentication Order, in substantially the form attached as Exhibit F hereto (an "Authentication Certificate"), setting forth the information specified or contemplated therein for the particular Notes to be authenticated and issued. Each Authentication Certificate shall be signed by the Chief Executive Officer, the Chief

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Financial Officer or the Treasurer of the Company. The Company hereby directs the Trustee to perform its duties under the Administrative Procedure and agrees and confirms that the Trustee shall be indemnified by the Company for its acts and omissions in connection with the Administrative Procedure pursuant to Section 607(3) of the Indenture in accordance with the terms of such Section.

Dated: October 2, 1995

SUPERVALU INC.

By /s/ Jeffrey C. Girard

Jeffrey C. Girard
Executive Vice President and
Chief Financial Officer

By /s/ Kim M. Erickson

Kim M. Erickson
Vice President and Treasurer

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REGISTERED

No. BA-

SUPERVALU INC.
Medium-Term Note, Series B
(Fixed Rate Note)

REGISTERED

Principal Amount:
\$
CUSIP
No.

[INSERT IF THE SECURITY IS TO BE A GLOBAL SECURITY -- UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.]

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF DTC, AS DEPOSITARY FOR THIS SERIES OF SECURITIES (THE "DEPOSITARY"), OR A NOMINEE OF THE DEPOSITARY. THIS SECURITY IS EXCHANGEABLE FOR SECURITIES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITARY OR ITS NOMINEE ONLY IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND NO TRANSFER OF THIS SECURITY (OTHER THAN A TRANSFER OF THIS SECURITY AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY) MAY BE REGISTERED EXCEPT IN SUCH LIMITED CIRCUMSTANCES.]

ORIGINAL ISSUE DATE:

MATURITY DATE:

INTEREST RATE:

REDEMPTION TERMS:

OTHER TERMS:

REPAYMENT TERMS:

SUPERVALU INC., a corporation duly organized and existing under the laws of Delaware (herein called the "Company", which term includes any successor Person under the Indenture hereinafter referred to), for value received, hereby promises to pay to _____ or registered assigns, the principal sum of _____ United States Dollars (\$_____) on the Maturity Date shown above or, together with any premium thereon, upon any applicable Redemption Date or Repayment Date shown above, and to pay interest thereon from the Original Issue Date shown above or from the most recent Interest Payment Date to which interest has been paid or duly provided for, on each February 1 and August 1 in each year or such other dates, if any, as are

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specified under "Other Terms" above (the "Interest Payment Dates"), and on the Maturity Date, commencing with the Interest Payment Date immediately following the Original Issue Date, at the rate per annum equal to the Interest Rate shown above, until the principal hereof is paid or made available for payment, and (to the extent that the payment of such interest shall be legally enforceable) at the rate per annum equal to the Interest Rate shown above on

any overdue principal and on any overdue installment of interest; provided, however, that if the Original Issue Date is after a Regular Record Date and on or before the immediately following Interest Payment Date interest payments will commence on the Interest Payment Date following the next succeeding Regular Record Date. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture, be paid to the Person in whose name this Note (or one or more predecessor Notes) is registered at the close of business on the Regular Record Date for such interest, which shall, unless otherwise specified under "Other Terms" above, be the January 15 and July 15 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date; provided, however, that interest payable on the Maturity Date of this Note or any applicable Redemption Date or Repayment Date that is not an Interest Payment Date shall be payable to the Person to whom principal shall be payable. Except as otherwise provided in the Indenture, any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered Holder on such Regular Record Date and may either be paid to the Person in whose name this Note (or one or more predecessor Notes) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to the Holder of this Note not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Notes may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture.

If a Redemption Commencement Date or periods within which Redemption Dates may occur and the related Redemption Prices (expressed as percentages of the principal amount of this Note) are set forth above under "Redemption Terms", this Note is subject to redemption, in whole or in part, at the option of the Company prior to the Maturity Date upon not less than 30 nor more than 60 days' notice.

Payment of principal of (and premium, if any) and any interest due on any Note of this series (that is not a Global Security) at maturity or upon redemption or repayment will be made in immediately available funds upon surrender of the Note at the Corporate Trust Office of the Trustee in the City of New York, or such other office or agency of the Company maintained for that purpose in the City of New York, provided that the Note is presented to the Paying Agent in time for the Paying Agent to make such payments in such funds in accordance with its normal procedures. Payments of interest due on any Note of this series (that is not a Global Security) other than at maturity or upon redemption or repayment will be made by check mailed to the address of the person entitled thereto as it appears in the Security Register or by wire transfer to such account as may have been appropriately designated by such person.

Payment of principal of (and premium, if any) and interest due on any Global Security

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will be made to the Depositary or its nominee, as the case may be, as the sole registered owner and the sole Holder of the Global Security for all purposes under the Indenture.

Payment of the principal of (and premium, if any) and interest on this Note will be made in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

Reference is hereby made to the further provisions of this Note set forth below, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by or on behalf of the Trustee referred to below, directly or through an

Authenticating Agent, by manual signature of an authorized signatory, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

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IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed under its corporate seal.

[SEAL]

SUPERVALU INC.

By _____
Title:

Attest:

Title:

Dated:

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TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Securities of the series designated herein referred to in the within-mentioned Indenture.

BANKERS TRUST COMPANY,
as Trustee

By _____
Authorized Signatory

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SUPERVALU INC.
Medium-Term Note, Series B
(Fixed Rate Note)

This Note is one of a duly authorized issue of securities of the Company (herein called the "Securities"), issued or to be issued in one or more series under an Indenture, dated as of July 1, 1987, as amended and supplemented by the First Supplemental Indenture thereto, dated as of August 1, 1990, the Second Supplemental Indenture thereto, dated as of October 1, 1992, and the Third Supplemental Indenture thereto, dated as of September 1, 1995 (the Indenture, as so amended and supplemented, being herein called the "Indenture"), between the Company and Bankers Trust Company, as Trustee (herein called the "Trustee", which term includes any successor trustee under the Indenture), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Notes (as defined below) and of the terms upon which the Notes are, and are to be, authenticated and delivered. This Note is one of

the series designated as Medium-Term Notes, Series B (the "Notes"). By the terms of the Indenture, Securities, which may vary as to date, amount, Maturity Date, interest rate or method of calculating the interest rate and in other respects as therein provided, may be issued in an unlimited principal amount.

Unless otherwise set forth above, under "Other Terms", the Notes of this series are issuable only in registered form without coupons, in denominations of \$100,000 and integral multiples of \$1,000 in excess thereof. The Notes of this series may be issued, in whole or in part, in the form of one or more Global Securities bearing the legend specified in the Indenture regarding certain restrictions on registration of transfer and exchange and issued to the Depositary or its nominee and registered in the name of the Depositary or such nominee. As provided in the Indenture, and subject to certain limitations (including, if this Note is a Global Security, certain additional limitations) therein set forth, Notes of this series in definitive registered form are exchangeable for a like aggregate principal amount of Notes of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same.

Payments of interest hereon with respect to any Interest Payment Date will include interest accrued to but excluding such Interest Payment Date. Interest hereon shall be computed on the basis of a 360-day year of twelve 30-day months.

In the event that any Interest Payment Date or the Maturity Date or any applicable Redemption Date or Repayment Date is not a Business Day, the interest and, with respect to the Maturity Date or any applicable Redemption Date or Repayment Date, principal (and premium, if any) otherwise payable on such date will be made on the next Business Day as if it were made on the date such payment was due, and no interest will accrue on the amount so payable for the period from and after such Interest Payment Date or the Maturity Date or any applicable

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Redemption Date or Repayment Date.

If a Redemption Commencement Date or periods within which Redemption Dates may occur and the related Redemption Prices (expressed as percentages of the principal amount of this Note) are set forth above under "Redemption Terms", this Note is subject to redemption prior to the Maturity Date, on any Redemption Date so specified or occurring within any period so specified, as a whole or in part, at the election of the Company, at the applicable Redemption Price so specified, together in the case of any such redemption with accrued interest to the Redemption Date; provided, however, that installments of interest whose Stated Maturity is on or prior to such Redemption Date will be payable in the case of any such redemption to the Holder of this Note (or one or more predecessor Notes) at the close of business on the relevant Regular Record Dates referred to above, all as provided in the Indenture. Notice of redemption will be given by mail to the Holder of this Note not less than 30 nor more than 60 days prior to the date fixed for redemption, all as provided in the Indenture. In the event of redemption of this Note in part only, a new Note of this series and of like tenor of an authorized denomination for the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof.

Unless otherwise specified under "Other Terms" above, this Note will not be subject to any sinking fund.

If a Repayment Date or periods within which Repayment Dates may occur and the related Repayment Prices (expressed as percentages of the principal amount of this Note) are set forth above under "Repayment Terms", this Note is subject to repayment at the option of the Holder hereof prior to the Maturity Date upon such terms as are set forth above under "Repayment Terms". In the event of repayment of this Note in part only, a new Note of this series and of like tenor of an authorized denomination for the portion hereof not repaid

will be issued in the name of the Holder hereof upon the cancellation hereof.

If an Event of Default with respect to Notes of this series shall occur and be continuing, the principal of the Notes of this series may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture contains provisions for defeasance at any time of the Company's obligations in respect of (i) the entire indebtedness of this Note or (ii) certain restrictive covenants with respect to this Note, in each case upon compliance with certain conditions set forth therein.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Notes of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of at least a majority in principal amount of the

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Notes at the time Outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in principal amount of the Notes of each series at the time Outstanding, on behalf of the Holders of all Notes of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Note or Notes issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Note.

As set forth in, and subject to, the provisions of the Indenture, no Holder of any Note of this series will have any right to institute any proceeding with respect to the Indenture or for any remedy thereunder, unless such Holder shall have previously given to the Trustee written notice of a continuing Event of Default with respect to this series, the Holders of not less than 25% in principal amount of the Outstanding Notes of this series shall have made written request, and offered reasonable indemnity, to the Trustee to institute such proceeding as trustee, and the Trustee shall not have received from the Holders of a majority in principal amount of the Outstanding Notes of this series a direction inconsistent with such request and shall have failed to institute such proceeding within 60 days; provided, however, that such limitations do not apply to a suit instituted by the Holder hereof for the enforcement of payment of the principal of or interest on this Note on or after the respective due dates expressed herein.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Note at the times, places and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations (including, if this Note is a Global Security, the limitations set forth on the first page hereof) therein set forth, the transfer of this Note is registrable in the Security Register, upon surrender of this Note for registration of transfer at the Corporate Trust Office of the Trustee in the City of New York, or such other office or agency of the Company in any place where the principal of (and premium, if any) and interest on this Note are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar, duly executed by, the Holder hereof or such Holder's attorney duly authorized in writing, and thereupon one or more new Notes of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any

tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Note is registered as the owner hereof for all purposes, whether or not this Note be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the

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contrary.

This Note may have such additional or different terms as are set forth above under "Other Terms". Any terms so set forth shall be deemed to modify and/or supersede, as necessary, any other terms set forth in this Note.

This Note shall be governed by and construed in accordance with the laws of the State of New York.

All terms used in this Note which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

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ABBREVIATIONS

The following abbreviations, when used in the inscription above, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM--as tenants in common

TEN ENT--as tenants by the entireties

JT TEN--as joint tenants with right of survivorship
and not as tenants in common

UNIF GIFT MIN ACT--_____Custodian_____
(Cust)

(Minor)

under Uniform Gift to Minors Act

(State)

Additional abbreviations may be used though not in the above list.

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ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto
PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF ASSIGNEE

| _____ |

(Please Print or Typewrite Name and Address
Including Postal Zip Code of Assignee)

the within Note and all rights thereunder, and hereby irrevocably constitutes
and appoints

to transfer said Note on the books of the Company, with full power of
substitution in the premises.

Dated: _____

Signature Guaranteed

- -----

NOTICE: The signature to this
assignment must correspond
with the name as written upon
the face of the within
Note in every particular,
without alteration or
enlargement or any change whatever.

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OPTION TO ELECT REPAYMENT

The undersigned hereby irrevocably requests and instructs the Company to
repay the within Note (or portion thereof specified below) pursuant to its
terms at the applicable Repayment Price, together with interest to the
Repayment Date, to the undersigned at

(Please Print or Typewrite Name and Address of the Undersigned)

If less than the entire principal amount of the within Note is to be
repaid, specify the portion thereof which the undersigned elects to have
repaid:

_____;

and specify the denomination or denominations (which shall not be less than
the minimum authorized denomination) of the Notes to be issued to the
undersigned for the portion of the within Note not being repaid (in the
absence of any such specification, one such Note will be issued for the
portion not being repaid):_____.

Dated:_____

NOTICE: The signature to this assignment must correspond with the name
as written upon the within Note in every particular, without alteration or
enlargement or any change whatever.

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No. BB-	SUPERVALU INC. Medium-Term Note, Series B (Global Floating Rate Note)	Principal Amount: \$ CUSIP No.
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[INSERT IF THE SECURITY IS TO BE A GLOBAL SECURITY -- UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF DTC, AS DEPOSITORY FOR THIS SERIES OF SECURITIES (THE "DEPOSITORY"), OR A NOMINEE OF THE DEPOSITORY. THIS SECURITY IS EXCHANGEABLE FOR SECURITIES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITORY OR ITS NOMINEE ONLY IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND NO TRANSFER OF THIS SECURITY (OTHER THAN A TRANSFER OF THIS SECURITY AS A WHOLE BY THE DEPOSITORY TO A NOMINEE OF THE DEPOSITORY OR BY A NOMINEE OF THE DEPOSITORY TO THE DEPOSITORY OR ANOTHER NOMINEE OF THE DEPOSITORY) MAY BE REGISTERED EXCEPT IN SUCH LIMITED CIRCUMSTANCES.]

ORIGINAL ISSUE DATE:	MATURITY DATE:
INITIAL INTEREST RATE:	SPREAD:
INTEREST RATE BASIS:	SPREAD MULTIPLIER:
	REDEMPTION TERMS:
[] COMMERCIAL PAPER RATE	
[] PRIME RATE	
[] LIBOR	
[] TREASURY RATE	REPAYMENT TERMS:
[] CD RATE	
[] FEDERAL FUNDS RATE	
[] CMT RATE	
DESIGNATED CMT TELERATE	CALCULATION AGENT:
PAGE:	
DESIGNATED CMT MATURITY	
INDEX:	
[] OTHER (SEE "OTHER TERMS")	OTHER TERMS:

INDEX MATURITY:

MAXIMUM INTEREST RATE:

MINIMUM INTEREST RATE:

INTEREST RESET DATES:

INTEREST PAYMENT DATES:

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SUPERVALU INC., a corporation duly organized and existing under the laws of Delaware (herein called the "Company", which term includes any successor Person under the Indenture hereinafter referred to), for value received, hereby promises to pay to _____ or registered assigns, the principal sum of _____ United States Dollars (\$_____) on the Maturity Date shown above or, together with any premium thereon, upon any applicable Redemption Date or Repayment Date shown above,

and to pay interest thereon from the Original Issue Date shown above or, except as otherwise specified below, from the most recent Interest Payment Date to which interest has been paid or duly provided for, on each Interest Payment Date shown above, and on the Maturity Date, commencing with the Interest Payment Date immediately following the Original Issue Date, at the rate per annum determined in accordance with the provisions below relating to the applicable Interest Rate Basis specified above, until the principal hereof is paid or made available for payment, and (to the extent that the payment of such interest shall be legally enforceable) at the rate per annum equal to the Interest Rate shown above on any overdue principal and on any overdue installment of interest; provided, however, that if the Original Issue Date is after a Regular Record Date and on or before the immediately following Interest Payment Date, interest payments will commence on the Interest Payment Date following the next succeeding Regular Record Date. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name this Note (or one or more predecessor Notes) is registered at the close of business on the Regular Record Date for such interest, which shall, unless otherwise specified under "Other Terms" above, be the fifteenth calendar day (whether or not a Market Day (as defined below)) next preceding such Interest Payment Date; provided, however, that interest payable on the Maturity Date of this Note or any applicable Redemption Date or Repayment Date that is not an Interest Payment Date shall be payable to the Person to whom principal shall be payable. Except as otherwise provided in the Indenture, any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered Holder on such Regular Record Date and may either be paid to the Person in whose name this Note (or one or more predecessor Notes) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to the Holder of this Note not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Notes may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture.

If a Redemption Commencement Date or periods within which Redemption Dates may occur and the related Redemption Prices (expressed as percentages of the principal amount of this Note) are set forth above under "Redemption Terms", this Note is subject to redemption, in whole or in part, at the option of the Company prior to the Maturity Date upon not less than 30 nor more than 60 days' notice.

Payment of principal of (and premium, if any) and any interest due on any Note of this series (that is not a Global Security) at maturity or upon redemption or repayment will be made in immediately available funds upon surrender of the Note at the Corporate Trust Office of the Trustee in the City of New York, or such other office or agency of the Company maintained for

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that purpose in the City of New York, provided that the Note is presented to the Paying Agent in time for the Paying Agent to make such payments in such funds in accordance with its normal procedures. Payments of interest due on any Note of this series (that is not a Global Security) other than at maturity or upon redemption or repayment will be made by check mailed to the address of the person entitled thereto as it appears in the Security Register or by wire transfer to such account as may have been appropriately designated by such person.

Payment of principal of (and premium, if any) and interest due on any Global Security will be made to the Depositary or its nominee, as the case may be, as the sole registered owner and the sole Holder of the Global Security for all purposes under the Indenture.

Payment of the principal of (and premium, if any) and interest on this Note will be made in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

Reference is hereby made to the further provisions of this Note set forth below, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by or on behalf of the Trustee referred to below, directly or through an Authenticating Agent, by manual signature of an authorized signatory, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

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IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed under its corporate seal.

[SEAL]

SUPERVALU INC.

By _____
Title:

Attest:

Title:

Dated:

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TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Securities of the series designated herein referred to in the within-mentioned Indenture.

BANKERS TRUST COMPANY,
as Trustee

By _____
Authorized Signatory

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SUPERVALU INC.
Medium-Term Note, Series B
(Floating Rate Note)

This Note is one of a duly authorized issue of securities of the Company (herein called the "Securities"), issued or to be issued in one or more series under an Indenture dated as of July 1, 1987, as amended and supplemented by the First Supplemental Indenture thereto, dated as of August 1, 1990, the Second Supplemental Indenture thereto, dated as of October 1, 1992, and the Third Supplemental Indenture thereto, dated as of September 1, 1995 (the Indenture, as so amended and supplemented, being herein called the "Indenture"), between the Company and Bankers Trust Company, as Trustee (herein called the "Trustee", which term includes any successor trustee under the Indenture), to which Indenture and all Indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations

of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Notes (as defined below) and the terms upon which the Notes are, and are to be, authenticated and delivered. This Note is one of the series designated as Medium-Term Notes, Series B (the "Notes"). By the terms of the Indenture, Securities, which may vary as to date, amount, Maturity Date, interest rate or method of calculating the interest rate and in other respects as therein provided, may be issued in an unlimited principal amount.

Unless otherwise set forth above under "Other Terms", the Notes of this series are issuable only in registered form without coupons, in denominations of \$100,000 and integral multiples of \$1,000 in excess thereof. The Notes of this series may be issued, in whole or in part, in the form of one or more Global Securities bearing the legend specified in the Indenture regarding certain restrictions on registration of transfer and exchange and issued to the Depository or its nominee and registered in the name of the Depository or such nominee. As provided in the Indenture, and subject to certain limitations (including, if this Note is a Global Security, certain additional limitations) therein set forth, Notes of this series are in definitive registered form exchangeable for a like aggregate principal amount of Notes of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same.

Payments of interest hereon with respect to any Interest Payment Date will include interest accrued to but excluding such Interest Payment Date; provided, however, that if the Interest Reset Dates with respect to this Note are daily or weekly, interest payable on this Note on any Interest Payment Date, other than interest payable on the date on which principal on this Note is payable, unless otherwise specified above under "Other Terms", will include interest accrued through but excluding the day following the next preceding Regular Record Date.

In the event that any Interest Payment Date or the Maturity Date or any applicable Redemption Date or Repayment Date is not a Market Day, the payment of interest and, with respect to the Maturity Date or any applicable Redemption Date or Repayment Date, principal (and premium, if any) otherwise payable on such date will be made on the next Market Day, as if it were made on the date such payment was due, and no interest will accrue on the amount

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so payable for the period from and after such Interest Payment Date or the Maturity Date or any applicable Redemption Date or Repayment Date, except that, in the case of an Interest Payment Date for a LIBOR Note, if such next Market Day is in the next succeeding calendar month, the payment of interest shall be made on the immediately preceding Market Day.

REDEMPTION AND REPAYMENT

If a Redemption Commencement Date or periods within which Redemption Dates may occur and the related Redemption Prices (expressed as percentages of the principal amount of this Note) are set forth above under "Redemption Terms", this Note is subject to redemption prior to the Maturity Date, on any Redemption Date so specified or occurring within any period so specified, as a whole or in part, at the election of the Company, at the applicable Redemption Price so specified, together in the case of any such redemption with accrued interest to the Redemption Date; provided, however, that installments of interest whose Stated Maturity is on or prior to such Redemption Date will be payable in the case of any such redemption to the Holder of this Note (or one or more predecessor Notes) at the close of business on the relevant Regular Record Dates referred to above, all as provided in the Indenture. Notice of redemption will be given by mail to the Holder of this Note not less than 30 nor more than 60 days prior to the date fixed for redemption, all as provided in the Indenture. In the event of redemption of this Note in part only, a new Note of this series and of like tenor of an authorized denomination for the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof.

Unless otherwise specified under "Other Terms" above, this Note will not be subject to any sinking fund.

If a Repayment Date or periods within which Repayment Dates may occur and the related Repayment Prices (expressed as percentages of the principal amount of this Note) are set forth above under "Repayment Terms", this Note is subject to repayment at the option of the Holder hereof prior to the Maturity Date upon such terms as are set forth above under "Repayment Terms". In the event of repayment of this Note in part only, a new Note of this series and of like tenor of an authorized denomination for the portion hereof not repaid will be issued in the name of the Holder hereof upon the cancellation hereof.

INTEREST PROVISIONS

Commencing with the Interest Reset Date specified above, first following the Original Issue Date specified above, the rate at which this Note bears interest will be reset daily, weekly, monthly, quarterly, semi-annually or annually (the date on which each such reset occurs, an "Interest Reset Date"). The Interest Reset Date will be as follows: in the case of Notes which are reset daily, each Market Day; in the case of Notes (other than Treasury Rate Notes) which are reset weekly, Wednesday of each week; in the case of Treasury Rate Notes which are reset weekly, Tuesday of each week; in the case of Notes which are reset monthly, the third Wednesday of each month; in the case of Notes which are reset quarterly, the third Wednesday of March, June, September and December of each year; in the case of Notes which are reset

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semi-annually, the third Wednesday of the two months of each year as indicated above, by the Interest Reset Dates; and in the case of Notes which are reset annually, the third Wednesday of the month of each year as indicated above, by the Interest Reset Dates. Unless otherwise specified above, the interest rate determined with respect to any Interest Determination Date (as defined below) will become effective on and as of the next succeeding Interest Reset Date; provided, however, that the interest rate in effect from the date of issue to the first Interest Reset Date with respect to this Note (the "Initial Interest Rate") will be as set forth above. If any Interest Reset Date for any Note would otherwise be a day that is not Market Day, such Interest Reset Date shall be postponed to the next day that is a Market Day, except that in the case of a LIBOR Note, if such Market Day is in the next succeeding calendar month, such Interest Reset Date shall be the immediately preceding Market Day. Subject to applicable provisions of law and except as specified herein, on each Interest Reset Date the rate of interest on this Note shall be the rate determined in accordance with the provisions of the applicable heading below.

As used herein, the term "Market Day" means (a) with respect to any Note (other than any LIBOR Note), any Business Day, and (b) with respect to any LIBOR Note, any such Business Day which is also a London Business Day. The term "London Business Day" means any day on which dealing in deposits in U.S. dollars are transacted in the London interbank market.

DETERMINATION OF COMMERCIAL PAPER RATE

If the Interest Rate Basis specified above is the Commercial Paper Rate, this Note is a "Commercial Paper Rate Note" and the interest rate with respect to this Note shall be the Commercial Paper Rate plus or minus the Spread, if any, or multiplied by the Spread Multiplier, if any, as specified above, as determined on the applicable Commercial Paper Interest Determination Date (as defined below). Unless otherwise specified above under "Other Terms", the "Calculation Date" pertaining to a Commercial Paper Interest Determination Date will be the tenth day after such Commercial Paper Interest Determination Date or, if any such day is not a Market Day, the next succeeding Market Day.

Unless otherwise specified above under "Other Terms", "Commercial Paper Rate" means, with respect to any Interest Reset Date, the Money Market Yield (calculated as described below) of the per annum rate (quoted on a bank discount basis) for the relevant Commercial Paper Interest Determination Date

for commercial paper having the Index Maturity specified above as published by the Board of Governors of the Federal Reserve System in "Statistical Release H.15(519), Selected Interest Rates" or any successor publication of the Board of Governors of the Federal Reserve System ("H.15(519)") under the heading "Commercial Paper." In the event that such rate is not published prior to 9:00 a.m. New York City time, on the relevant Calculation Date, then the Commercial Paper Rate with respect to such Interest Reset Date shall be the Money Market Yield of such rate on such Commercial Paper Interest Determination Date for commercial paper having the Index Maturity specified above as published by the Federal Reserve Bank of New York in its daily statistical release, "Composite 3:30 p.m. Quotations for United States Government Securities" or any successor publication published by the Federal Reserve Bank of New York ("Composite Quotations") under the

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heading "Commercial Paper." If by 3:00 p.m., New York City time, on such Calculation Date such rate is not yet published in either H.15(519) or Composite Quotations, the Commercial Paper Rate with respect to such Interest Reset Date shall be calculated by the Calculation Agent (as defined below) and shall be the Money Market Yield of the arithmetic mean of the offered per annum rates (quoted on a bank discount basis), as of 11:00 a.m., New York City time, on such Commercial Paper Interest Determination Date, of three leading dealers of commercial paper in The City of New York selected by the Calculation Agent for commercial paper of the specified Index Maturity placed for an industrial issuer whose bond rating is "AA," or the equivalent, from a nationally recognized statistical rating agency; provided, however, that if fewer than three dealers selected as aforesaid by the Calculation Agent are quoting as mentioned in this sentence, the Commercial Paper Rate with respect to such Interest Reset Date will be the Commercial Paper Rate in effect on such Commercial Paper Interest Determination Date.

"Money Market Yield" shall be a yield expressed as a percentage calculated in accordance with the following formula:

$$\text{Money Market Yield} = 100 \times \frac{D \times 360}{360 - (D \times M)}$$

where "D" refers to the per annum rate for the commercial paper, quoted on a bank discount basis and expressed as a decimal, and "M" refers to the actual number of days in the period from the Interest Reset Date to but excluding the day that numerically corresponds to such Interest Reset Date (or, if there is not any such numerically corresponding day, the last day) in the calendar month that is the number of months corresponding to the specified Index Maturity after the month in which such Interest Reset Date falls.

DETERMINATION OF PRIME RATE

If the Interest Rate Basis specified above is the Prime Rate, this Note is a "Prime Rate Note" and the interest rate with respect to this Note shall be the Prime Rate plus or minus the Spread, if any, or multiplied by the Spread Multiplier, if any, as specified above, as determined on the applicable Prime Rate Interest Determination Date (as defined below). Unless otherwise specified above under "Other Terms", the "Calculation Date" pertaining to a Prime Rate Interest Determination Date will be the tenth day after such Prime Rate Interest Determination Date or, if any such day is not a Market Day, the next succeeding Market Day.

Unless otherwise specified above under "Other Terms", "Prime Rate" means, with respect to any Interest Reset Date, the rate set forth for the relevant Prime Rate Interest Determination Date in H.15(519) under the heading "Bank Prime Loan." In the event that such rate is not published prior to 9:00 a.m., New York City time, on the relevant Calculation Date, then the Prime Rate with respect to such Interest Reset Date will be the arithmetic mean of the rates of interest publicly announced by each bank that appears on the display designated as page "NYMF" on the Reuters Monitor Money Rates Service (or such

other page as may replace the NYMF page on that service for the purpose of displaying prime rates or base lending rates of major United States banks) ("Reuters Screen NYMF Page") as such bank's prime rate or base

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lending rate as in effect for such Prime Rate Interest Determination Date. If fewer than four such rates appear on the Reuters Screen NYMF Page on such Prime Rate Interest Determination Date, the Prime Rate with respect to such Interest Reset Date will be the arithmetic mean of the prime rates or base lending rates (quoted on the basis of the actual number of days in the year divided by a 360-day year) as of the close of business on such Prime Rate Interest Determination Date by three major banks in The City of New York selected by the Calculation Agent; provided, however, that if fewer than three banks selected as aforesaid by the Calculation Agent are quoting as mentioned in this sentence, the Prime Rate with respect to such Interest Reset Date will be the Prime Rate in effect on such Prime Rate Interest Determination Date.

DETERMINATION OF LIBOR

If the Interest Rate Basis specified above is LIBOR, this Note is a "LIBOR Note" and the interest rate with respect to this Note shall be LIBOR plus or minus the Spread, if any, or multiplied by the Spread Multiplier, if any, as specified above, as determined on the applicable LIBOR Interest Determination Date (as defined below).

Unless otherwise specified above under "Other Terms", "LIBOR", with respect to any Interest Reset Date, will be determined by the Calculation Agent in accordance with the following provisions:

(i) With respect to a LIBOR Interest Determination Date, LIBOR will be determined on the basis of the offered rates for deposits in the Index Currency (as defined below) having the Index Maturity specified above, commencing on the second Market Day immediately following that LIBOR Interest Determination Date, that appear as of 11:00 a.m., London time, on that LIBOR Interest Determination Date on the display screen designated "Page 3750" by Telerate Data Service, or such other page as may replace such page on that service or such other service or services as may be nominated by the British Bankers' Association for the purpose of displaying London interbank offered rates for deposits in the relevant Index Currency ("Telerate Page 3750"). If no such rate appears on Telerate Page 3750, then LIBOR in respect of that LIBOR Interest Determination Date will be the arithmetic mean of the offered rates (unless the display referred to below by its terms provides only for a single rate, in which case such single rate shall be used) for deposits in the London interbank market in the Index Currency having the Index Maturity specified above and commencing on the second Market Day immediately following such LIBOR Interest Determination Date that appear on the display on the Reuters Monitor Money Rates Service for the purpose of displaying the London interbank offered rates of major banks for the applicable Index Currency as of 11:00 a.m., London time, on such LIBOR Interest Determination Date, if at least two such offered rates appear (unless, as aforesaid, only a single rate is required). If fewer than two such rates appear (or, if such display by its terms provides for only a single rate, in which case if no such rate appears), then LIBOR in respect of such LIBOR Interest Determination Date will be determined as if the parties had specified the rate described in clause (ii) below.

(ii) If LIBOR with respect to a LIBOR Interest Determination Date is to be determined pursuant to this clause (ii), the Calculation Agent will request the principal London offices of

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each of three major reference banks in the London interbank market, as selected by the Calculation Agent, to provide the Calculation Agent with its offered quotation for deposits in the Index Currency for the period of the

Index Maturity specified above, commencing on the second London Market Day immediately following such LIBOR Interest Determination Date, the prime banks in the London interbank market at approximately 11:00 a.m., London time, on such LIBOR Interest Determination Date and in a principal amount that is representative for a single transaction in such Index Currency in such market at such time. If at least two such quotations are provided, LIBOR determined on such LIBOR Interest Determination Date will be the arithmetic mean of such quotations. If fewer than two quotations are provided, LIBOR determined on such LIBOR Interest Determination Date will be the arithmetic mean of the rates quoted at approximately 11:00 a.m., (or such other time specified above), in the applicable Principal Financial Center (as defined below), on such LIBOR Interest Determination Date by three major banks in such Principal Financial Center selected by the Calculation Agent for loans in the Index Currency to leading European banks, having the Index Maturity specified above and in a principal amount that is representative for a single transaction in such Index Currency in such market at such time; provided, however, that if the banks so selected by the Calculation Agent are not quoting as mentioned in this sentence, LIBOR determined on such LIBOR Interest Determination Date will be LIBOR in effect on such LIBOR Interest Determination Date.

"Index Currency" means the currency (including composite currencies) specified above as the currency for which LIBOR shall be calculated. If no such currency is specified above, the Index Currency shall be United States dollars.

"Principal Financial Center" will generally be the capital city of the country of the specified Index Currency, except that with respect to United States dollars, Deutsche marks, Italian lira, Swiss francs, Dutch guilders and ECUs, the Principal Financial Center shall be The City of New York, Frankfurt, Milan, Zurich, Amsterdam and Luxembourg, respectively.

DETERMINATION OF TREASURY RATE

If the Interest Rate Basis specified above with respect to any Interest Period is the Treasury Rate, this Note is a "Treasury Rate Note" with respect to such Interest Period and the interest rate with respect to this Note for any Interest Reset Date relating to such Interest Period shall be the Treasury Rate plus or minus the Spread, if any, or multiplied by the Spread Multiplier, if any, as specified above, as determined on the applicable Treasury Interest Determination Date (as defined below). Unless otherwise specified above under "Other Terms", the "Calculation Date" pertaining to a Treasury Interest Determination Date will be the tenth day after such Treasury Interest Determination Date or, if any such day is not a Market Day, the next succeeding Market Day.

Unless otherwise specified above under "Other Terms", "Treasury Rate" means, with respect to any Interest Reset Date, the rate for the auction on the relevant Treasury Interest Determination Date of direct obligations of the United States ("Treasury bills") having the specified Index Maturity as published in H.15(519) under the heading "United States Government Securities--Treasury Bills--auction average (investment)" or, if not so published

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by 9:00 a.m., New York City time, on the relevant Calculation Date, the auction average rate (expressed as a bond equivalent on the basis of a year of 365 or 366 days, as applicable, and applied on a daily basis) for such auction as otherwise announced by the United States Department of the Treasury. In the event that the results of such auction of Treasury bills having the specified Index Maturity are not published or reported as provided above by 3:00 p.m., New York City time, on such Calculation Date, or if no such auction is held during such week, then the Treasury Rate shall be the rate set forth in H.15(519) for the relevant Treasury Rate Interest Determination Date for the specified Index Maturity under the heading "United States Government Securities--Treasury Bills--Secondary Market." In the event such rate is not so published by 3:00 p.m., New York City time, on the relevant Calculation Date, the Treasury Rate with respect to such Interest Reset Date shall be

calculated by the Calculation Agent and shall be a yield to maturity (expressed as a bond equivalent on the basis of a year of 365 or 366 days, as applicable, and applied on a daily basis) of the arithmetic mean of the secondary market bid rates as of approximately 3:30 p.m., New York City time, on such Treasury Interest Determination Date, of three primary United States government securities dealers in The City of New York selected by the Calculation Agent for the issue of Treasury bills with a remaining maturity closest to the specified Index Maturity; provided, however, that if fewer than three dealers selected as aforesaid by the Calculation Agent are quoting as mentioned in this sentence, the Treasury Rate with respect to such Interest Reset Date will be the Treasury Rate in effect on such Treasury Interest Determination Date.

DETERMINATION OF THE CD RATE

If the Interest Rate Basis specified above is the CD Rate, this Note is a "CD Rate Note" and the interest rate with respect to this Note shall be the CD Rate plus or minus the Spread, if any, or multiplied by the Spread Multiplier, if any, as specified above, as determined on the applicable CD Interest Determination Date (as defined below). Unless otherwise specified above under "Other Terms", the "Calculation Date" pertaining to a CD Rate Determination Date will be the tenth day after such CD Rate Interest Determination Date or, if any such day is not a Market Day, the next succeeding Market Day.

Unless otherwise specified above under "Other Terms", "CD Rate" means, with respect to any Interest Reset Date, the rate for the relevant CD Rate Interest Determination Date for negotiable certificates of deposit having the specified Index Maturity as published in H.15(519) under the heading "CDs (Secondary Market)." In the event that such rate is not published prior to 9:00 a.m., New York City time, on the relevant Calculation Date, then the CD Rate with respect to such Interest Reset Date shall be the rate on such CD Rate Interest Determination Date for negotiable certificates of deposit having the specified Index Maturity as published in Composite Quotations under the heading "Certificates of Deposit." If by 3:00 p.m., New York City time, on such Calculation Date such rate is not published in either H.15(519) or Composite Quotations, the CD Rate with respect to such Interest Reset Date shall be calculated by the Calculation Agent and shall be the arithmetic mean of the secondary market offered rates, as of 10:00 a.m., New York City time, on such CD Rate Interest Determination Date, of three leading nonbank dealers of negotiable U.S. dollar certificates of deposit in The City of New York selected by the Calculation Agent for negotiable certificates of deposit of major United States

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money market banks with a remaining maturity closest to the specified Index Maturity in a denomination of U.S. \$5,000,000; provided, however, that if fewer than three dealers selected as aforesaid by the Calculation Agent are quoting as mentioned in this sentence, the CD Rate with respect to such Interest Reset Date will be the CD Rate in effect on such CD Rate Interest Determination Date.

DETERMINATION OF FEDERAL FUNDS RATE

If the Interest Rate Basis specified above is the Federal Funds Rate, this Note is a "Federal Funds Rate Note" and the interest rate with respect to this Note shall be the Federal Funds Rate plus or minus the Spread, if any, or multiplied by the Spread Multiplier, if any, as specified above, as determined on the applicable Federal Funds Interest Determination Date (as defined below). Unless otherwise specified above under "Other Terms", the "Calculation Date" pertaining to a Federal Funds Interest Determination Date will be the tenth day after such Federal Funds Interest Determination Date or, if any such day is not a Market Day, the next succeeding Market Day.

Unless otherwise specified above under "Other Terms", "Federal Funds Rate" means, with respect to any Interest Reset Date, the rate on the relevant Federal Funds Interest Determination Date for Federal Funds as published in

H.15(519) under the heading "Federal Funds (Effective)." In the event that such rate is not published prior to 9:00 a.m., New York City time, on the relevant Calculation Date, then the Federal Funds Rate with respect to such Interest Reset Date will be the rate on such Federal Funds Interest Determination Date for Federal Funds as published in Composite Quotations under the heading "Federal Funds/Effective Rate." If by 3:00 p.m., New York City time, on such Calculation Date such rate is not published in either H.15(519) or Composite Quotations, the Federal Funds Rate with respect to such Interest Reset Date shall be calculated by the Calculation Agent and shall be the arithmetic mean of the rates, as of 9:00 a.m., New York City time, on such Federal Funds Interest Determination Date, for the last transaction in overnight Federal Funds arranged by three leading brokers of Federal Funds transactions in The City of New York selected by the Calculation Agent; provided, however, that if fewer than three brokers selected as aforesaid by the Calculation Agent are quoting as mentioned in this sentence, the Federal Funds Rate with respect to such Interest Reset Date will be the Federal Funds Rate in effect on such Federal Funds Interest Determination Date.

DETERMINATION OF CMT RATE

If the Interest Rate Basis specified above is the CMT Rate, this Note is a "CMT Rate Note" and the interest rate with respect to this Note shall be the CMT Rate plus or minus the Spread, if any, or multiplied by the Spread Multiplier, if any, as specified above, as determined on the applicable CMT Interest Determination Date (as defined below). Unless otherwise specified above under "Other Terms," the "Calculation Date" with respect to a CMT Interest Determination Date will be the tenth day after such CMT Interest Determination Date, or, if any such day is not a Market Day, the next succeeding Market Day.

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Unless otherwise specified above, "CMT Rate" means, with respect to any CMT Interest Determination Date, the rate displayed on the Designated CMT Telerate Page (as defined below) under the caption ". . . Treasury Constant Maturities . . . Federal Reserve Board Release H.15 . . . Mondays Approximately 3:45 p.m.," under the column for the Designated CMT Maturity Index (as defined below) for (i) if the Designated CMT Telerate Page is 7055, the rate on such CMT Interest Determination Date and (ii) if the Designated CMT Telerate Page is 7052, the week or the month, as applicable, ended immediately preceding the week in which the related CMT Interest Determination Date occurs. If such rate is no longer displayed on the relevant page, or is not displayed prior to 3:00 p.m., New York City time, on the relevant Calculation Date, then the CMT Rate with respect to such CMT Interest Determination Date will be such Treasury Constant Maturity rate for the Designated CMT Maturity Index as published in the relevant H.15(519). If such rate is no longer published, or, is not published by 3:00 p.m., New York City time, on such Calculation Date, then the CMT Rate for such CMT Interest Determination Date will be such Treasury Constant Maturity rate for the Designated CMT Maturity Index (or other United States Treasury rate for the Designated CMT Maturity Index) for the CMT Interest Determination Date with respect to such Interest Reset Date as may then be published by either the Board of Governors of the Federal Reserve System or the United States Department of the Treasury that the Calculation Agent determines to be comparable to the rate formerly displayed on the Designated CMT Telerate Page and published in the relevant H.15(519). If such information is not provided by 3:00 p.m., New York City time, on the related Calculation Date, then the CMT Rate for the CMT Interest Determination Date will be calculated by the Calculation Agent and will be a yield to maturity, based on the arithmetic mean of the secondary market closing offer side prices as of approximately 3:30 p.m., New York City time on the CMT Interest Determination Date reported, according to their written records, by three leading primary United States government securities dealers (each, a "Reference Dealer") in The City of New York selected by the Calculation Agent (from five such Reference Dealers selected by the Calculation Agent and eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest)), for the most recently issued

direct noncallable fixed rate obligations of the United States ("Treasury notes") with an original maturity of approximately the Designated CMT Maturity Index and a remaining term to maturity of not less than such Designated CMT Maturity Index minus one year. If the Calculation Agent cannot obtain three such Treasury notes quotations, the CMT Rate for such CMT Interest Determination Date will be calculated by the Calculation Agent and will be a yield to maturity based on the arithmetic mean of the secondary market offer side prices as of approximately 3:30 p.m., New York City time, on the CMT Interest Determination Date of three Reference Dealers in The City of New York (from five such Reference Dealers selected by the Calculation Agent and eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest)), for Treasury notes with an original maturity of the number of years that is the next highest to the Designated CMT Maturity Index and a remaining term to maturity closest to the Designated CMT Maturity Index and in an amount of at least \$100,000,000. If three or four (and not five) of such Reference Dealers are quoting as described above, then the CMT Rate will be based on the arithmetic mean of the offer prices obtained and neither the highest nor the lowest of such quotes will be eliminated; provided however, that if fewer than three Reference Dealers selected by the Calculation Agent are quoting as described herein, the

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CMT Rate will be the CMT Rate in effect on such CMT Interest Determination Date. If two Treasury notes with an original maturity as described in the third preceding sentence have remaining terms to maturity equally close to the Designated CMT Maturity Index, the quotes for the CMT Rate Note with the shorter remaining term to maturity will be used.

"Designated CMT Telerate Page" means the display on the Dow Jones Telerate Service on the page designated in the applicable Pricing Supplement (or any other page as may replace such page on that service for the purpose of displaying Treasury Constant Maturities as reported in H.15(519)), for the purpose of displaying Treasury Constant Maturities as reported in H.15(519). If no such page is specified in the applicable Pricing Supplement, the Designated CMT Telerate Page shall be 7052, for the most recent week.

"Designated CMT Maturity Index" means the original period to maturity of the U.S. Treasury securities (either 1, 2, 3, 5, 7, 10, 20 or 30 years) specified in the applicable Pricing Supplement with respect to which the CMT Rate will be calculated. If no such maturity is specified in the applicable Pricing Supplement, the Designated CMT Maturity Index shall be 2 years.

GENERAL

Notwithstanding the determination of the interest rate as provided above, the interest rate on this Note shall not be greater than the Maximum Interest Rate, if any, or less than the Minimum Interest Rate, if any, specified above. The interest rate on this Note will in no event be higher than the maximum rate permitted by New York law as the same may be modified by United States law of general application.

On or before the Calculation Date, Bankers Trust Company or any other Calculation Agent specified above, as Calculation Agent (the "Calculation Agent"), will determine the interest rate in accordance with the foregoing. Upon the request of the Holder of this Note, the Calculation Agent will provide the interest rate then in effect, and, if determined, the interest rate which will become effective on the next Interest Reset Date with respect to this Note. The Calculation Agent's determination of any interest rate will be final and binding in the absence of manifest error. Accrued interest from the Original Issue Date or from the last date to which interest has been paid will be calculated by multiplying the face amount of the Note by an accrued interest factor. Such accrued interest factor is computed by adding the interest factor calculated for each day from the date of issue, or from the last date to which interest has been paid, to but excluding the date for which accrued interest is being calculated. The interest factor (expressed as a

decimal) for each such day is computed by dividing the interest rate (expressed as a decimal) applicable to such date by 360, in the case of Commercial Paper Rate Notes, Prime Rate Notes, LIBOR Notes, CD Rate Notes or Federal Funds Rate Notes, or by the actual number of days in the year, in the case of Treasury Rate Notes or CMT Rate Notes.

Unless otherwise specified above under "Other Terms", the Interest Determination Date pertaining to an Interest Reset Date for a Commercial Paper Rate Note (the "Commercial Paper Interest Determination Date"), for a Prime Rate Note (the "Prime Rate Interest Determination

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Date"), for a CD Rate Note (the "CD Rate Interest Determination Date"), for a Federal Funds Rate Note (the "Federal Funds Rate Interest Determination Date") and for a CMT Rate Note (the "CMT Rate Interest Determination Date") will be the second Market Day preceding such Interest Reset Date. The Interest Determination Date pertaining to an Interest Reset Date for a LIBOR Note (the "LIBOR Interest Determination Date") will be the second London Market Day preceding such Interest Reset Date. The Interest Determination Date pertaining to an Interest Reset Date for a Treasury Rate Note (the "Treasury Interest Determination Date") will be the day of the week in which such Interest Reset Date falls on which Treasury bills would normally be auctioned. If, as the result of a legal holiday, an auction is so held on the preceding Friday, such Friday will be the Treasury Interest Determination Date pertaining to the Interest Reset Date occurring in the next succeeding week. If an auction date shall fall on any Interest Reset Date for a Treasury Rate Note, then such Interest Reset Date shall instead be the first Market Day immediately following such auction date.

Unless otherwise specified above under "Other Terms", all percentages resulting from any calculations on this Note will be rounded, if necessary, to the next higher one hundred-thousandth of one percentage point, with five one-millionths of one percentage point rounded upward (e.g., 9.876545% (or .09876545) being rounded to 9.87655% (or .0987655); and all U.S. dollar amounts used in or resulting from such calculations on this Note will be rounded to the nearest cent (with one-half cent being rounded upwards).

MISCELLANEOUS PROVISIONS

If an Event of Default with respect to Notes of this series shall occur and be continuing, the principal of the Notes of this Series may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture contains provisions for defeasance at any time of the Company's obligations in respect of (i) the entire indebtedness of this Note or (ii) certain restrictive covenants with respect to this Note, in each case upon compliance with certain conditions set forth therein.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Notes of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of at least a majority in principal amount of the Notes at the time Outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in principal amount of the Notes of each series at the time Outstanding, on behalf of the Holders of all Notes of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Note or Notes issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof, whether or not notation of such consent or waiver is made upon this Note.

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As set forth in, and subject to, the provisions of the Indenture, no Holder of any Note of this series will have any right to institute any proceeding with respect to the Indenture or for any remedy thereunder, unless such Holder shall have previously given to the Trustee written notice of a continuing Event of Default with respect to this series, the Holders of not less than 25% in principal amount of the Outstanding Notes of this series shall have made written request, and offered reasonable indemnity, to the Trustee to institute such proceeding as trustee, and the Trustee shall not have received from the Holders of a majority in principal amount of the Outstanding Notes of this series a direction inconsistent with such request and shall have failed to institute such proceeding within 60 days; provided, however, that such limitations do not apply to a suit instituted by the Holder hereof for the enforcement of payment of the principal of or interest on this Note on or after the respective due dates expressed herein.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Note at the times, places and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations (including, if this Note is a Global Security, the limitations set forth on the first page hereof) therein set forth, the transfer of this Note is registrable in the Security Register, upon surrender of this Note for registration of transfer at the Corporate Trust Office of the Trustee in the City of New York, or such other office or agency of the Company in any place where the principal of (and premium, if any) and interest on this Note are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar, duly executed by the Holder hereof or such Holder's attorney duly authorized in writing, and thereupon one or more new Notes of this series and of like tenor of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Note is registered as the owner hereof for all purposes, whether or not this Note be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

This Note may have such additional or different terms as are set forth above under "Other Terms". Any terms so set forth shall be deemed to modify and/or supersede, as necessary, any other terms set forth in this Note.

This Note shall be governed by and construed in accordance with the laws of the State of New York.

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All terms used in this Note which are defined in the Indenture shall have the respective meanings assigned to them in the Indenture.

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ABBREVIATIONS

The following abbreviations, when used in the inscription above, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM--as tenants in common

TEN ENT--as tenants by the entirety

JT TEN--as joint tenants with right of survivorship
and not as tenants in common

UNF GIFT MIN ACT-- Custodian

(Cust)

(Minor)

under Uniform Gift to Minors Act

(State)

Additional abbreviations may be used though not in the above list.

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ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and
transfer(s) unto

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF ASSIGNEE

(Please Print or Typewrite Name and Address
Including Postal Zip Code of Assignee)

the within Note and all rights thereunder, and hereby irrevocably constitutes
and appoints

to transfer said Note on the books of the Company, with full power of
substitution in the premises.

Dated: -----

Signature Guaranteed

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the within Note in every particular, without alteration or

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enlargement or any change whatever.

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OPTION TO ELECT REPAYMENT

The undersigned hereby irrevocably requests and instructs the Company to repay the within Note (or portion thereof specified below) pursuant to its terms at the applicable Repayment Price, together with interest to the Repayment Date, to the undersigned at

(Please Print or Typewrite Name and Address of the Undersigned)

If less than the entire principal amount of the within Note is to be repaid; specify the portion thereof which the undersigned elects to have repaid:

-----;

and specify the denomination or denominations (which shall not be less than the minimum authorized denomination) of the Notes to be issued to the undersigned for the portion of the within Note not being repaid (in the absence of any such specification, one such Note will be issued for the portion not being repaid):

-----.

Dated:

NOTICE: The signature to this assignment must correspond with the name as written upon the within Note in every particular, without alteration or enlargement or any change whatever.

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REGISTERED

No. BC-

SUPERVALU INC.
Medium-Term Note, Series B
(Original Issue Discount Zero Coupon Note)

REGISTERED

Principal Amount:
\$
CUSIP
No.

[INSERT IF THE SECURITY IS TO BE A GLOBAL SECURITY --UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF DTC, AS DEPOSITARY FOR THIS SERIES OF SECURITIES (THE "DEPOSITARY"), OR A NOMINEE OF THE DEPOSITARY. THIS SECURITY IS EXCHANGEABLE FOR SECURITIES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITARY OR ITS NOMINEE ONLY IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND NO TRANSFER OF THIS SECURITY (OTHER THAN A TRANSFER OF THIS SECURITY AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY) MAY BE REGISTERED EXCEPT IN SUCH LIMITED CIRCUMSTANCES.]

ORIGINAL ISSUE DATE:	MATURITY DATE:
OTHER TERMS:	REDEMPTION TERMS:
ORIGINAL ISSUE DISCOUNT:	REPAYMENT TERMS:
YIELD TO MATURITY:	

SUPERVALU INC., a corporation duly organized and existing under the laws of Delaware (herein called the "Company", which term includes any successor Person under the Indenture hereinafter referred to), for value received, hereby promises to pay to _____ or registered assigns, the principal sum of _____ United States Dollars (\$_____) on the Maturity Date shown above or, together with any premium thereon, upon any applicable Redemption Date or Repayment Date shown above.

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The principal of this Note shall not bear interest except in the case of a default in payment of principal upon acceleration, upon redemption or repayment or at the Maturity Date, and in such case the overdue principal of this Note shall bear interest at a rate which is equivalent to the yield to maturity stated above (to the extent that the payment of such interest shall be legally enforceable), which shall accrue from the Maturity Date or the date payment is due upon acceleration or redemption or repayment, as the case may be, to the date payment of such principal has been made or duly provided for. Interest on any overdue principal shall be payable upon demand. Any such interest on any overdue principal that is not so paid on demand shall bear interest at the same rate as the interest on the overdue principal (to the extent that the payment of such interest shall be legally enforceable), which shall accrue from the date of such demand for payment to the date payment of such interest has been made or duly provided for, and such interest shall also be payable on demand.

If a Redemption Commencement Date or periods within which Redemption Dates may occur and the related Redemption Prices (unless otherwise specified above under "Other Terms", expressed as percentages of the Amortized Face Amount (as defined below) of this Note) are set forth above under "Redemption Terms", this Note is subject to redemption, in whole or in part, at the option of the Company prior to the Maturity Date upon not less than 30 nor more than 60 days' notice.

Payment of principal of (and premium, if any) and any interest due on any Note of this series (that is not a Global Security) at maturity or upon redemption or repayment will be made in immediately available funds upon surrender of the Note at the Corporate Trust Office of the Trustee in the City of New York, or such other office or agency of the Company maintained for that purpose in the City of New York, provided that the Note is presented to the Paying Agent in time for the Paying Agent to make such payments in such funds in accordance with its normal procedures. Payments of any interest due on any Note of this series (that is not a Global Security) other than at maturity or upon redemption or repayment will be made by check mailed to the address of the person entitled thereto as it appears in the Security Register or by wire transfer to such account as may have been appropriately designated by such person.

Payment of principal of (and premium, if any) and interest due on any Global Security will be made to the Depository or its nominee, as the case may be, as the sole registered owner and the sole Holder of the Global Security for all purposes under the Indenture.

Payment of the principal of (and premium, if any) and any interest on this Note will be made in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

Reference is hereby made to the further provisions of this Note set forth below, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by or on behalf of the Trustee referred to below, directly or through an Authenticating Agent, by manual signature of an authorized signatory, this Note shall not be entitled to any benefit under the Indenture or

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be valid or obligatory for any purpose.

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IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed under its corporate seal.

[SEAL]

SUPERVALU INC.

By

Title:

Attest:

Title:

Dated:

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TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Securities of the series designated herein referred to in the within-mentioned Indenture.

BANKERS TRUST COMPANY,
as Trustee

By _____
Authorized Signatory

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SUPERVALU INC.
Medium-Term Note, Series B
(Original Issue Discount Zero Coupon Note)

This Note is one of a duly authorized issue of securities of the Company (herein called the "Securities"), issued or to be issued in one or more series under an Indenture, dated as of July 1, 1987, as amended and supplemented by the First Supplemental Indenture thereto, dated as of August 1, 1990, the Second Supplemental Indenture thereto, dated as of October 1, 1992, and the Third Supplemental Indenture thereto, dated as of September 1, 1995 (the Indenture, as so amended and supplemented, being herein called the "Indenture"), between the Company and Bankers Trust Company, as Trustee (herein called the "Trustee", which term includes any successor trustee under the Indenture), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Notes (as defined below) and of the terms upon which the Notes are, and are to be, authenticated and delivered. This Note is one of the series designated as Medium-Term Notes, Series B (the "Notes"). By the terms of the Indenture, Securities, which may vary as to date, amount, Maturity Date, interest rate or method of calculating the interest rate and in other respects as therein provided may be issued in an unlimited principal amount.

Unless otherwise set forth above under "Other Terms", the Notes of this series are issuable only in registered form without coupons, in denominations of \$100,000 and integral multiples of \$1,000 in excess thereof. The Notes of this series may be issued, in whole or in part, in the form of one or more Global Securities bearing the legend specified in the Indenture regarding certain restrictions on registration of transfer and exchange and issued to the Depositary or its nominee and registered in the name of the Depositary or such nominee. As provided in the Indenture, and subject to certain limitations (including, if this Note is a Global Security, certain additional limitations) therein set forth, Notes of this series in definitive registered form are exchangeable for a like aggregate principal amount of Notes of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same.

In the event that the Maturity Date or any applicable Redemption Date or

Repayment Date is not a Business Day, the payment of principal (and premium, if any) otherwise payable on such date will be made on the next Business Day as if it were made on the date such payment was due, and no interest will accrue on the amount so payable for the period from and after the Maturity Date or any applicable Redemption Date or Repayment Date.

If a Redemption Commencement Date or periods within which Redemption Dates may occur and the related Redemption Prices (unless otherwise specified above under "Other Terms", expressed as percentages of the Amortized Face Amount (as defined below) of this Note) are set forth above under "Redemption Terms", this Note is subject to redemption prior to the Maturity Date, on any Redemption Date so specified or occurring within any period so specified, as a

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whole or in part, at the election of the Company at the applicable Redemption Price so specified. Notice of redemption will be given by mail to the Holder of this Note not less than 30 nor more than 60 days prior to the date for redemption, all as provided in this Indenture. In the event of redemption of this Note in part only, a new Note of this series and of like tenor of an authorized denomination for the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof.

Unless otherwise specified under "Other Terms" above, this Note will not be subject to any sinking fund.

If a Repayment Date or periods within which Repayment Dates may occur and the related Repayment Prices (unless otherwise specified above under "Other Terms", expressed as percentages of the Amortized Face Amount of this Note) are set forth above under "Repayment Terms", this Note is subject to repayment at the option of the Holder hereof prior to the Maturity Date upon such terms as are set forth above under "Repayment Terms". In the event of repayment of this Note in part only, a new Note of this series and of like tenor of an authorized denomination for the portion hereof not repaid will be issued in the name of the Holder hereof upon the cancellation hereof.

If an Event of Default with respect to this Note shall occur and be continuing, a lesser amount than the principal amount due at the Stated Maturity of this Note may (subject to the conditions set forth in the Indenture) be declared due and payable in the manner and with the effect provided in the Indenture. Upon payment (i) of the amount of principal so declared due and payable and (ii) of interest on any overdue principal and overdue interest (in each case to the extent that the payment of such interest shall be legally enforceable), all of the Company's obligations in respect of the payment of the principal of and interest, if any, on this Note shall terminate.

The amount due and payable on this Note in the event that the principal amount hereof is declared due and payable prior to the Stated Maturity or in the event that this Note is redeemed or repaid shall, unless otherwise indicated above under "Other Terms", be the Amortized Face Amount (as defined below) of this Note or, in the case of redemption or repayment, the specified percentage of the Amortized Face Amount of this Note on the day such payment is due and payable, as determined by the Company, plus any accrued but unpaid "qualified stated interest" payments (as defined in the Treasury Regulations (the "Regulations") Section 1.1273-1(c) issued by the Treasury Department in January 1994).

The "Amortized Face Amount" of this Note shall be the amount equal to the sum of (i) the issue price (as defined below) of this Note and (ii) that portion of the difference between the issue price and the principal amount of this Note that has been amortized at the Stated Yield (as defined below) of this Note (computed in accordance with Section 1272(a)(4) of the Internal Revenue Code of 1986, as amended, and Section 1.1275-1(b) of the Regulations, in each case as in effect on the Original Issue Date of this Note) at the date as of which the Amortized Face Amount is calculated, but in no event can the Amortized Face Amount exceed the principal amount of this Note due at the

Stated Maturity hereof. As used in the preceding sentence, the

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term "issue price" means the principal amount of this Note due at the Stated Maturity hereof less the Original Issue Discount of this Note specified above. The term "Stated Yield" of this Note means the Yield to Maturity specified above for the period from the Original Issue Date of this Note specified above, to the Stated Maturity hereof based on the issue price and principal amount payable at the Stated Maturity hereof.

The Indenture contains provisions for defeasance at any time of the Company's obligations in respect of (i) the entire indebtedness of this Note or (ii) certain restrictive covenants with respect to this Note, in each case upon compliance with certain conditions set forth therein.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Notes of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of at least a majority in principal amount of the Notes at the time Outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in principal amount of the Notes of each series at the time Outstanding, on behalf of the Holders of all Notes of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Note or Notes issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Note.

As set forth in, and subject to, the provisions of the Indenture, no Holder of any Note of this series will have any right to institute any proceeding with respect to the Indenture or for any remedy thereunder, unless such Holder shall have previously given to the Trustee written notice of a continuing Event of Default with respect to this series, the Holders of not less than 25% in principal amount of the Outstanding Notes of this series shall have made written request, and offered reasonable indemnity, to the Trustee to institute such proceeding as trustee, and the Trustee shall not have received from the Holders of a majority in principal amount of the Outstanding Notes of this series a direction inconsistent with such request and shall have failed to institute such proceeding within 60 days; provided, however, that such limitations do not apply to a suit instituted by the Holder hereof for the enforcement of payment of the principal of or interest on this Note on or after the respective due dates expressed herein.

In determining whether the Holders of the requisite principal amount of the Outstanding Notes have given any request, demand, authorization, direction, notice, consent or waiver under the Indenture or whether a quorum is present at a meeting of Holders of Notes, the principal amount of any Original Issue Discount Note that shall be deemed to be Outstanding shall be the amount of the principal thereof that would be due and payable as of the date of such determination upon acceleration of the Maturity thereof.

No reference herein to the Indenture and no provision of this Note or of the Indenture

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shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal (and premium, if any) of this Note at the times, places and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations

(including, if this Note is a Global Security, the limitations set forth on the first page hereof) therein set forth, the transfer of this Note is registrable in the Security Register, upon surrender of this Note for registration of transfer at the Corporate Trust Office of the Trustee in the City of New York, or such other office or agency of the Company in any place where the principal (and premium, if any) of this Note is payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar, duly executed by, the Holder hereof or such Holder's attorney duly authorized in writing, and thereupon one or more new Notes of this series of like tenor of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Note is registered as the owner hereof for all purposes, whether or not this Note be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

This Note may have such additional or different terms as are set forth above, under "Other Terms". Any terms so set forth shall be deemed to modify and/or supersede, as necessary, any other terms set forth in this Note.

This Note shall be governed by and construed in accordance with the laws of the State of New York.

All terms used in this Note which are defined in the Indenture shall have the respective meanings assigned to them in the Indenture.

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ABBREVIATIONS

The following abbreviations, when used in the inscription above, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM--as tenants in common

TEN ENT--as tenants by the entireties

JT TEN--as joint tenants with right of survivorship
and not as tenants in common

UNIF GIFT MIN ACT-- _____ Custodian

(Cust)

(Minor)

under Uniform Gift to Minors Act

(State)

Additional abbreviations may be used though not in the above list.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF ASSIGNEE

(Please Print or Typewrite Name and Address
Including Postal Zip Code of Assignee)

the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints

to transfer said Note on the books of the Company, with full power of substitution in the premises.

Dated:

Signature Guaranteed

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the within Note in every particular, without alteration or enlargement or any change whatever.

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OPTION TO ELECT REPAYMENT

The undersigned hereby irrevocably requests and instructs the Company to repay the within Note (or portion thereof specified below) pursuant to its terms at the applicable Repayment Price, together with interest to the Repayment Date, to the undersigned at

(Please Print or Typewrite Name and Address of the Undersigned)

If less than the entire principal amount of the within Note is to be repaid, specify the portion thereof which the undersigned elects to have repaid: _____;

and specify the denomination or denominations (which shall not be less than the minimum authorized denomination) of the Notes to be issued to the undersigned for the portion of the within Note not being repaid (in the

absence of any such specification, one such Note will be issued for the portion not being repaid):_____.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name as written upon the within Note in every particular, without alteration or enlargement or any change whatever.

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REGISTERED	SUPERVALU INC.	REGISTERED
No. BD-	Medium-Term Note, Series B	Principal Amount:
	(Original Issue Discount Fixed Rate Note)	\$
		CUSIP
		No.

[INSERT IF THE SECURITY IS TO BE A GLOBAL SECURITY -- UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF DTC, AS DEPOSITARY FOR THIS SERIES OF SECURITIES (THE "DEPOSITARY"), OR A NOMINEE OF THE DEPOSITARY. THIS SECURITY IS EXCHANGEABLE FOR SECURITIES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITARY OR ITS NOMINEE ONLY IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND NO TRANSFER OF THIS SECURITY (OTHER THAN A TRANSFER OF THIS SECURITY AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY) MAY BE REGISTERED EXCEPT IN SUCH LIMITED CIRCUMSTANCES.]

ORIGINAL ISSUE DATE:	MATURITY DATE:
INTEREST RATE:	REDEMPTION TERMS:
OTHER TERMS:	REPAYMENT TERMS:
ORIGINAL ISSUE DISCOUNT:	YIELD TO MATURITY:

[__] ORIGINAL ISSUE DISCOUNT NOTE SUBJECT TO "SPECIAL PROVISIONS" BELOW

[__] ORIGINAL ISSUE DISCOUNT NOTE FOR FEDERAL INCOME TAX PURPOSES ONLY

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SUPERVALU INC., a corporation duly organized and existing under the laws of Delaware (herein called the "Company", which term includes any successor Person under the Indenture hereinafter referred to), for value received,

hereby promises to pay to _____ or registered assigns, the principal sum of _____ United States Dollars (\$_____) on the Maturity Date shown above or, together with any premium thereon, upon any applicable Redemption Date or Repayment Date shown above (subject to the "Special Provisions" below, if applicable), and to pay interest on such principal sum from the Original Issue Date shown above or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semi-annually in arrears on each February 1 and August 1 in each year or such other dates, if any, as are specified under "Other Terms" above (the "Interest Payment Dates"), and on the Maturity Date, commencing with the Interest Payment Date immediately following the Original Issue Date, at the rate per annum equal to the Interest Rate shown above, until the principal hereof is paid or made available for payment, and (to the extent that the payment of such interest shall be legally enforceable) at the rate per annum equal to the Interest Rate shown above on any overdue principal and on any overdue installment of interest; provided, however, that if the Original Issue Date is after a Regular Record Date and on or before the immediately following Interest Payment Date, interest payments will commence on the Interest Payment Date following the next succeeding Regular Record Date. The interest so payable, and punctually paid or duly provided for, any Interest Payment Date will, as provided in the Indenture, be paid to the Person in whose name this Note (or one or more predecessor Notes) is registered at the close of business on the Regular Record Date for such interest, which shall, unless otherwise specified above under "Other Terms", be the January 15 and July 15 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date; provided, however, that interest payable on the Maturity Date of this Note or any applicable Redemption Date or Repayment Date that is not an Interest Payment Date shall be payable to the Person to whom principal shall be payable. Except as otherwise provided in the Indenture, any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the registered Holder on such Regular Record Date and may either be paid to the Person in whose name this Note (or one or more predecessor Notes) is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice whereof shall be given to the Holder of this Note not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Notes may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture.

If a Redemption Commencement Date or periods within which Redemption Dates may occur and the related Redemption Prices (unless otherwise specified above under "Other Terms", expressed as percentages of the principal amount of this Note if this Note is an Original Issue Discount Note for federal income tax purposes only as shown above and as percentages of the Amortized Face Amount (as defined below) of this Note if this Note is an Original Issue Discount Note subject to the "Special Provisions" below as shown above) are set forth above under "Redemption Terms", this Note is subject to redemption, in whole or in part, at the option of the Company prior to the Maturity Date upon not less than 30 nor more than 60 days' notice.

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Payment of principal of (and premium, if any) and any interest due on any Note of this series (that is not a Global Security) at maturity or upon redemption or repayment will be made in immediately available funds upon surrender of the Note at the Corporate Trust Office of the Trustee in the City of New York, or such other office or agency of the Company maintained for that purpose in the City of New York, provided that the Note is presented to the Paying Agent in time for the Paying Agent to make such payments in such funds in accordance with its normal procedures. Payments of interest due on any Note of this series (that is not a Global Security) other than at maturity or upon redemption or repayment will be made by check mailed to the address of the person entitled thereto as it appears in the Security Register or by wire transfer to such account as may have been appropriately designated by such person.

Payment of principal of (and premium, if any) and interest due on any Global Security will be made to the Depositary or its nominee, as the case may be, as the sole registered owner and the sole Holder of the Global Security for all purposes under the Indenture.

Payment of the principal of (and premium, if any) and interest on this Note will be made in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

Reference is hereby made to the further provisions of this Note set forth below, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by or on behalf of the Trustee referred to below, directly or through an Authenticating Agent, by manual signature of an authorized signatory, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

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IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed under its corporate seal.

[SEAL]

SUPERVALU INC.

By

Title:

Attest:

Title:

Dated:

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TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Securities of the series designated herein referred to in the within-mentioned Indenture.

BANKERS TRUST COMPANY,
as Trustee

By

Authorized Signatory

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SUPERVALU INC.
Medium-Term Note, Series B
(Original Issue Discount Fixed Rate Note)

This Note is one of a duly authorized issue of securities of the Company (herein called the "Securities"), issued or to be issued in one or more series under an Indenture, dated as of July 1, 1987, as amended and supplemented by the First Supplemental Indenture thereto, dated as of August 1, 1990, the Second Supplemental Indenture thereto, dated as of October 1, 1992 and the Third Supplemental Indenture thereto, dated as of September 1, 1995 (the Indenture, as so amended and supplemented, being herein called the "Indenture"), between the Company and Bankers Trust Company, as Trustee (herein called the "Trustee", which term includes any successor trustee under the Indenture), to which Indenture and all Indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Notes and of the terms upon which the Notes are, and are to be, authenticated and delivered. This Note is one of the series designated as Medium-Term Notes, Series B (the "Notes"). By the terms of the Indenture, Securities, which may vary as to date, amount, Maturity Date, interest rate or method of calculating the interest rate and in other respects as therein provided, may be issued in an unlimited principal amount.

Unless otherwise set forth above under "Other Terms", the Notes of this series are issuable only in registered form without coupons in denominations of \$100,000 and integral multiples of \$1,000 in excess thereof. The Notes of this series may be issued, in whole or in part, in the form of one or more Global Securities bearing the legend specified in the Indenture regarding certain restrictions on registration of transfer and exchange and issued to the Depositary or its nominee and registered in the name of the Depositary or such nominee. As provided in the Indenture, and subject to certain limitations (including, if this Note is a Global Security, certain additional limitations) therein set forth, Notes of this series in definitive registered form are exchangeable for a like aggregate principal amount of Notes of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same.

Payments of interest hereon with respect to any Interest Payment Date will include interest accrued to but excluding such Interest Payment Date. Interest hereon shall be computed on the basis of a 360-day year of twelve 30-day months.

In the event that any Interest Payment Date or the Maturity Date or any applicable Redemption Date or Repayment Date is not a Business Day, the interest and, with respect to the Maturity Date or any applicable Redemption Date or Repayment Date, principal (and premium, if any) otherwise payable on such date will be made on the next Business Day as if it were made on the date such payment was due, and no interest will accrue on the amount so payable for the period from and after such Interest Payment Date or the Maturity Date or any applicable Redemption Date or Repayment Date.

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If a Redemption Commencement Date or periods within which Redemption Dates may occur and the related Redemption Prices (unless otherwise specified above under "Other Terms", expressed as percentages of the principal amount of this Note if this Note is an Original Issue Discount Note for federal income tax purposes only as shown above and as percentages of the Amortized Face Amount (as defined below) of this Note if this Note is an Original Issue Discount Note subject to the "Special Provisions" below as shown above) are set forth above under "Redemption Terms", this Note is subject to redemption prior to the Maturity Date, on any Redemption Date so specified or occurring within any period so specified, as a whole or in part, at the election of the Company, at the applicable Redemption Price so specified, together in the case of any such redemption with accrued interest to the Redemption Date; provided, however, that installments of interest whose Stated Maturity is on or prior to such Redemption Date will be payable in the case of any such redemption to the Holder of this Note (or one or more predecessor Notes) at the close of business on the relevant Regular Record Dates, referred to above, all as provided in the Indenture. Notice of redemption will be given by mail to the Holder of this Note not less than 30 nor more than 60 days prior to the date

for redemption, all as provided for in the Indenture. In the event of redemption of this Note in part only, a new Note of this series and of like tenor of an authorized denomination for the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof.

Unless otherwise specified under "Other Terms" above, this Note will not be subject to any sinking fund.

If a Repayment Date or periods within which Repayment Dates may occur and the related Repayment Prices (unless otherwise specified above under "Other Terms", expressed as percentages of the principal amount of this Note if this Note is an Original Issue Discount Note for federal income tax purposes only as shown above and as percentages of the Amortized Face Amount of this Note if this Note is an Original Issue Discount Note subject to the "Special Provisions" below as shown above) are set forth above under "Repayment Terms", this Note is subject to repayment at the option of the Holder hereof prior to the Maturity Date upon such terms as are set forth above under "Repayment Terms". In the event of repayment of this Note in part only, a new Note of this series and of like tenor of an authorized denomination for the portion hereof not repaid will be issued in the name of the Holder hereof upon the cancellation hereof.

If an Event of Default with respect to this Note shall occur and be continuing, a lesser amount than the principal amount due at the Stated Maturity of this Note may be declared due and payable in the manner and with the effect provided in the Indenture. Upon payment (i) of the amount of principal so declared due and payable and (ii) of interest on any overdue principal and overdue interest (in each case to the extent that the payment of such interest shall be legally enforceable), all of the Company's obligations in respect of the payment of the principal of and interest, if any, on this Note shall terminate.

The Indenture contains provisions for defeasance at any time of the Company's obligations in respect of (i) the entire indebtedness of this Note or (ii) certain restrictive

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covenants with respect to this Note, in each case upon compliance with certain conditions set forth therein.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Notes of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of at least a majority in principal amount of the Notes at the time Outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in principal amount of the Notes of each series at the time Outstanding, on behalf of the Holders of all Notes of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Note issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Note.

As set forth in, and subject to, the provisions of the Indenture, no Holder of any Note of this series will have any right to institute any proceeding with respect to the Indenture or for any remedy thereunder, unless such Holder shall have previously given to the Trustee written notice of a continuing Event of Default with respect to this series, the Holders of not less than 25% in principal amount of the Outstanding Notes of this series shall have made written request, and offered reasonable indemnity, to the Trustee to institute such proceeding as trustee, and the Trustee shall not have received from the Holders of a majority in principal amount of the Outstanding Notes of this series a direction inconsistent with such request

and shall have failed to institute such proceeding within 60 days; provided, however, that such limitations do not apply to a suit instituted by the Holder hereof for the enforcement of payment of the principal of or interest on this Note on or after the respective due dates expressed herein.

In determining whether the Holders of the requisite principal amount of the Outstanding Notes have given any request, demand, authorization, direction, notice, consent or waiver under the Indenture or whether a quorum is present at a meeting of Holders of Notes, the principal amount of any Original Issue Discount Note that shall be deemed to be Outstanding shall be the amount of the principal thereof that would be due and payable as of the date of such determination upon acceleration of the Maturity thereof.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal (and premium, if any) of and interest on this Note at the times, places and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations (including, if this Note is a Global Security, the limitations set forth on the first page hereof) therein set forth, the transfer of this Note is registrable in the Security Register, upon surrender of this Note for registration

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of transfer at the Corporate Trust Office of the Trustee in the City of New York, or such other office or agency of the Company in any place where the principal of (and premium, if any) and interest on this Note are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar, duly executed by, the Holder hereof or such Holder's attorney duly authorized in writing, and thereupon one or more new Notes of this series and of like tenor of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Note is registered as the owner hereof for all purposes, whether or not this Note be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

This Note may have such additional or different terms as are set forth above, under "Other Terms". Any terms so set forth shall be deemed to modify and/or supersede, as necessary, any other terms set forth in this Note.

This Note shall be governed by and construed in accordance with the laws of the State of New York.

All terms used in this Note which are defined in the Indenture shall have the respective meanings assigned to them in the Indenture.

SPECIAL PROVISIONS

Unless otherwise indicated above under "Other Terms", if this Note is an Original Issue Discount Fixed Rate Note subject to these Special Provisions, as indicated above, the amount due and payable on this Note in the event that the principal amount hereof is declared due and payable prior to the Stated Maturity hereof or in the event that this Note is redeemed or repaid shall be the Amortized Face Amount (as defined below) of this Note or, in the case of redemption or repayment, the specified percentage of the Amortized Face Amount of this Note on the date such payment is due and payable as determined by the

Company, plus any accrued but unpaid "qualified stated interest" payments (as defined in the Treasury Regulations (the "Regulations") Section 1.1273-1(c) issued by the Treasury Department in January 1994).

The "Amortized Face Amount" of this Note shall be the amount equal to the sum of (i) the issue price (as defined below) of this Note and (ii) that portion of the difference between the issue price and the principal amount of this Note that has been amortized at the Stated Yield (as defined below) of this Note (computed in accordance with Section 1272(a)(4) of the Internal

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Revenue Code of 1986, as amended, and Section 1.1275-1(b) of the Regulations, in each case as in effect on the Original Issue Date of this Note) at the date as of which the Amortized Face Amount is calculated, but in no event can the Amortized Face Amount exceed the principal amount of this Note due at the Stated Maturity hereof. As used in the preceding sentence, the term "issue price" means the principal amount of this Note due at the Stated Maturity hereof less the Original Issue Discount of this Note specified above. The term "Stated Yield" of this Note means the Yield to Maturity specified above for the period from the Original Issue Date of this Note specified above, to the Stated Maturity hereof based on the issue price and principal amount payable at the Stated Maturity hereof.

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ABBREVIATIONS

The following abbreviations, when used in the inscription above, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM--as tenants in common

TEN ENT--as tenants by the entireties

JT TEN--as joint tenants with right of survivorship
and not as tenants in common

UNIF GIFT MIN ACT-- _____ Custodian _____
(Minor) (Cust)

under Uniform Gift to Minors Act

(State)

Additional abbreviations may be used though not in the above list.

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ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

(Please Print or Typewrite Name and Address
Including Postal Zip Code of Assignee)

the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints

to transfer said Note on the books of the Company, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the within Note in every particular, without alteration or enlargement or any change whatever.

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OPTION TO ELECT REPAYMENT

The undersigned hereby irrevocably requests and instructs the Company to repay the within Note (or portion thereof specified below) pursuant to its terms at the applicable Repayment Price, together with interest to the Repayment Date, to the undersigned at

(Please Print or Typewrite Name and Address of the Undersigned)

If less than the entire principal amount of the within Note is to be repaid, specify the portion thereof which the undersigned elects to have repaid: _____;
and specify the denomination or denominations (which shall not be less than the minimum authorized denomination) of the Notes to be issued to the undersigned for the portion of the within Note not being repaid (in the absence of any such specification, one such Note will be issued for the portion not being repaid): _____.

Dated:

NOTICE: The signature to this assignment must correspond with the name as written upon the within Note in every particular, without alteration or enlargement or any change whatever.

COPY AS EXECUTED

U.S. \$400,000,000

CREDIT AGREEMENT

Dated as of May 26, 1995

Among

SUPERVALU INC.,

as Borrower,

-- -----

and

THE BANKS NAMED HEREIN,

as Banks,

-- -----

and

CITIBANK, N.A.,

as Agent,

-- -----

and

FIRST BANK NATIONAL ASSOCIATION,

NATIONSBANK, N.A. (CAROLINAS),

PNC BANK, NATIONAL ASSOCIATION

and THE FUJI BANK, LIMITED, CHICAGO BRANCH,

as Co-Agents,

-- -----

and

MORGAN GUARANTY TRUST COMPANY OF NEW YORK,

ROYAL BANK OF CANADA

and SHAWMUT BANK, N.A.,

as Lead Managers

-- ---- -----

T A B L E O F C O N T E N T S

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- Exhibit F - Form of Opinion of Shearman & Sterling, Special New York Counsel to the Agent

CREDIT AGREEMENT

Dated as of May 26, 1995

SUPERVALU INC., a Delaware corporation (the "Borrower"), the banks (the "Banks") listed on the signature pages hereof, CITIBANK, N.A. ("Citibank"), as agent (the "Agent"), FIRST BANK NATIONAL ASSOCIATION, NATIONS BANK, N.A. (CAROLINAS), PNC BANK, NATIONAL ASSOCIATION and THE FUJI BANK, LIMITED, CHICAGO BRANCH, as co-agents (the "Co-Agents"), and MORGAN GUARANTY TRUST COMPANY OF NEW YORK, ROYAL BANK OF CANADA and SHAWMUT BANK, N.A., as Lead Managers (the "Lead Managers"), for the Lenders hereunder, agree as follows:

ARTICLE I

DEFINITIONS AND ACCOUNTING TERMS

SECTION 1.01. Certain Defined Terms. As used in this Agreement, the following terms shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

"A Advance" means an advance by a Lender to the Borrower as part of an A Borrowing and refers to a Base Rate Advance or a Eurodollar Rate Advance, each of which shall be a "Type" of A Advance.

"A Borrowing" means a borrowing consisting of simultaneous A Advances of the same Type made by each of the Lenders pursuant to Section 2.01.

"A Note" means a promissory note of the Borrower payable to the order of any Lender, in substantially the form of Exhibit A-1 hereto, evidencing the aggregate indebtedness of the Borrower to such Lender resulting from the A Advances made by such Lender.

"Advance" means an A Advance or a B Advance.

"Affiliate" means, as to any Person, any other Person that, directly or indirectly, controls, is controlled by or is under common control with such Person or is a director or officer of such Person. For the purposes of this definition, "control" (including, with correlative meanings, the terms "controlling", "controlled by" and "under common control with") as used with respect to any Person or group of Persons, shall mean possession, directly or indirectly, of the power to

direct or cause the direction of management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"Applicable Facility Fee Rate" means, for any period, a percentage per annum equal to the percentage set forth below determined by reference to the higher of (x) the rating of the Borrower's long-term, senior unsecured Debt from S&P or (y) the rating of the Borrower's long-term, senior unsecured Debt from Moody's, in each case as in effect from time to time during such period:

Borrower's Long-Term Senior Unsecured Debt Rating S&P or Moody's	Applicable Facility Fee Rate
Level 1 ----- A+ or A1	.090%
Level 2 ----- Lower than A+ or A1 but at least A- or A3	.100%
Level 3 ----- Lower than A- or A3 but at least BBB or Baa2	.125%
Level 4 ----- Below BBB or Baa2	.200%

provided that if, at any time, no rating is available from S&P, Moody's or any other nationally recognized statistical rating organization designated by the Borrower and approved in writing by the Majority Lenders, the Applicable Facility Fee Rate shall be .200%.

"Applicable Interest Rate Margin" means, for any Interest Period, a percentage per annum equal to the percentage set forth below determined by reference to the higher of (x) the rating of the Borrower's long-term, senior unsecured Debt from S&P or (y) the rating of the Borrower's long-term, senior unsecured Debt from Moody's, in each case as in effect on the first day of such Interest Period:

	Applicable Interest Rate Margin
	(basis points)
Borrower's Long-Term Senior Unsecured Debt Rating S&P or Moody's	
	If less than If 50% or

	50% of the Lenders' Commitments are drawn	greater of the Lenders' Commitments are drawn
-----	-----	-----
Level 1 -----		
A+ or A1	.160%	.210%
-----	-----	-----
Level 2 -----		
Lower than A+ or A1 but at least A- or A3	.175%	.250%
-----	-----	-----
Level 3 -----		
Lower than A- or A3 but at least BBB or Baa2	.200%	.300%
-----	-----	-----
Level 4 -----		
Below BBB or Baa2	.350%	.500%
-----	-----	-----

provided that if, at any time, no rating is available from S&P, Moody's or any other nationally recognized statistical rating organization designated by the Borrower and approved in writing by the Majority Lenders, the Applicable Interest Rate Margin for such Interest Period shall be .350% if less than 50% of the Lenders' Commitments are drawn and .500% if 50% or greater of the Lenders' Commitments are drawn.

"Applicable Lending Office" means, with respect to each Lender, such Lender's Domestic Lending Office in the case of a Base Rate Advance, such Lender's Eurodollar Lending Office in the case of a Eurodollar Rate Advance and, in the case of a B Advance, the office of such Lender notified by such Lender to the Agent as its Applicable Lending Office with respect to such B Advance.

"Assignment and Acceptance" means an assignment and acceptance entered into by a Lender and an Eligible Assignee, and accepted by the Agent, in substantially the form of Exhibit C hereto.

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"B Advance" means an advance by a Lender to the Borrower as part of a B Borrowing resulting from the auction bidding procedure described in Section 2.03.

"B Borrowing" means a borrowing consisting of simultaneous B Advances from each of the Lenders whose offer to make one or more B Advances as part of such borrowing has been accepted by the Borrower under the auction bidding procedure described in Section 2.03.

"B Note" means a promissory note of the Borrower payable to the order of any Lender, in substantially the form of Exhibit A-2 hereto, evidencing the indebtedness of the Borrower to such Lender resulting from a B Advance made by such Lender.

"B Reduction" has the meaning specified in Section 2.01.

"Base Rate" means, for any period, a fluctuating interest rate per annum as shall be in effect from time to time, which rate per annum shall at all times be equal to the highest of:

- (a) the rate of interest announced publicly by Citibank in New

York, New York, from time to time, as Citibank's base rate;

(b) $1/2$ of one percent per annum above the latest three-week moving average of secondary market morning offering rates in the United States for three-month certificates of deposit of major United States money market banks, such three-week moving average being determined weekly on each Monday (or, if any such day is not a Business Day, on the next succeeding Business Day) for the three-week period ending on the previous Friday by Citibank on the basis of such rates reported by certificate of deposit dealers to and published by the Federal Reserve Bank of New York or, if such publication shall be suspended or terminated, on the basis of quotations for such rates received by Citibank from three New York certificate of deposit dealers of recognized standing selected by Citibank, in either case adjusted to the nearest $1/16$ of one percent or, if there is no nearest $1/16$ of one percent, to the next higher $1/16$ of one percent; and

(c) $1/2$ of one percent per annum above the Federal Funds Rate.

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"Base Rate Advance" means an A Advance that bears interest as provided in Section 2.07(a) (i).

"Borrowing" means an A Borrowing or a B Borrowing.

"Business Day" means a day of the year on which banks are not required or authorized to close in New York City and, if the applicable Business Day relates to any Eurodollar Rate Advances, on which dealings are carried on in the London interbank market.

"Capital Lease" shall mean a lease meeting one or more of the criteria set forth in paragraph 7 of the Statement of Financial Accounting Standards No. 13 of the Financial Accounting Standards Board (as in effect from time to time or as set forth in a statement of generally accepted accounting principles superseding such paragraph 7).

"Commitment" has the meaning specified in Section 2.01.

"Consolidated" refers to the consolidation of accounts of the Borrower and its Subsidiaries in accordance with generally accepted accounting principles, including principles of consolidation, consistently applied.

"Convert", "Conversion" and "Converted" each refers to a conversion of Advances of one Type into Advances of another Type pursuant to Section 2.09 or 2.10.

"Current Supervalu Credit Agreement" means the Credit Agreement dated as of October 26, 1992, as amended, supplemented or otherwise modified, among the Borrower, the banks parties thereto, Citibank, as agent, Bankers Trust Company, PNC Bank, National Association (formerly known as Pittsburgh National Bank) and Nationsbank, N.A. (Carolinas) (formerly known as Nationsbank of North Carolina, N.A.), as co-agents, and First Bank National Association, as lead manager.

"Debt" of any Person means (i) indebtedness of such Person for borrowed money, (ii) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (iii) all obligations of such Person to pay the deferred purchase price of property or services that exceed, on an individual basis, \$1,000,000 (for any obligation or group of related obligations), (iv) the present value of all obligations of such Person as lessee under leases which

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shall have been or should be, in accordance with generally accepted

accounting principles, recorded as Capital Leases and (v) all obligations of such Person under direct or indirect guaranties in respect of, and all obligations (contingent or otherwise) of such Person to purchase or otherwise acquire, or otherwise to assure a creditor against loss in respect of, indebtedness or obligations of others of the kinds referred to in clauses (i) through (iv) above.

"Default" means any Event of Default or any event that would constitute an Event of Default but for the requirement that notice be given or time elapse or both.

"Domestic Lending Office" means, with respect to any Lender, the office of such Lender specified as its "Domestic Lending Office" opposite its name on Schedule I hereto or in the Assignment and Acceptance pursuant to which it became a Lender, or such other office of such Lender as such Lender may from time to time specify to the Borrower and the Agent.

"Effective Date" means the first date on which the conditions set forth in Section 3.01 applicable to the effectiveness of Sections 2.01 and 2.03 have been satisfied.

"Eligible Assignee" means (i) a commercial bank organized under the laws of the United States, or any State thereof, and having total assets in excess of \$1,000,000,000; (ii) a savings and loan association or savings bank organized under the laws of the United States, or any State thereof, and having total assets in excess of \$1,000,000,000; (iii) a commercial bank organized under the laws of any other country which is a member of the OECD or has concluded special lending arrangements with the International Monetary Fund associated with its General Arrangements to Borrow, or a political subdivision of any such country, and having total assets in excess of \$1,000,000,000, provided that such bank is acting through such bank's branch or agency located in the United States; (iv) the central bank of any country which is a member of the OECD; (v) a commercial finance company organized under the laws of the United States, or any State thereof, and having total assets in excess of \$1,000,000,000; (vi) any Lender; (vii) an Affiliate of any Lender; and (viii) such other bank, company, financial institution or fund to which the Borrower shall consent; provided, however, that notwithstanding anything to the contrary set forth in this Agreement, no Person that is organized under the laws of a jurisdiction outside the United States shall be an Eligible Assignee if, at the time of an assignment pursuant to Section 8.07, such Person would be subject to United States interest withholding tax at a rate greater than zero; provided further, however, that

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neither the Borrower nor any Affiliate of the Borrower shall qualify as an Eligible Assignee.

"Environmental Action" means any administrative, regulatory or judicial action, suit, demand, demand letter, claim, notice of noncompliance or violation, notice of liability or potential liability, investigation, proceeding, consent order or consent agreement relating to any Environmental Law, Environmental Permit or Hazardous Material or arising from alleged injury or threat of injury to health, safety or the environment, including, without limitation, (a) by any governmental or regulatory authority for enforcement, clean up, removal, response, remedial or other actions or damages and (b) by any governmental or regulatory authority or any third party for damages, contribution, indemnification, cost recovery, compensation or injunctive relief.

"Environmental Law" means any federal, state, local or foreign statute, law, ordinance, rule, regulation, code, order, judgment, decree or judicial or agency interpretation, policy or guidance relating to the environment, health, safety or Hazardous Materials.

"Environmental Permit" means any permit, approval, identification

number, license or other authorization required under any Environmental Law.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

"ERISA Affiliate" of any Person means any other Person that for purposes of Title IV of ERISA is a member of such Person's controlled group, or under common control with such Person, within the meaning of Section 414 of the Internal Revenue Code of 1986, as amended from time to time.

"ERISA Event" with respect to any Person means (a) the occurrence of a material reportable event, within the meaning of Section 4043 of ERISA, with respect to any Plan of such Person or any of its ERISA Affiliates, unless the 30-day notice requirement with respect to such event has been waived by the PBGC; (b) the application for a minimum funding waiver with respect to any Plan of such Person or any of its ERISA Affiliates; (c) the provision by the administrator of any Plan of such Person or any of its ERISA Affiliates of a notice of intent to terminate such Plan, pursuant to Section 4041(a)(2) of ERISA (including any such notice with respect to a plan amendment referred to in Section 4041(e) of ERISA); (d) the cessation of operations at a facility of such

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Person or any of its ERISA Affiliates in the circumstances described in Section 4062(e) of ERISA; (e) the withdrawal by such Person or any of its ERISA Affiliates from a Multiple Employer Plan during a plan year for which it was a substantial employer, as defined in Section 4001(a)(2) of ERISA; (f) the failure by such Person or any of its ERISA Affiliates to make a payment to a Plan if the conditions for the imposition of a lien under Section 302(f)(1) of ERISA are satisfied; (g) the adoption of an amendment to a Plan of such Person or any of its ERISA Affiliates requiring the provision of security to such Plan, pursuant to Section 307 of ERISA; or (h) the institution by the PBGC of proceedings to terminate a Plan of such Person or any of its ERISA Affiliates, pursuant to Section 4042 of ERISA (other than subsection (a)(4) thereof), or the occurrence of any event or condition described in Section 4042 of ERISA that could constitute grounds for the termination of, or the appointment of a trustee to administer, such Plan.

"Eurocurrency Liabilities" has the meaning assigned to that term in Regulation D of the Board of Governors of the Federal Reserve System, as in effect from time to time.

"Eurodollar Lending Office" means, with respect to any Lender, the office of such Lender specified as its "Eurodollar Lending Office" opposite its name on Schedule I hereto or in the Assignment and Acceptance pursuant to which it became a Lender (or, if no such office is specified, its Domestic Lending Office), or such other office of such Lender as such Lender may from time to time specify to the Borrower and the Agent.

"Eurodollar Rate" means, for any Interest Period for each Eurodollar Rate Advance comprising part of the same A Borrowing, an interest rate per annum equal to the average (rounded upward to the nearest whole multiple of 1/16 of 1% per annum, if such average is not such a multiple) of the rate per annum at which deposits in U.S. dollars are offered by the principal office of each of the Reference Banks in London, England to prime banks in the London interbank market at 11:00 A.M. (London time) two (2) Business Days before the first day of such Interest Period in an amount substantially equal to the greater of (i) \$1,000,000 and (ii) such Reference Bank's Eurodollar Rate Advance comprising part of such A Borrowing, and for a period equal to such Interest Period. The Eurodollar Rate for any Interest Period for each Eurodollar Rate Advance comprising part of the same A Borrowing shall be determined by the Agent on the basis

of applicable rates furnished to and received by the Agent from the Reference Banks two (2) Business Days before the first day of such Interest Period, subject, however, to the provisions of Section 2.09.

"Eurodollar Rate Advance" means an A Advance that bears interest as provided in Section 2.07(a)(ii).

"Eurodollar Rate Reserve Percentage" of any Lender for any Interest Period for any Eurodollar Rate Advance means the reserve percentage applicable during such Interest Period (or if more than one such percentage shall be so applicable, the daily average of such percentages for those days in such Interest Period during which any such percentage shall be so applicable) under regulations issued from time to time by the Board of Governors of the Federal Reserve System (or any successor) for determining the maximum reserve requirement (including, without limitation, any emergency, supplemental or other marginal reserve requirement) for such Lender with respect to liabilities or assets consisting of or including Eurocurrency Liabilities having a term equal to such Interest Period.

"Events of Default" has the meaning specified in Section 6.01.

"Federal Funds Rate" means, for any period, a fluctuating interest rate per annum equal for each day during such period equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average of the quotations for such day on such transactions received by the Agent from three Federal funds brokers of nationally recognized standing selected by it.

"Financial Officer" means, for any Person, the chief executive officer, the chief financial officer, the chief accounting officer, the treasurer or the controller of such Person.

"Hazardous Materials" means petroleum and petroleum products, byproducts or breakdown products, radioactive materials, asbestos-containing materials, radon gas and any other chemicals, materials or substances designated, classified or regulated as being "hazardous" or "toxic", or words of similar import, under any federal, state, local or foreign statute, law, ordinance, rule, regulation, code, order, judgment, decree or judicial or agency interpretation, policy or guidance.

"Insufficiency" means, with respect to any Plan of the Borrower or any of its ERISA Affiliates, the amount, if any, of "unfunded benefit liabilities" (as defined in Section 4001(a)(18) of ERISA) for such Plan.

"Interest Period" means, for each A Advance comprising part of the same A Borrowing, the period commencing on the date of such A Advance or the date of the Conversion of any A Advance into such an A Advance and ending on the last day of the period selected by the Borrower pursuant to the provisions below and, thereafter, each subsequent period commencing on the last day of the immediately preceding Interest Period and ending on the last day of the period selected by the Borrower pursuant to the provisions below. The duration of each such Interest Period for an A Borrowing shall be (a) in the case of Base Rate Advances, 30 days and (b) in the case of Eurodollar Rate Advances, 1, 2, 3 or 6 months and, if available to all Lenders, 9 or 12 months, in each case as the Borrower may, upon notice received by the Agent not later than 11:00 A.M. (New York City time) on the third Business Day prior to the first day of such Interest Period, select; provided, however, that:

(i) the duration of any Interest Period which commences before the Termination Date and would otherwise end after such date shall end on such date;

(ii) Interest Periods commencing on the same date for A Advances comprising part of the same A Borrowing shall be of the same duration;

(iii) whenever the last day of any Interest Period would otherwise occur on a day other than a Business Day, the last day of such Interest Period shall be extended to occur on the next succeeding Business Day, provided, in the case of any Interest Period for a Eurodollar Rate Advance, that, if such extension would cause the last day of such Interest Period to occur in the next following calendar month, the last day of such Interest Period shall occur on the next preceding Business Day; and

(iv) whenever the first day of any Interest Period for any Eurodollar Rate Advance occurs on a day of an initial calendar month for which there is no numerically corresponding day in the calendar month that succeeds such initial calendar month by the number of months equal to the number of months in such Interest Period, such Interest Period shall end on the last Business Day of such succeeding calendar month.

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"Lenders" means the Banks and each Eligible Assignee that shall become a party hereto pursuant to Section 8.07(a), (b) and (c).

"Lien" means any lien, security interest or other charge or encumbrance of any kind, or any other type of preferential arrangement concerning property, including, without limitation, the lien or retained security title of a conditional vendor and any easement, right of way or other encumbrance on title to real property.

"Loan Documents" means this Agreement and the Notes.

"Majority Lenders" means at any time Lenders holding at least 51% of the then aggregate unpaid principal amount of the A Notes held by Lenders, or, if no such principal amount is then outstanding, Lenders having at least 51% of the Commitments.

"Moody's" means Moody's Investors Service, Inc.

"Multiemployer Plan" of any Person means a multiemployer plan, as defined in Section 4001(a)(3) of ERISA, to which such Person or any of its ERISA Affiliates is making or accruing an obligation to make contributions, or has within any of the preceding five plan years made or accrued an obligation to make contributions.

"Multiple Employer Plan" of any Person means a single employer plan, as defined in Section 4001(a)(15) of ERISA, that (a) is maintained for employees of such Person or any of its ERISA Affiliates and at least one Person other than such Person and its ERISA Affiliates or (b) was so maintained and in respect of which such Person or any of its ERISA Affiliates could have liability under Section 4064 or 4069 of ERISA in the event such plan has been or were to be terminated.

"Net Earnings" means the Consolidated net income of the Borrower and its Subsidiaries before the payment of dividends on the capital stock of the Borrower determined in accordance with generally accepted accounting principles, consistently applied.

"Net Worth" means the excess of total assets over total liabilities, total assets and total liabilities each to be determined in accordance with generally accepted accounting principles, consistently applied.

"Note" means an A Note or a B Note.

"Notice of A Borrowing" has the meaning specified in Section 2.02(a).

"Notice of B Borrowing" has the meaning specified in Section 2.03(a).

"OECD" means the Organization for Economic Cooperation and Development.

"PBGC" means the Pension Benefit Guaranty Corporation or any successor corporation thereto.

"Person" means an individual, partnership, corporation (including a business trust), joint stock company, trust, unincorporated association, joint venture or other entity, or a government or any political subdivision or agency thereof.

"Plan" means a Single Employer Plan or a Multiple Employer Plan.

"Reference Banks" means Citibank, NationsBank, N.A. (Carolinas) and Morgan Guaranty Trust Company of New York or any successor Reference Bank appointed pursuant to Section 2.09(d).

"Register" has the meaning specified in Section 8.07(e).

"S&P" means Standard & Poor's Rating Group, a division of McGraw-Hill, Inc.

"Signing Date" means the later of (i) May 26, 1995 and (ii) the date on which counterparts of this Agreement are executed by the Borrower and, as notified to the Borrower by the Agent, each of the Banks.

"Single Employer Plan" of any Person means a single employer plan, as defined in Section 4001(a)(15) of ERISA, that (a) is maintained for employees of such Person or any of its ERISA Affiliates and no Person other than such Person and its ERISA Affiliates or (b) was so maintained and in respect of which such Person or any of its ERISA Affiliates could have liability under Section 4069 of ERISA in the event such plan has been or were to be terminated.

"Subsidiary" of any Person means any corporation, partnership, joint venture, limited liability company, trust or estate of which (or in which) more than

50% of (a) the issued and outstanding capital stock having ordinary voting power to elect a majority of the Board of Directors of such corporation (irrespective of whether at the time capital stock of any other class or classes of such corporation shall or might have voting power upon the occurrence of any contingency), (b) the interest in the capital or profits of such limited liability company, partnership or joint venture or (c) the beneficial interest in such trust or estate is at the time directly or indirectly owned or controlled by such Person, by such Person and one or more of its other Subsidiaries or by one or more of such Person's other Subsidiaries.

"Tangible Net Worth" means the excess of total assets over total liabilities, total assets and total liabilities each to be determined in accordance with generally accepted accounting principles, consistently applied, excluding, however, from the determination of total assets (i) goodwill, organizational expenses, research and development expenses, trademarks, trade names, copyrights, patents, patent applications, licenses and rights in any thereof, and other similar intangibles, (ii) all

unamortized debt discount and expense and (iii) any items not included in clauses (i) and (ii) above which are treated as intangibles in conformity with generally accepted accounting principles.

"Termination Date" means the earlier of May 26, 2000 and the date of termination in whole of the Commitments pursuant to Section 2.05 or 6.01.

"Total Capital" means, as of any date, the sum of (a) Consolidated Debt and (b) Consolidated Net Worth.

"Type" of Advance shall mean Base Rate Advance or Eurodollar Rate Advance.

"Welfare Plan" means a welfare plan, as defined in Section 3(1) of ERISA.

"Withdrawal Liability" has the meaning specified in Part I of Subtitle E of Title IV of ERISA.

SECTION 1.02. Computation of Time Periods. In this Agreement in the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each means "to but excluding".

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SECTION 1.03. Accounting Terms. All accounting terms not specifically defined herein shall be construed in accordance with generally accepted accounting principles consistently applied.

ARTICLE II

AMOUNTS AND TERMS OF THE ADVANCES

SECTION 2.01. The A Advances. Each Lender severally agrees, on the terms and conditions hereinafter set forth, to make A Advances to the Borrower from time to time on any Business Day during the period from the date hereof until the Termination Date in an aggregate amount not to exceed at any time outstanding the amount set forth opposite such Lender's name on the signature pages hereof or, if such Lender has entered into any Assignment and Acceptance, set forth for such Lender in the Register maintained by the Agent pursuant to Section 8.07(e), as such amount may be reduced pursuant to Section 2.05 (such Lender's "Commitment"), provided that the aggregate amount of the Commitments of the Lenders shall be deemed used from time to time to the extent of the aggregate amount of the B Advances then outstanding and such deemed use of the aggregate amount of the Commitments shall be applied to the Lenders ratably according to their respective Commitments (such deemed use of the aggregate amount of the Commitments being a "B Reduction"). Each A Borrowing shall be in an aggregate amount not less than \$20,000,000 or an integral multiple of \$1,000,000 in excess thereof (or, if less, an aggregate amount equal to the difference between the aggregate amount of a proposed B Borrowing requested by the Borrower and the aggregate amount of B Advances offered to be made by the Lenders and accepted by the Borrower in respect of such B Borrowing, if such B Borrowing is made on the same date as such A Borrowing) and shall consist of A Advances of the same Type made on the same day by the Lenders ratably according to their respective Commitments. Within the limits of each Lender's Commitment, the Borrower may from time to time borrow under this Section 2.01, prepay pursuant to Section 2.11(b) and reborrow under this Section 2.01.

SECTION 2.02. Making the A Advances. (a) Each A Borrowing shall be made on notice, given not later than 11:00 A.M. (New York City time) (i) on the same Business Day as the proposed A Borrowing in the case of an A Borrowing consisting of Base Rate Advances or (ii) on the third Business Day prior to the date of the proposed A Borrowing in the case of an A Borrowing consisting of Eurodollar Rate Advances, by the Borrower to the Agent, which shall give to each Lender prompt notice thereof by telecopier, telex or cable. Each such notice of

an A Borrowing (a "Notice of A Borrowing") shall be by telecopier, telex or cable, confirmed immediately in writing, in

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substantially the form of Exhibit B-1 hereto, specifying therein the requested (i) date of such A Borrowing, (ii) Type of A Advances comprising such A Borrowing, (iii) aggregate amount of such A Borrowing, and (iv) in the case of an A Borrowing comprised of Eurodollar Rate Advances, the initial Interest Period for each such A Advance. Each Lender shall, before 1:00 P.M. (New York City time) on the date of such A Borrowing, make available for the account of its Applicable Lending Office to the Agent at its address referred to in Section 8.02, in same day funds, such Lender's ratable portion of such A Borrowing. After the Agent's receipt of such funds and upon fulfillment of the applicable conditions set forth in Article III, the Agent will make such funds available to the Borrower at the Agent's aforesaid address not later than 2:00 P.M. (New York City time) on such date.

(b) Anything in subsection (a) above to the contrary notwithstanding, the Borrower may not select Eurodollar Rate Advances for any A Borrowing if the aggregate amount of such A Borrowing is less than \$20,000,000.

(c) Each Notice of A Borrowing shall be irrevocable and binding on the Borrower. In the case of any A Borrowing that the related Notice of A Borrowing specifies is to be comprised of Eurodollar Rate Advances, the Borrower shall indemnify each Lender against any loss, cost or expense incurred by such Lender as a result of any failure to fulfill on or before the date specified in such Notice of A Borrowing for such A Borrowing the applicable conditions set forth in Article III, including, without limitation, any loss (including loss of anticipated profits), cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Lender to fund the A Advance to be made by such Lender as part of such A Borrowing when such A Advance, as a result of such failure, is not made on such date.

(d) Unless the Agent shall have received notice from a Lender (i) by 12:00 Noon on the date of any A Borrowing in the case of any A Borrowing consisting of Base Rate Advances or (ii) by 12:00 Noon on the Business Day prior to the date of any A Borrowing consisting of Eurodollar Rate Advances that such Lender will not make available to the Agent such Lender's ratable portion of such A Borrowing, the Agent may assume that such Lender has made such portion available to the Agent on the date of such A Borrowing in accordance with subsection (a) of this Section 2.02 and the Agent may, in reliance upon such assumption, make available to the Borrower on such date a corresponding amount. If and to the extent that such Lender shall not have so made such ratable portion available to the Agent, such Lender and the Borrower severally agree to repay to the Agent forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to the Borrower until the date such amount is repaid to the Agent, at (i) in the case of the Borrower, the interest rate applicable at the time to A Advances comprising

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such A Borrowing and (ii) in the case of such Lender, the Federal Funds Rate. If such Lender shall repay to the Agent such corresponding amount, such amount so repaid shall constitute such Lender's A Advance as part of such A Borrowing for purposes of this Agreement.

(e) The failure of any Lender to make the A Advance to be made by it as part of any A Borrowing shall not relieve any other Lender of its obligation, if any, hereunder to make its A Advance on the date of such A Borrowing, but no Lender shall be responsible for the failure of any other Lender to make the A Advance to be made by such other Lender on the date of any A Borrowing.

SECTION 2.03. The B Advances. (a) Each Lender severally agrees that the Borrower may make B Borrowings under this Section 2.03 from time to time on

any Business Day during the period from the date hereof until the date occurring 15 days prior to the Termination Date in the manner set forth below; provided that, following the making of each B Borrowing, the aggregate amount of the Advances then outstanding shall not exceed the aggregate amount of the Commitments of the Lenders (computed without regard to any B Reduction).

(i) The Borrower may request a B Borrowing under this Section 2.03 by delivering to the Agent, by telecopier, telex or cable, confirmed immediately in writing, a notice of a B Borrowing (a "Notice of B Borrowing"), in substantially the form of Exhibit B-2 hereto, specifying therein the date and aggregate amount of the proposed B Borrowing, the maturity date for repayment of each B Advance to be made as part of such B Borrowing (which maturity date may be (i) 14 to 180 days after the date of the B Borrowing in the case of fixed rate B Borrowings and (ii) 30 to 180 days after the date of the B Borrowing in the case of floating rate B Borrowings, but in either case may not be later than the Termination Date), the interest payment date or dates relating thereto, and any other terms to be applicable to such B Borrowing, not later than 10:00 A.M. (New York City time) (A) at least one (1) Business Day prior to the date of the proposed B Borrowing, if the Borrower shall specify in the Notice of B Borrowing that the rates of interest to be offered by the Lenders shall be fixed rates per annum and (B) at least four (4) Business Days prior to the date of the proposed B Borrowing, if the Borrower shall specify in the Notice of B Borrowing that the rates of interest to be offered by the Lenders shall be floating rates per annum. The Agent shall in turn promptly notify by telecopy each Lender of each request for a B Borrowing received by it from the Borrower by sending such Lender a copy of the related Notice of B Borrowing.

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(ii) Each Lender may, if, in its sole discretion, it elects to do so, irrevocably offer to make one or more B Advances to the Borrower as part of such proposed B Borrowing at a rate or rates of interest specified by such Lender in its sole discretion (but conforming to the Borrower's Notice of B Borrowing in respect thereof), by notifying the Agent (which shall give prompt notice thereof to the Borrower), before 10:00 A.M. (New York City time) (A) on the date of such proposed B Borrowing, in the case of a Notice of B Borrowing delivered pursuant to clause (A) of paragraph (i) above and (B) three (3) Business Days before the date of such proposed B Borrowing, in the case of a Notice of B Borrowing delivered pursuant to clause (B) of paragraph (i) above, of the minimum amount and maximum amount of each B Advance which such Lender would be willing to make as part of such proposed B Borrowing (which amounts may exceed such Lender's Commitment), the rate or rates of interest therefor and such Lender's Applicable Lending Office with respect to such B Advance; provided that, if the Agent in its capacity as a Lender shall, in its sole discretion, elect to make any such offer, it shall notify the Borrower of such offer before 9:00 A.M. (New York City time) on the date on which notice of such election is to be given to the Agent by the other Lenders. Unless the Agent shall have received notice from a Lender before 10:00 A.M. in accordance with the immediately preceding sentence, the Agent and the Borrower may assume that such Lender has elected not to make such an offer pursuant to this Section 2.03(a)(ii).

(iii) The Borrower shall (A) before 11:00 A.M. (New York City time) on the date of such proposed B Borrowing, in the case of a Notice of B Borrowing delivered pursuant to clause (A) of paragraph (i) above and (B) before 1:00 P.M. (New York City time) on the Business Day that is three (3) Business Days before the date of such proposed B Borrowing, in the case of a Notice of B Borrowing delivered pursuant to clause (B) of paragraph (i) above, either:

(x) cancel such B Borrowing by giving the Agent notice to that effect, or

(y) accept one or more of the offers made by any Lender or Lenders pursuant to paragraph (ii) above, in its sole discretion, by

giving notice to the Agent of the amount of each B Advance (which amount shall be equal to or greater than the minimum amount, and equal to or less than the maximum amount, notified to the Borrower by the Agent on behalf of such Lender for such B Advance pursuant to paragraph (ii) above) to be made by each Lender as part of such B Borrowing, and

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reject any remaining offers made by Lenders pursuant to paragraph (ii) above by giving the Agent notice to that effect.

The acceptance of offers by the Borrower pursuant to this clause (B) shall be on the basis of ascending rates of interest contained in the offers made by Lenders pursuant to paragraph (ii) above; provided that, in the event that two or more of such offers contain the same rate of interest for a greater aggregate principal amount than the amount specified in such Notice of B Borrowing (less the aggregate principal amount of all such offers containing lower rates of interest that have been accepted by the Borrower pursuant to this clause (B)), the Borrower shall have sole discretion (subject to any minimum and maximum amount specified in any such offer) to accept one or more of the offers at such rate of interest and to reject any remaining offers at such rate of interest.

(iv) If the Borrower notifies the Agent that such B Borrowing is cancelled pursuant to paragraph (iii)(x) above, the Agent shall give prompt notice thereof to the Lenders and such B Borrowing shall not be made.

(v) If the Borrower accepts one or more of the offers made by any Lender or Lenders pursuant to paragraph (iii)(y) above, the Agent shall in turn promptly notify (A) each Lender that has made an offer as described in paragraph (ii) above, of the date and aggregate amount of such B Borrowing and whether or not any offer or offers made by such Lender pursuant to paragraph (ii) above have been accepted by the Borrower, (B) each Lender that is to make a B Advance as part of such B Borrowing, of the amount of each B Advance to be made by such Lender as part of such B Borrowing and (C) each Lender that is to make a B Advance as part of such B Borrowing, upon receipt, that the Agent has received forms of documents appearing to fulfill the applicable conditions set forth in Article III. Each Lender that is to make a B Advance as part of such B Borrowing shall, before 12:00 noon (New York City time) on the date of such B Borrowing specified in the notice received from the Agent pursuant to clause (A) of the preceding sentence or any later time when such Lender shall have received notice from the Agent pursuant to clause (C) of the preceding sentence, make available for the account of its Applicable Lending Office to the Agent at its address referred to in Section 8.02 such Lender's portion of such B Borrowing, in same day funds. Upon fulfillment of the applicable conditions set forth in Article III and after receipt by the Agent of such funds, the Agent will make such funds available to the Borrower at the Agent's aforesaid address. Promptly after each B Borrowing the Agent will notify each Lender of the amount of the B Borrowing, the consequent B Reduction and the dates upon which such B Reduction commenced and will terminate.

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(vi) If the Borrower notifies the Agent that it accepts one or more of the offers made by any Lender or Lenders pursuant to paragraph (iii)(y) above, such notice of acceptance shall be irrevocable and binding on the Borrower. The Borrower shall indemnify each Lender against any loss, cost or expense incurred by such Lender as a result of any failure to fulfill on or before the date specified in the related Notice of B Borrowing for such B Borrowing the applicable conditions set forth in Article III, including, without limitation, any loss (including loss of anticipated profits), cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Lender to fund the B Advance to be

made by such Lender as part of such B Borrowing when such B Advance, as a result of such failure, is not made on such date.

(b) Each B Borrowing shall be in an aggregate amount not less than \$15,000,000 or an integral multiple of \$1,000,000 in excess thereof and, following the making of each B Borrowing, the Borrower shall be in compliance with the limitation set forth in the proviso to the first sentence of subsection (a) above.

(c) Within the limits and on the conditions set forth in this Section 2.03, the Borrower may from time to time borrow under this Section 2.03, repay or prepay pursuant to subsection (d) below, and reborrow under this Section 2.03, provided that a B Borrowing shall not be made within three (3) Business Days of the date of any other B Borrowing.

(d) The Borrower shall repay to the Agent for the account of each Lender that has made a B Advance, or each other holder of a B Note, on the maturity date of each B Advance (such maturity date being that specified by the Borrower for repayment of such B Advance in the related Notice of B Borrowing delivered pursuant to subsection (a)(i) above and provided in the B Note evidencing such B Advance), the then unpaid principal amount of such B Advance. The Borrower shall have no right to prepay any principal amount of any B Advance unless, and then only on the terms, specified by the Borrower for such B Advance in the related Notice of B Borrowing delivered pursuant to subsection (a)(i) above and set forth in the B Note evidencing such B Advance.

(e) The Borrower shall pay interest on the unpaid principal amount of each B Advance from the date of such B Advance to the date the principal amount of such B Advance is repaid in full, at the rate of interest for such B Advance specified by the Lender making such B Advance in its notice with respect thereto delivered pursuant to subsection (a)(ii) above, payable on the interest payment date or dates specified by the Borrower for such B Advance in the related Notice of B Borrowing delivered

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pursuant to subsection (a)(i) above, as provided in the B Note evidencing such B Advance.

(f) The indebtedness of the Borrower resulting from each B Advance made to the Borrower as part of a B Borrowing shall be evidenced by a separate B Note of the Borrower payable to the order of the Lender making such B Advance. Upon the repayment in full of the indebtedness of Borrower resulting from such B Advance, the holder of the B Note evidencing such indebtedness shall return such B Note to the Borrower at its address specified pursuant to Section 8.02.

SECTION 2.04. Fees. (a) Facility Fee. The Borrower agrees to pay to the Agent for the account of each Lender a facility fee on the amount of such Lender's Commitment (whether used or unused and without giving effect to any B Reductions) from the Signing Date in the case of each Bank or, in the case of each other Lender, from the effective date specified in the Assignment and Acceptance pursuant to which it became a Lender until the Termination Date, payable on the first day of each March, June, September and December during the term of such Lender's Commitment, commencing September 1, 1995, and on the Termination Date, at a rate per annum equal to the Applicable Facility Fee Rate in effect from time to time.

(b) Agent's Fees. The Borrower shall pay to the Agent for its own account such fees, and at such times, as set forth in the letter dated May 1, 1995 between the Borrower and the Agent.

SECTION 2.05. Termination or Reduction of the Commitments. Voluntary Reduction. The Borrower shall have the right, upon at least three (3) Business Days' notice to the Agent, to terminate in whole or reduce ratably in part the unused portions of the respective Commitments of the Lenders, provided that the aggregate amount of the Commitments of the Lenders shall not be reduced to an amount that is less than the aggregate principal amount of the Advances then

outstanding; and provided further that each partial reduction shall be in the aggregate amount of \$25,000,000 or an integral multiple of \$1,000,000 in excess thereof.

SECTION 2.06. Repayment of A Advances. The Borrower shall repay the principal amount of each A Advance made by each Lender in accordance with the A Note to the order of such Lender.

SECTION 2.07. Interest on Advances. (a) Ordinary Interest on A Advances. The Borrower shall pay interest on the unpaid principal amount of each A Advance made by each Lender from the date of such A Advance until such principal amount shall be paid in full, at the following rates per annum:

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(i) Base Rate Advances. If such A Advance is a Base Rate Advance, a rate per annum equal at all times to, from the date hereof to the Termination Date, the Base Rate in effect from time to time, payable monthly on the last day of each Interest Period and on the date such Base Rate Advance shall be Converted or paid in full.

(ii) Eurodollar Rate Advances. If such A Advance is a Eurodollar Rate Advance, a rate per annum equal at all times during each Interest Period for such A Advance to the sum of (x) the Eurodollar Rate for such Interest Period for such A Advance plus (y) the Applicable Interest Rate Margin, payable on the last day of such Interest Period and, if such Interest Period has a duration of more than three months, on each day that occurs during such Interest Period every three months from the first day of such Interest Period and on the date such Eurodollar Rate Advance shall be Converted or paid in full.

(b) Default Interest. The Borrower shall pay interest on the unpaid principal amount of each Advance that is not paid when due and on the unpaid amount of all interest, fees and other amounts payable hereunder that is not paid when due, payable on demand, at a rate per annum equal at all times to 2% per annum above the Base Rate in effect from time to time.

SECTION 2.08. Additional Interest on Eurodollar Rate Advances. The Borrower shall pay to each Lender, so long as such Lender shall be required under regulations of the Board of Governors of the Federal Reserve System to maintain reserves with respect to liabilities or assets consisting of or including Eurocurrency Liabilities, additional interest on the unpaid principal amount of each Eurodollar Rate Advance of such Lender, from the date of such A Advance until such principal amount is paid in full, at an interest rate per annum equal at all times to the remainder obtained by subtracting (i) the Eurodollar Rate for the Interest Period for such A Advance from (ii) the rate obtained by dividing such Eurodollar Rate by a percentage equal to 100% minus the Eurodollar Rate Reserve Percentage of such Lender for such Interest Period, payable on each date on which interest is payable on such A Advance. Such additional interest shall be determined by such Lender and notified in writing to the Borrower through the Agent.

SECTION 2.09. Interest Rate Determination. (a) Each Reference Bank agrees to furnish to the Agent timely information for the purpose of determining each Eurodollar Rate. If any one or more of the Reference Banks shall not furnish such timely information to the Agent for the purpose of determining any such interest rate,

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the Agent shall determine such interest rate on the basis of timely information furnished by the remaining Reference Banks.

(b) The Agent shall give prompt notice to the Borrower and the Lenders of the applicable interest rate determined by the Agent for purposes of Section 2.07(a)(i) or (ii), and the applicable rate, if any, furnished by each Reference

Bank for the purpose of determining the applicable interest rate under Section 2.07(a)(ii).

(c) If fewer than two Reference Banks furnish timely information to the Agent for determining the Eurodollar Rate for any Eurodollar Rate Advances,

(i) the Agent shall forthwith notify the Borrower and the Lenders that the interest rate cannot be determined for such Eurodollar Rate Advances,

(ii) each such Advance will automatically, on the last day of the then existing Interest Period therefor, Convert into a Base Rate Advance (or if such Advance is then a Base Rate Advance, will continue as a Base Rate Advance) and

(iii) the obligation of the Lenders to make, or to Convert A Advances into, Eurodollar Rate Advances shall be suspended until the Agent shall notify the Borrower and the Lenders that two or more Reference Banks have furnished timely information to the Agent for the purpose of determining the Eurodollar Rate.

(d) If any Reference Bank shall fail to furnish timely information to the Agent pursuant to this Section 2.09 the Borrower may, with the consent of the Agent (which consent shall not be unreasonably withheld), appoint another Lender as a replacement for such Reference Bank.

(e) If, with respect to any Eurodollar Rate Advances, the Majority Lenders notify the Agent that the Eurodollar Rate for any Interest Period for such Advances will not adequately reflect the cost to such Majority Lenders of making, funding or maintaining their respective Eurodollar Rate Advances for such Interest Period, the Agent shall forthwith so notify the Borrower and the Lenders, whereupon

(i) each Eurodollar Rate Advance will automatically, on the last day of the then existing Interest Period therefor, Convert into a Base Rate Advance and

(ii) the obligation of the Lenders to make, or to Convert A Advances into, Eurodollar Rate Advances shall be suspended until the Agent shall notify

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the Borrower and the Lenders that the circumstances causing such suspension no longer exist.

(f) If the Borrower shall fail to select a new Interest Period for any outstanding Eurodollar Rate Advances in accordance with the provisions contained in the definition of "Interest Period" in Section 1.01, the Agent will forthwith so notify the Borrower and the Lenders and such Advances will automatically, on the last day of the then existing Interest Period therefor, Convert into Base Rate Advances.

(g) On the date on which the aggregate unpaid principal amount of A Advances comprising any A Borrowing shall be reduced, by payment or prepayment or otherwise, to less than \$20,000,000, such A Advances shall, if they are Eurodollar Rate Advances, automatically Convert into Base Rate Advances, and on and after such date the right of the Borrower to Convert such A Advances into Eurodollar Rate Advances shall terminate; provided, however, that, if and so long as each such A Advance shall be of the same Type and have the same Interest Period as A Advances comprising another A Borrowing or other A Borrowings, and the aggregate unpaid principal amount of all such A Advances shall equal or exceed \$20,000,000, the Borrower shall have the right to continue all such A Advances as, or to Convert all such A Advances into, Advances of such Type having such Interest Period.

SECTION 2.10. Voluntary Conversion of A Advances. The Borrower may on any Business Day, upon notice given to the Agent not later than 11:00 A.M.

(New York City time) on the third Business Day prior to the date of the proposed Conversion and subject to the provisions of Sections 2.09 and 2.13, Convert all A Advances of one Type comprising the same A Borrowing into A Advances of the other Type; provided, however, that any Conversion of any Eurodollar Rate Advances into Base Rate Advances shall be made on, and only on, the last day of an Interest Period for such Eurodollar Rate Advances and any Conversion of Base Rate Advances into Eurodollar Rate Advances shall be in an amount not less than \$20,000,000; and provided further, however, that the Borrower shall not convert any Base Rate Advances into Eurodollar Rate Advances if a Default has occurred and is continuing. Each such notice of a Conversion shall, within the restrictions specified above, specify (i) the date of such Conversion, (ii) the A Advances to be Converted and (iii) if such Conversion is into Eurodollar Rate Advances, the duration of the initial Interest Period for each such A Advance. Each notice of Conversion shall be irrevocable and binding on the Borrower.

SECTION 2.11. Prepayments of A Advances. (a) The Borrower shall have no right to prepay any principal amount of any A Advances other than as provided in subsection (b) below.

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(b) The Borrower may, upon at least one (1) Business Day's notice in the case of Base Rate Advances, and three (3) Business Days' notice in the case of Eurodollar Rate Advances to the Agent stating the proposed date and aggregate principal amount of the prepayment, and if such notice is given the Borrower shall, prepay the outstanding principal amounts of the A Advances comprising part of the same A Borrowing in whole or ratably in part, together with accrued interest to the date of such prepayment on the principal amount prepaid; provided, however, that (x) each partial prepayment shall be in an aggregate principal amount not less than \$1,000,000 or an integral multiple thereof and (y) in the case of any such prepayment of a Eurodollar Rate Advance, the Borrower shall be obligated to reimburse the Lenders in respect thereof pursuant to Section 8.04(b).

SECTION 2.12. Increased Costs. (a) If, due to either (i) the introduction of or any change (other than any change by way of imposition or increase of reserve requirements included in the Eurodollar Rate Reserve Percentage) in or in the interpretation of any law, regulation, rule or guideline promulgated or made after the date this Agreement is executed and delivered by the Borrower or (ii) the compliance with any guideline or request from any central bank or other governmental authority (whether or not having the force of law) promulgated or made after the date this Agreement is executed and delivered by the Borrower, there shall be any increase in the cost to any Lender of agreeing to make or making, funding or maintaining Eurodollar Rate Advances, then the Borrower shall from time to time, upon written demand by such Lender (with a copy of such written demand to the Agent), pay to the Agent for the account of such Lender additional amounts sufficient to compensate such Lender for such increased cost. A certificate, made in good faith and in reasonable detail, as to the amount of such increased cost, submitted to the Borrower and the Agent by such Lender, shall, except for demonstrable or calculation error, be conclusive and binding for all purposes.

(b) If any Lender determines that compliance with any law or regulation or any guideline or request from any central bank or other governmental authority (whether or not having the force of law) promulgated or made after the date this Agreement is executed and delivered by the Borrower affects or would affect the amount of capital required or expected to be maintained by such Lender or any corporation controlling such Lender and that the amount of such capital is increased by or based upon the existence of such Lender's commitment to lend hereunder and other commitments of this type, then, within 30 days after written notice and demand from such Lender (with a copy of such demand to the Agent), the Borrower shall immediately pay to the Agent for the account of such Lender, from time to time as specified by such Lender, additional amounts sufficient to compensate such Lender or such corporation in the light of such circumstances, to the extent that such Lender reasonably determines

such increase in capital to be allocable to the existence of such Lender's commitment to lend hereunder; provided that the Borrower shall not be obligated to pay any such additional amounts that are attributable to the period (the "Excluded Period") ending 90 days prior to the Borrower's receipt of such written notice; provided further, however, that to the extent such additional amounts accrue during the Excluded Period because of the retroactive effect of the applicable law, rule, regulation, guideline or request promulgated during the 90 day period prior to the Borrower's receipt of such written notice, the limitation set forth in the foregoing proviso shall not apply. A certificate, made in good faith and in reasonable detail, as to such amounts submitted to the Borrower and the Agent by such Lender shall, except for demonstrable or calculation error, be conclusive and binding for all purposes.

(c) Any Lender claiming any additional amounts payable pursuant to this Section 2.12 shall use reasonable efforts (consistent with its internal policy and legal and regulatory restrictions) to change the jurisdiction of its lending office if the making of such a change would avoid the need for, or reduce the amount of, any such additional amounts that may thereafter accrue and would not, in the reasonable judgment of such Lender, be otherwise disadvantageous to such Lender.

(d) Any Lender claiming any additional amounts payable pursuant to this Section 2.12 shall, if no Default has occurred and is continuing, upon the request of the Borrower delivered to such Lender and the Agent, assign, pursuant to and in accordance with the provisions of Section 8.07, all of its rights and obligations under this Agreement and under the Notes to an Eligible Assignee selected by the Borrower in consideration for (i) the payment by such assignee to the assigning Lender of the principal of, and interest accrued and unpaid to the date of such assignment on, the Note or Notes of such Lender, (ii) the payment by the Borrower to the assigning Lender of any and all other amounts owing to such Lender under any provision of this Agreement accrued and unpaid to the date of such assignment and (iii) the Borrower's release of the assigning Lender from any further obligation or liability under this Agreement. The processing and recordation fee required under Section 8.07(a) for such assignment shall be paid by the Borrower. Notwithstanding anything to the contrary in this Section 2.12(d), in no event shall the replacement of any Lender result in a decrease or reallocation of the aggregate Commitments without the written consent of the Majority Lenders.

SECTION 2.13. Illegality. Notwithstanding any other provision of this Agreement, if any Lender shall notify the Agent that the introduction of or any change in or in the interpretation of any law or regulation makes it unlawful, or any central bank or other governmental authority asserts that it is unlawful, for any Lender or its Eurodollar Lending Office to perform its obligations hereunder to make Eurodollar Rate Advances

or to fund or maintain Eurodollar Rate Advances hereunder, (i) the obligation of such Lender to make, or to Convert A Advances into, Eurodollar Rate Advances shall be suspended until such Lender shall notify the Borrower and the Agent that the circumstances causing such suspension no longer exist and (ii) the Borrower shall, on the last day of the Interest Period then applicable thereto or, if it is unlawful for such Lender to maintain such Eurodollar Advances for the balance of any such Interest Period, on the last day on which the Borrower has been notified by such Lender that such Eurodollar Advances may be lawfully maintained, Convert all Eurodollar Rate Advances of such Lender then outstanding into Base Rate Advances in accordance with Section 2.10.

SECTION 2.14. Payments and Computations. (a) The Borrower shall make each payment hereunder and under the Notes not later than 12:00 Noon (New York City time) on the day when due in U.S. dollars to the Agent at its address referred to in Section 8.02 in same day funds. The Agent will promptly thereafter cause to be distributed like funds relating to the payment of

principal or interest or facility fees ratably (other than amounts payable pursuant to Section 2.03, 2.08, 2.12, 2.16 or 8.04(b)) to the Lenders for the account of their respective Applicable Lending Offices, and like funds relating to the payment of any other amount payable to any Lender to such Lender for the account of its Applicable Lending Office, in each case to be applied in accordance with the terms of this Agreement. Upon its acceptance of an Assignment and Acceptance and recording of the information contained therein in the Register pursuant to Section 8.07(c), from and after the effective date specified in such Assignment and Acceptance, the Agent shall make all payments hereunder and under the Notes in respect of the interest assigned thereby to the Lender assignee thereunder, and the parties to such Assignment and Acceptance shall make all appropriate adjustments in such payments for periods prior to such effective date directly between themselves.

(b) All computations of interest based on the Base Rate shall be made by the Agent on the basis of a year of 365 or 366 days, as the case may be, and all computations of interest based on the Eurodollar Rate or the Federal Funds Rate (for all purposes other than the calculation of the Base Rate) and of facility fees shall be made by the Agent, and all computations of interest pursuant to Section 2.08 shall be made by a Lender, on the basis of a year of 360 days, in each case for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest or facility fees are payable. Each determination by the Agent (or, in the case of Section 2.08, by a Lender) of an interest rate hereunder shall be conclusive and binding for all purposes, absent calculation or demonstrable error.

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(c) Whenever any payment hereunder or under the Notes shall be stated to be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of payment of interest or facility fee, as the case may be; provided, however, that if such extension would cause payment of interest on or principal of Eurodollar Rate Advances to be made in the next following calendar month, such payment shall be made on the next preceding Business Day.

(d) Unless the Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Lenders hereunder that the Borrower will not make such payment in full, the Agent may assume that the Borrower has made such payment in full to the Agent on such date and the Agent may, in reliance upon such assumption, cause to be distributed to each Lender on such due date an amount equal to the amount then due such Lender. If and to the extent that the Borrower shall not have so made such payment in full to the Agent, each Lender shall repay to the Agent forthwith on demand such amount distributed to such Lender together with interest thereon, for each day from the date such amount is distributed to such Lender until the date such Lender repays such amount to the Agent, at the Federal Funds Rate.

SECTION 2.15. Sharing of Payments, Etc. If any Lender shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of set-off, or otherwise) on account of the A Advances owing to it (other than pursuant to Section 2.08, 2.12, 2.16 or 8.04(b)) in excess of its ratable share of payments on account of the A Advances obtained by all the Lenders, such Lender shall forthwith purchase from the other Lenders such participations in the A Advances owing to them as shall be necessary to cause such purchasing Lender to share the excess payment ratably with each of them, provided, however, that if all or any portion of such excess payment is thereafter recovered from such purchasing Lender, such purchase from each Lender shall be rescinded and such Lender shall repay to the purchasing Lender the purchase price to the extent of such recovery together with an amount equal to such Lender's ratable share (according to the proportion of (i) the amount of such Lender's required repayment to (ii) the total amount so recovered from the purchasing Lender) of any interest or other amount paid or payable by the purchasing Lender in respect of the total amount so recovered. The Borrower agrees that any Lender so purchasing a participation from another Lender pursuant to this Section 2.15 may, to the fullest extent permitted by law, exercise all its rights of payment

(including the right of set-off) with respect to such participation as fully as if such Lender were the direct creditor of the Borrower in the amount of such participation.

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SECTION 2.16. Taxes. (a) Any and all payments by the Borrower hereunder or under the Notes shall be made, in accordance with Section 2.14, free and clear of and without deduction for any and all present or future taxes, levies, imposts, deductions, charges or withholdings, and all liabilities with respect thereto, excluding, in the case of each Lender and the Agent, net income taxes that are imposed by the United States and franchise taxes and net income taxes that are imposed on such Lender or the Agent by the state or foreign jurisdiction under the laws of which such Lender or the Agent (as the case may be) is organized or any political subdivision thereof and, in the case of each Lender, franchise taxes and net income taxes that are imposed on such Lender by the state or foreign jurisdiction of such Lender's Applicable Lending Office or any political subdivision thereof (all such non-excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities being hereinafter referred to as "Taxes"). If the Borrower shall be required by law to deduct any Taxes from or in respect of any sum payable hereunder or under any Note to any Lender or the Agent, (i) the sum payable shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 2.16) such Lender or the Agent (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Borrower shall make such deductions and (iii) the Borrower shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law.

(b) In addition, the Borrower agrees to pay any present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies that arise from any payment made hereunder or under the Notes or from the execution, delivery or registration of, or otherwise with respect to, this Agreement or the Notes (hereinafter referred to as "Other Taxes").

(c) The Borrower will indemnify each Lender and the Agent for the full amount of Taxes or Other Taxes (including, without limitation, any Taxes or Other Taxes imposed by any jurisdiction on amounts payable under this Section 2.16) paid by such Lender or the Agent (as the case may be) and any liability (including penalties, additions to tax, interest and expenses) arising therefrom or with respect thereto. This indemnification shall be made within 30 days from the date such Lender or the Agent (as the case may be) makes written demand therefor.

(d) Each Lender shall, at the time of any written demand for indemnification as set forth in subsection (c) above, provide to the Borrower a receipt for, or other evidence of the payment of, Taxes or Other Taxes to be indemnified under this Section 2.16.

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(e) Within 30 days after the date of any payment of Taxes, the Borrower will furnish to the Agent, at its address referred to in Section 8.02, appropriate evidence of payment thereof.

(f) For purposes of this Section 2.16, the terms "United States" and "United States person" shall have the meanings specified in Section 7701 of the Internal Revenue Code of 1986, as amended from time to time.

(g) Each Lender organized under the laws of a jurisdiction outside the United States shall, on or prior to the date of its execution and delivery of this Agreement in the case of each Bank, and on the date of the Assignment and Acceptance pursuant to which it became a Lender in the case of each other Lender, and from time to time thereafter if requested in writing by the Borrower or the Agent (but only so long thereafter as such Lender remains lawfully able to do so), provide the Agent and the Borrower with Internal Revenue Service form

1001 or 4224, as appropriate, or any successor or other form prescribed by the Internal Revenue Service, certifying that such Lender is exempt from or entitled to a reduced rate of United States withholding tax on payments of interest pursuant to this Agreement or the Notes. If the form provided by a Lender at the time such Lender first becomes a party to this Agreement indicates a United States interest withholding tax rate in excess of zero, withholding tax at such rate shall be considered excluded from Taxes unless and until such Lender provides the appropriate form certifying that a lesser rate applies, whereupon withholding tax at such lesser rate only shall be considered excluded from Taxes for periods governed by such form; provided, however, that, if at the date of the Assignment and Acceptance pursuant to which a Lender assignee becomes a party to this Agreement, the Lender assignor was entitled to payments under subsection (a) in respect of United States withholding tax with respect to interest paid at such date, then, to the extent such tax results in liability for such payments, the term Taxes shall include (in addition to withholding taxes that may be imposed in the future or other amounts otherwise includable in Taxes) United States interest withholding tax, if any, applicable with respect to the Lender assignee on such date.

(h) For any period with respect to which a Lender has failed to provide the Borrower with the appropriate form described in subsection (g) (other than if such failure is due to a change in law occurring subsequent to the date on which a form originally was required to be provided, or if such form otherwise is not required under subsection (g)), such Lender shall not be entitled to indemnification under subsection (a) or (c) with respect to Taxes imposed by the United States; provided, however, that, should a Lender become subject to Taxes because of its failure to deliver a form required hereunder, the Borrower shall take such steps as such Lender shall reasonably request to assist such Lender to recover such Taxes.

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(i) Any Lender claiming any additional amounts payable pursuant to this Section 2.16 shall use reasonable efforts (consistent with its internal policy and legal and regulatory restrictions) to change the jurisdiction of its lending office if the making of such a change would avoid the need for, or reduce the amount of, any such additional amounts that may thereafter accrue and would not, in the reasonable judgment of such Lender, be otherwise disadvantageous to such Lender.

(j) In the event the Borrower is required pursuant to this Section 2.16 to pay any amount to any Lender or the Agent or on the behalf of any of them to any taxing authority, such Lender shall, if no Default has occurred and is continuing, upon the request of the Borrower delivered to such Lender and the Agent, assign, pursuant to and in accordance with the provisions of Section 8.07, all of its rights and obligations under this Agreement and under the Notes to an Eligible Assignee selected by the Borrower in consideration for (i) the payment by such assignee to the assigning Lender of the principal of, and interest accrued and unpaid to the date of such assignment on, the Note or Notes of such Lender, (ii) the payment by the Borrower to the assigning Lender of any and all other amounts owing to such Lender under any provision of this Agreement accrued and unpaid to the date of such assignment and (iii) the Borrower's release of the assigning Lender from any further obligation or liability under this Agreement. The processing and recordation fee required under Section 8.07(a) for such assignment shall be paid by the Borrower. Notwithstanding anything to the contrary in this Section 2.16(j), in no event shall the replacement of any Lender result in a decrease or reallocation of the aggregate Commitments without the written consent of the Majority Lenders.

Section 2.17. Use of Proceeds. The proceeds of the Advances shall be available, and the Borrower agrees that it will use such proceeds, solely for the general corporate purposes of the Borrower and its Subsidiaries.

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CONDITIONS OF LENDING

SECTION 3.01. Conditions Precedent to the Effectiveness of Sections 2.01 and 2.03. The effectiveness of Sections 2.01 and 2.03 is subject to the following conditions precedent:

(a) This Agreement (including all schedules, exhibits, certificates and opinions delivered pursuant hereto) shall be in full force and effect and shall not have been terminated.

(b) There shall have occurred no material adverse change in the condition (financial or otherwise) or results of operations of the Borrower and its Subsidiaries, taken as a whole, since February 26, 1994, provided, however, that without limiting the generality of the foregoing, the restructuring charge of \$244,000,000 taken in the third quarter of the Borrower's 1995 fiscal year shall not be deemed to constitute a material adverse change for purposes of this Section 3.01(b).

(c) There shall exist no action, suit, investigation, litigation or proceeding affecting the Borrower or any of its Subsidiaries pending or threatened before any court, governmental agency or arbitrator that (i) could reasonably be expected to result in a material adverse change in the condition (financial or otherwise) or results of operations or prospects of the Borrower and its Subsidiaries, taken as a whole, other than the matters described on Schedule II hereto (the "Disclosed Litigation") or (ii) purports to affect the legality, validity or enforceability of this Agreement or any Note or the consummation of the transactions contemplated hereby, and there shall have been no adverse change in the status, or financial effect on the Borrower or any of its Subsidiaries, of the Disclosed Litigation from that described on Schedule II hereto.

(d) All governmental and third party consents and approvals necessary in connection with the transactions contemplated hereby shall have been obtained (without the imposition of any conditions that are not acceptable to the Lenders) and shall remain in effect, and no law or regulation shall be applicable that restrains, prevents or imposes materially adverse conditions upon the transactions contemplated hereby.

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(e) The Borrower shall have notified each Lender and the Agent in writing as to the proposed Effective Date.

(f) The Borrower shall have paid all accrued fees and expenses of the Agent that have been billed (including the accrued fees and expenses of counsel to the Agent).

(g) The Agent shall have received on or before the Effective Date the following, each dated such date, in form and substance satisfactory to the Agent and (except for the Notes) in sufficient copies for each Lender:

(i) the A Notes payable to the order of the Lenders, respectively,

(ii) certified copies of the resolutions of the Board of Directors of the Borrower approving this Agreement and the Notes, and of all documents evidencing other necessary corporate action and government approvals, if any, with respect to this Agreement and the Notes,

(iii) a certificate of the Secretary or an Assistant Secretary of the Borrower certifying the names and true signatures of the officers of the Borrower authorized to sign this Agreement and the Notes and the other documents to be delivered hereunder,

(iv) a copy of a certificate of the Secretary of State of the

State of Delaware (as of a date reasonably near the Effective Date) that (a) attached thereto is a true and correct copy of the Borrower's charter and each amendment thereto, (b) such amendments are the only amendments to the Borrower's charter on file in his office, (c) the Borrower has paid all franchise taxes to the date of such certificate and (d) the Borrower is duly incorporated and in good standing under the laws of Delaware,

(v) a certificate of the Borrower, signed by its President or a Vice President and its Secretary or any Assistant Secretary, dated the Effective Date, certifying (a) as to the absence of any amendments to the charter of the Borrower since the date of the Secretary of State's certificate from the State of Delaware, (b) that attached is a true and correct copy of the by-laws of the Borrower as in effect on the Effective Date, (c) as to the due incorporation and good standing of the Borrower as a corporation organized under the laws of the state of Delaware, and

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the absence of any proceeding for the dissolution or liquidation of the Borrower, (d) as to the truth and correctness of the representations and warranties contained in Section 4.01 of this Agreement as though made on and as of the Effective Date and (e) as to the absence of any event occurring and continuing, or resulting from the effectiveness of Sections 2.01 and 2.03, if any, that constitutes a Default,

(vi) a favorable opinion of Dorsey & Whitney, special counsel for the Borrower, substantially in the form of Exhibit D hereto and as to such other matters as any Lender through the Agent may reasonably request,

(vii) a favorable opinion of John Breedlove, Region Counsel of the Borrower, substantially in the form of Exhibit E hereto and as to such other matters as any Lender through the Agent may reasonably request,

(viii) a favorable opinion of Shearman & Sterling, special New York counsel to the Agent, substantially in the form of Exhibit F hereto,

(ix) evidence of the termination of the commitments under the Current Superval Credit Agreement, and payment of all amounts owing thereunder, and

(x) such other approvals, opinions or documents as any Lender, through the Agent, may reasonably request.

SECTION 3.02. Conditions Precedent to Each A Borrowing. The obligation of each Lender to make an A Advance on the occasion of each A Borrowing (including the initial A Borrowing) resulting in an increase in the aggregate amount of outstanding A Advances shall be subject to the further conditions precedent that on the date of such A Borrowing the following statements shall be true (and each of the giving of the applicable Notice of A Borrowing and the acceptance by the Borrower of the proceeds of such A Borrowing shall constitute a representation and warranty by the Borrower that on the date of such A Borrowing such statements are true):

(i) the representations and warranties contained in Section 4.01 (excluding that contained in the last sentence of subsection (e) thereof) are correct on and as of the date of such A Borrowing, before and after giving effect to such A Borrowing and to the application of the proceeds therefrom, as though made on and as of such date, and

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(ii) no event has occurred and is continuing, or would result from such A Borrowing or from the application of the proceeds therefrom, which constitutes a Default.

SECTION 3.03. Conditions Precedent to Each B Borrowing. The obligation of each Lender that is to make a B Advance on the occasion of a B Borrowing (including the initial B Borrowing) to make such B Advance as part of such B Borrowing is subject to the conditions precedent that (i) the Agent shall have received the written confirmatory Notice of B Borrowing with respect thereto, (ii) (x) in the case of any B Borrowing (except as otherwise set forth in subclause (y) below), on or before the date of such B Borrowing, but prior to such B Borrowing, and (y) in the case of same day, fixed rate B Borrowings, promptly after any such B Borrowing, the Agent shall have received a B Note payable to the order of such Lender for each of the one or more B Advances to be made by such Lender as part of such B Borrowing, in a principal amount equal to the principal amount of the B Advance to be evidenced thereby and otherwise on such terms as were agreed to for such B Advance in accordance with Section 2.03 and (iii) on the date of such B Borrowing the following statements shall be true (and each of the giving of the applicable Notice of B Borrowing and the acceptance by the Borrower of the proceeds of such B Borrowing shall constitute a representation and warranty by the Borrower that on the date of such B Borrowing such statements are true):

(a) the representations and warranties contained in Section 4.01 (excluding that contained in the last sentence of subsection (e) thereof) are correct on and as of the date of such B Borrowing, before and after giving effect to such B Borrowing and to the application of the proceeds therefrom, as though made on and as of such date,

(b) no event has occurred and is continuing, or would result from such B Borrowing or from the application of the proceeds therefrom, which constitutes a Default and

(c) no event has occurred and no circumstance exists as a result of which the information concerning the Borrower that has been provided to the Agent and each Lender by the Borrower in connection herewith would include an untrue statement of a material fact or omit to state any material fact or any fact necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

SECTION 4.01. Representations and Warranties of the Borrower. The Borrower represents and warrants as follows:

(a) The Borrower is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware.

(b) The execution, delivery and performance by the Borrower of this Agreement and the Notes, and the consummation of the transactions contemplated hereunder, are within the Borrower's corporate powers, have been duly authorized by all necessary corporate action, and do not (a) contravene the Borrower's charter or by-laws, (b) violate any law, rule, regulation, order, writ, judgment, determination or award binding on or affecting the Borrower or (c) conflict with or result in the breach of, or constitute a default under, any agreement or instrument binding on or affecting the Borrower.

(c) This Agreement has been, and each of the Notes when delivered hereunder will have been, duly executed and delivered by the Borrower. This Agreement is, and the Notes when delivered hereunder will be, legal, valid and binding obligations of the Borrower enforceable against the

Borrower in accordance with their respective terms.

(d) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body, or any third party that is a party to any agreement or instrument binding on the Borrower is required for the due execution, delivery or performance by the Borrower of this Agreement or the Notes, or for the consummation of the transactions contemplated by this Agreement.

(e) The Consolidated balance sheet of the Borrower and its Subsidiaries as at February 26, 1994, and the related statements of income and retained earnings of the Borrower and its Subsidiaries for the fiscal year then ended, accompanied by an opinion of DeLoitte & Touche, LLP, independent public accountants, and the Consolidated balance sheet of the Borrower and its Subsidiaries as at December 3, 1994, and the related statements of income and retained earnings of the Borrower and its Subsidiaries for the three fiscal quarters then ended, duly certified by a Financial Officer of the Borrower, copies

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of which have been furnished to each Lender, fairly present, subject, in the case of said balance sheet as at December 3, 1994, and said statements of income and retained earnings for the three fiscal quarters then ended, to year-end audit adjustments, the Consolidated financial condition of the Borrower and its Subsidiaries as at such dates and the Consolidated results of the operations of the Borrower and its Subsidiaries for the periods ended on such dates, all in accordance with generally accepted accounting principles consistently applied. Since February 26, 1994, there has been no material adverse change in such condition or operations, provided, however, that without limiting the generality of the foregoing, the restructuring charge of \$244,000,000 taken in the third quarter of the Borrower's 1995 fiscal year shall not be deemed to constitute a material adverse change for purposes of this Section 4.01(e).

(f) Except as set forth on Schedule II, there is no pending or threatened action, suit, investigation, litigation or proceeding, including, without limitation, any Environmental Action, affecting the Borrower or any of its Subsidiaries before any court, governmental agency or arbitrator, that (a) is likely to result in a material adverse change in the condition (financial or otherwise) or results of operations or prospects of the Borrower and its Subsidiaries, taken as a whole, or (b) purports to affect the legality, validity or enforceability of this Agreement or any Note or the consummation of the transactions contemplated hereby.

(g) (i) No information, exhibit or report furnished by or on behalf of the Borrower to the Agent or any Lender in connection with the negotiation of the Loan Documents or pursuant to the terms of the Loan Documents contained any untrue statement of a material fact or omitted to state a material fact necessary to make the statements made therein not misleading in light of the circumstances under which such statements were made; and (ii) all financial projections that have been provided by or on behalf of the Borrower to the Agent or any Lender were prepared in good faith based on reasonable assumptions (it being understood that such projections are subject to significant uncertainties and contingencies beyond the Borrower's control, and that no assurance can be given that the projections will be realized).

(h) Following application of the proceeds of each Advance, not more than 25 percent of the value of the assets (either of the Borrower only or of the Borrower and its Subsidiaries on a Consolidated basis) subject to the provisions of Section 5.02(a) or Section 5.02(c) or subject to any restriction contained in any agreement or instrument between the Borrower and any Lender or any Affiliate of any Lender relating to Debt and within the scope of Section 6.01(d) will be

margin stock (within the meaning of Regulation U issued by the Board of Governors of the Federal Reserve System).

(i) No ERISA Event has occurred or is reasonably expected to occur with respect to any Plan of the Borrower or any of its ERISA Affiliates that has resulted in or is reasonably likely to result in a material liability of the Borrower or any of its ERISA Affiliates.

(j) Schedule B (Actuarial Information) to the 1994 annual report (Form 5500 Series) for each Plan of the Borrower or any of its ERISA Affiliates, copies of which have been filed with the Internal Revenue Service and furnished to the Lenders, is complete and accurate and fairly presents the funding status of such Plan, and since the date of such Schedule B there has been no material adverse change in such funding status.

(k) Neither the Borrower nor any of its ERISA Affiliates has incurred or is reasonably expected to incur any material Withdrawal Liability to any Multiemployer Plan.

(l) Neither the Borrower nor any of its ERISA Affiliates has been notified by the sponsor of a Multiemployer Plan of the Borrower or any of its ERISA Affiliates that such Multiemployer Plan is in reorganization or has been terminated, within the meaning of Title IV of ERISA, and no such Multiemployer Plan is reasonably expected to be in reorganization or to be terminated, within the meaning of Title IV of ERISA, if as a result thereof the Borrower or any of its ERISA Affiliates would incur or would reasonably be expected to incur, any material liability.

(m) The aggregate annualized amount paid (including, without limitation, the cost of insurance premiums) with respect to post-retirement benefits under Welfare Plans for which the Borrower and its Subsidiaries are liable does not exceed \$8,000,000.

(n) Each of the Borrower and its Subsidiaries has filed or caused to be filed all tax returns which are required to be filed, and all taxes related to such returns and any assessments made against it or any of its respective properties and all other taxes, fees or other charges imposed on it or any of its respective properties by any governmental authority (other than those the amount or validity of which is contested in good faith by appropriate proceedings and with respect to which reserves in conformity with generally accepted accounting principles have been provided on the books of the Borrower or its Subsidiaries as the case

may be) have been paid, except to the extent the failure to make such filings or payments would not have a material adverse effect on the condition (financial or otherwise) or results of operations or prospects of the Borrower and its Subsidiaries, taken as a whole.

(o) Neither the Borrower nor any of its Subsidiaries is an "investment company", or an "affiliated person" of, or "promotor" or "principal underwriter" for, an "investment company", as such terms are defined in the Investment Company Act of 1940, as amended.

(p) The operations and properties of the Borrower and each of its Subsidiaries comply in all material respects with all Environmental Laws, all necessary Environmental Permits have been obtained and are in effect for the operations and properties of the Borrower and its Subsidiaries and the Borrower and its Subsidiaries are in compliance in all material respects with all such Environmental Permits, except to the extent that any such non-compliance or failure to obtain any necessary permits could not reasonably be expected to result in a material adverse change in the condition (financial or otherwise) or results of operations of the Borrower

and its Subsidiaries, taken as a whole. No circumstances exist that could be reasonably likely to (i) form the basis of an Environmental Action against the Borrower or any of its Subsidiaries or any of their respective properties that could have a material adverse effect on the condition (financial or otherwise) or results of operations of the Borrower and its Subsidiaries, taken as a whole, or (ii) cause any such property to be subject to any restrictions on ownership, occupancy, use or transferability under any Environmental Law that could have a material adverse effect on the condition (financial or otherwise) or results of operations of the Borrower and its Subsidiaries, taken as a whole.

ARTICLE V

COVENANTS OF THE BORROWER

SECTION 5.01. Affirmative Covenants. So long as any Note shall remain unpaid or any Lender shall have any Commitment hereunder, the Borrower will, unless the Majority Lenders shall otherwise consent in writing:

(a) Compliance with Laws, Payment of Taxes, Etc. Comply, and cause each of its Subsidiaries to comply, in all material respects, with all material applicable laws (including, without limitation, ERISA), rules, regulations and

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orders, such compliance to include, without limitation, paying and discharging before the same become delinquent all taxes, assessments and governmental charges imposed upon it or upon its property except to the extent contested in good faith and for which appropriate reserves have been made in accordance with generally accepted accounting principles.

(b) Preservation of Corporate Existence, Etc. Preserve and maintain its corporate existence, rights (charter and statutory) and franchises; provided, however, that the Borrower may consummate any merger or consolidation permitted under Section 5.02(b), and provided further that the Borrower shall not be required to preserve any right or franchise if the Borrower shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Borrower and that the loss thereof is not disadvantageous in any material respect to the Borrower.

(c) Keeping of Books. Keep, and cause each Subsidiary to keep, proper books of record and account, in which full and correct entries shall be made of all financial transactions and the assets and business of the Borrower and each Subsidiary in order to permit the Borrower to prepare Consolidated financial statements of the Borrower in accordance with generally accepted accounting principles in effect from time to time.

(d) Tangible Net Worth. Maintain Consolidated Tangible Net Worth of the Borrower and its Subsidiaries, during each fiscal year of the Borrower ending after the fiscal year ended February 26, 1995, of not less than the sum of (A) \$493,262,158 plus (B) an amount equal to sixty percent (60%) of the positive Consolidated Net Earnings of the Borrower and its Subsidiaries on a cumulative basis for each of the complete fiscal years of the Borrower after the fiscal year ended February 26, 1995; provided that the minimum Consolidated Tangible Net Worth required under this Section 5.01(d) shall be adjusted in accordance with generally accepted accounting principles to eliminate any increase or decrease in Tangible Net Worth attributable to (x) the sale by the Borrower of its remaining interest in ShopKo Stores Inc. and (y) purchases by the Borrower after February 26, 1995 of up to 5,000,000 shares of its outstanding common stock, \$1.00 par value per share, based on the purchase price thereof in an aggregate amount not to exceed \$150,000,000.

(e) Leverage Ratio. Maintain at all times a ratio of Consolidated Debt to Total Capital of not more than the amount set forth below during

each period set forth below:

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Period	Ratio
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From the date of	
this Agreement - 2/28/97	.65:1
3/1/97 - and thereafter	.63:1

(f) Reporting Requirements. Furnish to the Lenders:

(i) (x) as soon as available and in any event within 45 days after the end of each of the first three quarters of each fiscal year of the Borrower, the Consolidated balance sheet of the Borrower and its Subsidiaries as of the end of such quarter and Consolidated statements of income and retained earnings of the Borrower and its Subsidiaries for the period commencing at the end of the previous fiscal year and ending with the end of such quarter, duly certified by a Financial Officer of the Borrower as having been prepared in accordance with generally accepted accounting principles;

(y) as soon as available and in any event within 90 days after the end of each fiscal year of the Borrower, a copy of the Consolidated annual report for such year for the Borrower and its Subsidiaries, containing Consolidated financial statements for such year, certified in a manner acceptable to the Majority Lenders by Deloitte & Touche or other nationally recognized independent public accountants; and

(z) together with each delivery of financial statements required by clauses (x) and (y) above, a certificate of a Financial Officer (A) stating that the signer has reviewed or caused to be reviewed under his or her supervision the terms of this Agreement and the Notes and the transactions and condition of the Borrower and its Subsidiaries during the accounting period covered by such financial statements and that such review has not disclosed the existence as at the date of such certificate of any condition or event that constitutes a Default, and (B) setting forth (except to the extent specifically set forth in such financial statements) information in reasonable detail necessary to demonstrate the Borrower's compliance as at the end of such accounting period with Sections 5.01(d) and 5.01(e) (including, but not limited to, in the case of Section 5.01(e), a description of and amounts comprising the elements of Consolidated Debt, each determined in accordance with generally accepted accounting principles);

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(ii) as soon as possible and in any event within five (5) days after any Financial Officer of the Borrower has knowledge of the occurrence of each Default continuing on the date of such statement, a statement of a Financial Officer of the Borrower setting forth the details of such Default and the action which the Borrower has taken and proposes to take with respect thereto;

(iii) promptly after the sending or filing thereof, copies of all reports which the Borrower sends to any of its shareholders, and copies of all reports and registration statements which the Borrower or any Subsidiary files with the Securities and Exchange Commission or any national securities exchange;

(iv) promptly and in any event within 30 days after the filing thereof with the Internal Revenue Service, copies of each Schedule B (Actuarial Information) to the annual report (Form 5500 Series) with respect to each Plan of the Borrower or any of its ERISA Affiliates,

provided that this clause (iv) shall apply only to the extent that the total "current liability" indicated on any such Schedule B exceeds \$2,000,000;

(v) promptly and in any event within 10 days after the Borrower or any of its ERISA Affiliates knows or has reason to know that any ERISA Event has occurred, a statement of a Financial Officer of the Borrower describing such ERISA Event and the action, if any, which the Borrower or such ERISA Affiliate proposes to take with respect thereto;

(vi) promptly and in any event within two Business Days after receipt thereof by the Borrower or any of its ERISA Affiliates, copies of each notice from the PBGC stating its intention to terminate any Plan of the Borrower or any of its ERISA Affiliates or to have a trustee appointed to administer any Plan of the Borrower or any of its ERISA Affiliates;

(vii) promptly and in any event within five Business Days after receipt thereof by the Borrower or any of its ERISA Affiliates from the sponsor of a Multiemployer Plan of the Borrower or any of its ERISA Affiliates, a copy of each notice received by the Borrower or any of its ERISA Affiliates concerning (a) (x) the imposition of Withdrawal Liability in an amount exceeding \$2,000,000 by a Multiemployer Plan of the Borrower or any of its ERISA Affiliates or (y) the reorganization or termination, within the meaning of Title IV of ERISA, of any Multiemployer Plan of the Borrower or any of its ERISA Affiliates that has resulted or is

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reasonably expected to result in a liability of the Borrower or any of its ERISA Affiliates in an amount exceeding \$2,000,000 and (b) the amount of liability incurred, or that may be incurred, by the Borrower or any of its ERISA Affiliates in connection with any event described in subclause (x) or (y) above;

(viii) promptly after commencement thereof, notice of all actions and proceedings before any court, governmental agency or arbitrator affecting the Borrower or any of its Subsidiaries of the type described in Section 4.01(f); and

(ix) such other information respecting the condition or operations, financial or otherwise, of the Borrower or any of its Subsidiaries as any Lender through the Agent may from time to time reasonably request.

(g) Maintenance of Insurance. Maintain, and cause each of its Subsidiaries to maintain, insurance with responsible and reputable insurance companies or associations in such amounts and covering such risks as is usually carried by companies engaged in similar businesses and owning similar properties in the same general areas in which the Borrower or such Subsidiary operates.

(h) Maintenance of Properties, Etc. Maintain and preserve, and cause each of its Subsidiaries to maintain and preserve all of its properties that are used or useful in the conduct of its business in good working order and condition, ordinary wear and tear excepted; provided however that neither the Borrower nor any of its Subsidiaries shall be required to maintain or preserve any properties if the Borrower determines, in its reasonable business judgment, that the maintenance and preservation thereof is no longer desirable in the conduct of the business of the Borrower or such Subsidiary, as the case may be, and that the loss thereof is not disadvantageous in any material respect to the Borrower or such Subsidiary.

SECTION 5.02. Negative Covenants. So long as any Note shall remain unpaid or any Lender shall have any Commitment hereunder, the Borrower will not,

without the written consent of the Majority Lenders:

(a) Liens, Etc. Create or suffer to exist, or permit any of its Subsidiaries to create or suffer to exist, any Lien upon or with respect to any of its properties, whether now owned or hereafter acquired, or assign, or permit any

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of its Subsidiaries to assign, any right to receive income, in each case to secure or provide for the payment of any Debt of any Person, other than:

(i) purchase money Liens upon or in any property acquired or held by the Borrower or any Subsidiary of the Borrower in the ordinary course of business to secure the purchase price of such property, or

(ii) in the case of the Borrower, purchase money Liens to secure Debt incurred solely for the purpose of financing the acquisition of any real property, fixtures or equipment acquired by the Borrower with the proceeds of such Debt, or

(iii) in the case of any Subsidiary of the Borrower, purchase money Liens to secure Debt incurred by such Subsidiary solely to finance the purchase price of real property, fixtures or equipment to the extent permitted pursuant to clause (ii) of Section 5.02(d), provided that no such Lien shall secure greater than 75% of the fair market value of the real property, fixtures or equipment purchased with such Debt as reasonably determined at the time of the creation of such Lien by the authorized officers or Board of Directors of the Borrower, as the case may be, in a manner consistent with the Borrower's standard procedure, or

(iv) in the case of any Subsidiary of the Borrower, purchase money Liens to secure Debt assumed by such Subsidiary solely in connection with the acquisition of real property, fixtures or equipment to the extent permitted pursuant to clause (iii) of Section 5.02(d), provided that no such Lien shall secure greater than 75% of the fair market value of the real property, fixtures or equipment so acquired as reasonably determined at the time of the assumption of such Debt by the authorized officers or Board of Directors of the Borrower, as the case may be, in a manner consistent with the Borrower's standard procedure, or

(v) in the case of any Subsidiary of the Borrower, Liens to secure Debt assumed solely in connection with an acquisition to the extent permitted pursuant to clause (iv) of Section 5.02(d), provided that no such Lien shall secure greater than 75% of the fair market value of the assets of the Person so acquired by such Subsidiary as reasonably determined at the time of the assumption of such Debt by the authorized officers or Board of Directors of the Borrower, as the case may be, in a manner consistent with the Borrower's standard procedure (excluding from the determination of the fair market value of the assets of the

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acquired Person all amounts attributable to intangible assets thereof including, but not limited to, goodwill, licenses and rights in any thereof, trade names, trademarks and other similar intangibles), or

(vi) in the case of the Borrower, Liens existing on property at the time of the acquisition thereof by the Borrower (other than any such Lien created in contemplation of such acquisition that was not incurred to finance the acquisition of such property), or

(vii) Any extensions, renewals or replacements of any of the

Liens permitted by subclauses (i) through (vi) above or subclause (x) below for the same or a lesser amount, provided, however, that no such Liens shall extend to or cover any properties not theretofore subject to the Lien being extended, renewed or replaced, or

(viii) Liens for taxes not yet due or which are being contested in good faith by appropriate proceedings and for which appropriate reserves have been made in accordance with generally accepted accounting principles, or

(ix) Liens incidental to the conduct of its business or the ownership of its property and assets which were not incurred in connection with the borrowing of money or the obtaining of advances or credit, and which do not in the aggregate materially detract from the value of its property or assets or materially impair the use thereof in the operation of its business, or

(x) Liens existing on the date hereof, or

(xi) other Liens securing Debt which, together with any Debt incurred solely pursuant to clause (viii) of Section 5.02(d), does not exceed \$100,000,000 in aggregate principal amount at any time outstanding.

(b) Mergers, Etc. Merge or consolidate with or into, or convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to any Person, or permit any of its Subsidiaries to do so, except that:

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(i) any Subsidiary of the Borrower may merge or consolidate with or into the Borrower (provided that the Borrower shall be the continuing or surviving corporation) or with any one or more other Subsidiaries of the Borrower,

(ii) the Borrower or any Subsidiary of the Borrower may sell, lease, transfer or otherwise dispose of any of its assets to the Borrower or any Subsidiary of the Borrower, as the case may be,

(iii) the Borrower or any Subsidiary of the Borrower may merge with any other corporation, provided that the Borrower or such Subsidiary shall be the continuing or surviving corporation, and

(iv) the Borrower may engage in transactions permitted by Section 5.02(c),

provided that, in the case of each transaction permitted under this Section 5.02(b), at the time of such proposed transaction and immediately after giving effect to such proposed transaction, no Default shall have occurred and be continuing.

(c) Sales, Etc. of Assets. Sell, lease, transfer or otherwise dispose of, or permit any of its Subsidiaries to sell, lease, transfer or otherwise dispose of, its assets, or grant any option or other right to purchase, lease or otherwise acquire its assets, other than:

(i) sales of inventory in the ordinary course of its business,

(ii) any sale of assets in a transaction authorized by subsections (b) (i), (ii) or (iii) of this Section 5.02,

(iii) the sale of the Borrower's remaining interest in ShopKo Stores Inc.,

(iv) sales of notes receivable payable to the Borrower or any

Subsidiary of the Borrower to the extent such sales are accounted for as true sales in accordance with generally accepted accounting principles and

(v) other sales, leases, transfers or other dispositions of assets of the Borrower or any of its Subsidiaries not to exceed in the aggregate

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10% of the Consolidated assets of the Borrower and its Subsidiaries for all such sales, leases, transfers or other dispositions, provided that the Consolidated assets of the Borrower and its Subsidiaries shall be determined at the time of any such sale, lease, transfer or other disposition by reference to the most recent financial statements of the Borrower delivered pursuant to Section 5.01(f)(i)(x) or (y) (excluding from this amount the sale by the Borrower of its remaining interest in ShopKo Stores, Inc.).

(d) Debt of Subsidiaries. Permit any of its Subsidiaries to create, incur, assume or suffer to exist any Debt, other than:

(i) Debt owed to the Borrower or to a wholly owned Subsidiary of the Borrower, provided that in no event shall any Subsidiary of the Borrower be permitted to create, incur, assume or suffer to exist any Debt to the Borrower as a result of, or in connection with, the sale, lease, transfer or other disposition of assets by the Borrower to such Subsidiary,

(ii) Debt incurred to finance the purchase price of real property, fixtures or equipment acquired by such Subsidiary from a Person other than the Borrower or any other Subsidiary of the Borrower, provided that such real property, fixtures or equipment shall be purchased on an arm's-length basis and at a fair market value as reasonably determined at the time of such acquisition by the authorized officers or the Board of Directors of the Borrower, as the case may be, in a manner consistent with the Borrower's standard procedures,

(iii) secured Debt assumed by such Subsidiary in connection with the acquisition of real property, fixtures or equipment which Debt (x) is secured only by such property and (y) is outstanding at the time of the acquisition of such property and not incurred to finance the acquisition thereof, provided that the aggregate of all such Debt assumed in any such acquisition or related acquisitions shall not exceed 75% of the fair market value of the property, fixtures or equipment so acquired and by which such Debt is secured as reasonably determined at the time of each such acquisition by the authorized officers or the Board of Directors of the Borrower, as the case may be, in a manner consistent with the Borrower's standard procedures,

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(iv) secured Debt of a Person that is acquired by the Borrower or a Subsidiary of the Borrower, which Person will be, upon such acquisition, a Subsidiary of the Borrower and which Debt (x) is secured only by the assets of such Person and (y) is outstanding at the time of the acquisition of such Person and not incurred to finance the acquisition thereof, provided that the aggregate of all such Debt assumed in any such acquisition or related acquisitions shall not exceed 75% of the fair market value of the assets of such Person as reasonably determined at the time of the assumption of such Debt by the authorized officers or the Board of Directors of the Borrower, as the case may be, in a manner consistent with the Borrower's standard procedures (excluding from the determination of the fair market value

of the acquired Person all amounts attributable to intangible assets thereof including, but not limited to, goodwill, licenses and rights in any thereof, trade names, trademarks and other similar intangibles),

(v) indorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of business,

(vi) Debt existing on the date hereof, including Debt of the Subsidiaries of the Borrower for borrowed money in a principal amount of \$5,000,000 or greater as set forth on Schedule III,

(vii) any extension, refinancing, or renewal of any of the Debt specified in subclauses (i) through (iv) and subclause (vi) of this subsection (d) not resulting in an increase in the principal amount of such Debt so extended, refinanced, or renewed and

(viii) other Debt not to exceed \$50,000,000 in aggregate principal amount at any time outstanding, provided that the aggregate amount permitted under this clause (viii), together with the aggregate amount of Debt secured by Liens permitted solely pursuant to clause (xi) of Section 5.02(a), shall not exceed \$100,000,000 in aggregate principal amount at any time outstanding.

ARTICLE VI

EVENTS OF DEFAULT

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SECTION 6.01. Events of Default. If any of the following events ("Events of Default") shall occur and be continuing:

(a) The Borrower shall fail to pay (i) any principal of any Note when the same becomes due and payable; (ii) any interest on any Note or any other amount due hereunder (other than as set forth in clause (iii) of this subsection (a)), in each case within three (3) days of the date on which the same becomes due and payable; or (iii) fees required to be paid pursuant to Section 2.04, and amounts due under Section 8.08, in each case within three (3) days of notice thereof; or

(b) Any written representation or warranty made by the Borrower (or any of its officers) herein or in connection with this Agreement shall prove to have been incorrect in any material respect when made; or

(c) The Borrower shall fail to perform or observe (i) any term, covenant or agreement contained in Section 5.01(d), 5.01(e) or 5.02, or (ii) any other term, covenant or agreement contained in this Agreement on its part to be performed or observed if the failure to perform or observe such other term, covenant or agreement shall remain unremedied for thirty (30) days after the earliest of: (i) the date written notice thereof shall have been given to the Borrower by the Agent or any Lender; (ii) the date written notice thereof shall have been given by the Borrower to the Agent or any Lender; and (iii) the date by which the Borrower was required to have delivered to the Lenders the statement required under Section 5.01(f) (ii); or

(d) The Borrower or any of its Subsidiaries shall fail to pay any principal of or premium or interest on any Debt that is outstanding in a principal amount of at least \$10,000,000 in the aggregate (but excluding Debt evidenced by the Notes) of the Borrower or such Subsidiary (as the case may be), when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Debt; or the Borrower or

any of its Subsidiaries shall fail to be in compliance with any covenant measuring the Borrower's or such Subsidiary's financial performance under any agreement or instrument relating to any Debt outstanding in a principal amount of at least \$10,000,000 in the aggregate (but excluding Debt evidenced by the Notes) and such failure shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such event or condition is to accelerate or to permit the acceleration of, the maturity of such Debt; or any Debt outstanding in a principal amount of at

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least \$10,000,000 in the aggregate (but excluding Debt evidenced by the Notes) shall be declared to be due and payable, or required to be prepaid (other than by a required prepayment), redeemed, purchased or defeased, or an offer to prepay, redeem, purchase or defease such Debt shall be required to be made, in each case prior to the stated maturity thereof; or

(e) The Borrower or any of its Subsidiaries shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by or against the Borrower or any of its Subsidiaries seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property and, in the case of any such proceeding instituted against it (but not instituted by it), either such proceeding shall remain undismissed or unstayed for a period of sixty (60) days, or any of the actions sought in such proceeding (including, without limitation, the entry of an order for relief against, or the appointment of a receiver, trustee, custodian or other similar official for, it or for any substantial part of its property) shall occur; or the Borrower or any of its Subsidiaries shall take any corporate action to authorize any of the actions set forth above in this subsection (e); or

(f) Any judgment or order for the payment of money in excess of \$25,000,000 or otherwise materially adverse to the business, condition (financial or otherwise), results of operations or prospects of the Borrower and its Subsidiaries taken as a whole shall be rendered against the Borrower or any of its Subsidiaries and either (i) enforcement proceedings shall have been commenced by any creditor upon such judgment or order or (ii) there shall be any period of ten (10) consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect; or

(g) any ERISA Event shall have occurred with respect to a Plan of the Borrower or any of its ERISA Affiliates and the sum (determined as of the date of occurrence of such ERISA Event) of the Insufficiency of such Plan and the Insufficiency of any and all other Plans of the Borrower and its ERISA Affiliates with respect to which an ERISA Event shall have occurred and then exist (or the liability of the Borrower and its ERISA Affiliates related to such ERISA Event) exceeds \$25,000,000; or

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(h) the Borrower or any of its ERISA Affiliates shall have been notified by the sponsor of a Multiemployer Plan of the Borrower or any of its ERISA Affiliates that it has incurred Withdrawal Liability to such Multiemployer Plan in an amount that, when aggregated with all other amounts required to be paid to Multiemployer Plans by the Borrower and its ERISA Affiliates as Withdrawal Liability (determined as of the date of such notification), exceeds \$10,000,000 or requires payments exceeding \$1,000,000 per annum; or

(i) the Borrower or any of its ERISA Affiliates shall have been notified by the sponsor of a Multiemployer Plan of the Borrower or any of its ERISA Affiliates that such Multiemployer Plan is in reorganization or is being terminated, within the meaning of Title IV of ERISA, and as a result of such reorganization or termination the aggregate annual contributions of the Borrower and its ERISA Affiliates to all Multiemployer Plans that are then in reorganization or being terminated have been or will be increased over the amounts contributed to such Multiemployer Plans for the plan year of each such Multiemployer Plan immediately preceding the plan year in which such reorganization or termination occurs by an amount exceeding \$1,000,000;

then, and in any such event, the Agent (i) shall at the request, or may with the consent, of the Majority Lenders, by notice to the Borrower, declare the obligation of each Lender to make Advances to be terminated, whereupon the same shall forthwith terminate, and (ii) shall at the request, or may with the consent, of the Majority Lenders, by notice to the Borrower, declare the Notes, all interest thereon and all other amounts payable under this Agreement to be forthwith due and payable, whereupon the Notes, all such interest and all such amounts shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower; provided, however, that, in the event of an actual or deemed entry of an order for relief with respect to the Borrower under the Federal Bankruptcy Code, (A) the obligation of each Lender to make Advances shall automatically be terminated and (B) the Notes, all such interest and all such amounts shall automatically become and be due and payable, without presentment, demand, protest or any notice of any kind, all of which are hereby expressly waived by the Borrower.

ARTICLE VII

THE AGENT

SECTION 7.01. Authorization and Action. Each Lender hereby appoints and authorizes the Agent to take such action as agent on its behalf and to exercise such powers and discretion under this Agreement as are delegated to the Agent by the terms hereof, together with such powers and discretion as are reasonably incidental thereto. As to any matters not expressly provided for by this Agreement (including, without limitation, enforcement or collection of the Notes), the Agent shall not be required to exercise any discretion or take any action, but shall be required to act or to refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the instructions of the Majority Lenders, and such instructions shall be binding upon all Lenders and all holders of Notes; provided, however, that the Agent shall not be required to take any action that exposes the Agent to personal liability or that is contrary to this Agreement or applicable law. The Agent agrees to give to each Lender prompt notice of each notice given to it by the Borrower pursuant to the terms of this Agreement.

SECTION 7.02. Agent's Reliance, Etc. Neither the Agent nor any of its directors, officers, agents or employees shall be liable for any action taken or omitted to be taken by it or them under or in connection with this Agreement, except for its or their own gross negligence or willful misconduct. Without limitation of the generality of the foregoing, the Agent: (i) may treat the payee of any Note as the holder thereof until the Agent receives and accepts an Assignment and Acceptance entered into by the Lender that is the payee of such Note, as assignor, and an Eligible Assignee, as assignee, as provided in Section 8.07; (ii) may consult with legal counsel (including counsel for the Borrower), independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts; (iii) makes no warranty or representation to any Lender and shall not be responsible to any Lender for any statements, warranties or representations (whether written or oral) made in or in connection with this Agreement; (iv) shall not have any

duty to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions of this Agreement on the part of the Borrower or to inspect the property (including the books and records) of the Borrower; (v) shall not be responsible to any Lender for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other instrument or document furnished pursuant hereto; and (vi) shall incur no liability under or in respect of this Agreement by acting upon any notice, consent, certificate or other instrument or writing (which may be by telecopier, telegram,

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cable or telex) believed by it to be genuine and signed or sent by the proper party or parties.

SECTION 7.03. Citibank and Affiliates. With respect to its Commitment, the Advances made by it and the Notes issued to it, Citibank shall have the same rights and powers under this Agreement as any other Lender and may exercise the same as though it were not the Agent; and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated, include Citibank in its individual capacity. Citibank and its affiliates may accept deposits from, lend money to, act as trustee under indentures of, and generally engage in any kind of business with, the Borrower, any of its Subsidiaries and any Person who may do business with or own securities of the Borrower or any such Subsidiary, all as if Citibank were not the Agent and without any duty to account therefor to the Lenders.

SECTION 7.04. Lender Credit Decision. Each Lender acknowledges that it has, independently and without reliance upon the Agent, any other Lender, any Co-Agent or any Lead Manager and based on the financial statements referred to in Section 4.01 and such other documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Agent, any other Lender, any Co-Agent or any Lead Manager and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement.

SECTION 7.05. Indemnification. The Lenders agree to indemnify the Agent (to the extent not reimbursed by the Borrower), ratably according to the respective principal amounts of the A Notes then held by each of them (or if no A Notes are at the time outstanding or if any A Notes are held by Persons that are not Lenders, ratably according to the respective amounts of their Commitments), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever that may be imposed on, incurred by, or asserted against the Agent in any way relating to or arising out of this Agreement or any action taken or omitted by the Agent under this Agreement, provided that no Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Agent's gross negligence or willful misconduct. Without limitation of the foregoing, each Lender agrees to reimburse the Agent promptly upon demand for its ratable share of any out-of-pocket expenses (including counsel fees and expenses) incurred by the Agent in connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of

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rights or responsibilities under, this Agreement, to the extent that the Agent is not reimbursed for such expenses by the Borrower.

SECTION 7.06. Successor Agent. The Agent may resign at any time by giving written notice thereof to the Lenders and the Borrower and may be removed at any time with or without cause by the Majority Lenders. Upon any such

resignation or removal, the Majority Lenders shall have the right to appoint a successor Agent. If no successor Agent shall have been so appointed by the Majority Lenders, and shall have accepted such appointment, within 30 days after the retiring Agent's giving of notice of resignation or the Majority Lenders' removal of the retiring Agent, then the retiring Agent may, on behalf of the Lenders, appoint a successor Agent, which shall be a commercial bank organized under the laws of the United States of America or of any State thereof and having a combined capital and surplus of at least \$100,000,000. Upon the acceptance of any appointment as Agent hereunder by a successor Agent, such successor Agent shall thereupon succeed to and become vested with all the rights, powers, discretion and duties of the retiring Agent, and the retiring Agent shall be discharged from its duties and obligations under this Agreement. After any retiring Agent's resignation or removal hereunder as Agent, the provisions of this Article VII shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Agent under this Agreement.

ARTICLE VIII

MISCELLANEOUS

SECTION 8.01. Amendments, Etc. No amendment or waiver of any provision of this Agreement or the A Notes, nor consent to any departure by the Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Majority Lenders, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no amendment, waiver or consent shall, unless in writing and signed by all the Lenders, do any of the following: (a) waive any of the conditions specified in Section 3.01, 3.02 or 3.03, (b) increase the Commitments of the Lenders or subject the Lenders to any additional obligations, (c) reduce the principal of, or interest on, the A Notes or any fees or other amounts payable hereunder, (d) postpone any date fixed for any payment of principal of, or interest on, the A Notes or any fees or other amounts payable hereunder, (e) change the percentage of the Commitments or of the aggregate unpaid principal amount of the A Notes, or the number of Lenders, that shall be required for the Lenders or any of them to take any action hereunder or (f) amend this Section 8.01; and provided further that no amendment, waiver or consent shall, unless

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in writing and signed by the Agent in addition to the Lenders required above to take such action, affect the rights or duties of the Agent under this Agreement or any Note.

SECTION 8.02. Notices, Etc. All notices and other communications provided for hereunder shall be in writing (including telecopier, telegraphic, telex or cable communication) and mailed, telecopied, telegraphed, telexed, cabled or delivered, if to the Borrower, at its address at 11840 Valley View Road, Eden Prairie, MN 55344, Attention: Treasurer with a copy to the Corporate Secretary of the Borrower, at the aforesaid address; if to any Bank, at its Domestic Lending Office specified opposite its name on Schedule I hereto; if to any other Lender, at its Domestic Lending Office specified in the Assignment and Acceptance pursuant to which it became a Lender; and if to the Agent, at its address at 399 Park Avenue, New York, New York 10043, Attention: Bank Loan Syndication, with a copy to One Court Square, Seventh Floor, Zone One, Long Island City, New York 11120, Attention: Bank Loan Syndication; or as to the Borrower or the Agent, at such other address as shall be designated by such party in a written notice to the other parties and, as to each other party, at such other address as shall be designated by such party in a written notice to the Borrower and the Agent. All such notices and communications shall, when mailed, telecopied, telegraphed, telexed or cabled, be effective when deposited in the mails, telecopied, delivered to the telegraph company, confirmed by telex answerback or delivered to the cable company, respectively, except that notices and communications to the Agent pursuant to Article II or VII shall not be effective until received by the Agent.

SECTION 8.03. No Waiver; Remedies. No failure on the part of any Lender or the Agent to exercise, and no delay in exercising, any right hereunder or under any Note shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

SECTION 8.04. Costs and Expenses. (a) The Borrower agrees to pay on demand all reasonable costs and expenses of the Agent in connection with the preparation, execution, delivery, modification and amendment of this Agreement, the Notes and the other documents to be delivered hereunder, including, without limitation, the reasonable fees and out-of-pocket expenses of counsel for the Agent with respect thereto and with respect to advising the Agent as to its rights and responsibilities under this Agreement. The Borrower further agrees to pay on demand all reasonable costs and expenses, if any (including, without limitation, reasonable counsel fees and expenses) of the Agent and the Lenders, in connection with the enforcement (whether through negotiations, legal proceedings or otherwise) of this Agreement, the Notes and the other documents to be delivered hereunder, including, without limitation, reasonable

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counsel fees and expenses in connection with the enforcement of rights under this Section 8.04(a).

(b) If any payment of principal of, or Conversion of, any Eurodollar Rate Advance, or any B Advance which bears interest based on a rate per annum at which deposits in U.S. dollars are offered to prime banks in the London interbank market, is made by the Borrower to or for the account of a Lender other than on the last day of the Interest Period for such Advance, as a result of a payment or Conversion pursuant to Section 2.09(g), 2.11 or 2.13 or acceleration of the maturity of the Notes pursuant to Section 6.01 or for any other reason, the Borrower shall, upon written demand by such Lender (with a copy of such demand to the Agent), pay to the Agent for the account of such Lender any amounts required to compensate such Lender for any additional losses, costs or expenses that it may reasonably incur as a result of such payment or Conversion, including, without limitation, any loss (including loss of anticipated profits), cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by any Lender to fund or maintain such Advance.

(c) Without prejudice to the survival of any other agreement of the Borrower hereunder, the agreements and obligations of the Borrower contained in Section 2.16 shall survive the payment in full of principal and interest hereunder and under the Notes.

SECTION 8.05. Right of Setoff. Upon (i) the occurrence and during the continuance of any Event of Default and (ii) the making of the request or the granting of the consent specified by Section 6.01 to authorize the Agent to declare the Notes due and payable pursuant to the provisions of Section 6.01, each Lender and the Agent are hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by such Lender or the Agent to or for the credit or the account of the Borrower against any and all of the obligations of the Borrower now or hereafter existing under this Agreement and any Note held by such Lender or the Agent, whether or not such Lender or the Agent shall have made any demand under this Agreement or such Note and although such obligations may be unmatured. Each Lender and the Agent agree promptly to notify the Borrower after any such set-off and application made by such Lender or the Agent, provided that the failure to give such notice shall not affect the validity of such setoff and application. The rights of each Lender and the Agent under this Section 8.05 are in addition to other rights and remedies (including, without limitation, other rights of setoff) which such Lender and the Agent may have.

SECTION 8.06. Binding Effect. This Agreement shall become effective (other than Sections 2.01 and 2.03, which shall only become effective upon satisfaction of the conditions set forth in Section 3.01) when it shall have been executed by the Borrower and the Agent and when the Agent shall have been notified by each Bank that such Bank has executed it and thereafter shall be binding upon and inure to the benefit of the Borrower, the Agent and each Lender and their respective successors and assigns, except that the Borrower shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of the Lenders.

SECTION 8.07. Assignments and Participations. (a) Each Lender may at any time, with the consent of the Borrower (which consent shall not be unreasonably withheld), assign to one or more banks or other entities all or a portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of its Commitment, the A Advances owing to it and the A Note or Notes held by it); provided, however, that (i) the Borrower's consent shall not be required in the case of an assignment to another Lender or to an Affiliate of any existing Lender, (ii) each such assignment shall be of a constant, and not a varying, percentage of all rights and obligations under this Agreement (other than any right to make B Advances, B Advances owing to it or B Notes), (iii) the amount of the Commitment of the assigning Lender being assigned pursuant to each such assignment (determined as of the date of the Assignment and Acceptance with respect to such assignment) shall, without the consent of the Borrower and the Agent, in no event be less than the lesser of (x) such Lender's Commitment and (y) \$10,000,000 or an integral multiple of \$1,000,000 in excess thereof, provided that no such limitations shall apply in the case of an assignment to an existing Lender or any Affiliate thereof, (iv) no assigning Lender shall, after giving effect to any such assignment, and as determined on the effective date of the Assignment and Acceptance with respect thereto, retain a Commitment hereunder of less than \$10,000,000, (v) each such assignment shall be to an Eligible Assignee and (vi) the parties to each such assignment shall execute and deliver to the Agent, for its acceptance (which acceptance shall not constitute a consent) and recording in the Register, an Assignment and Acceptance, together with any A Note or Notes subject to such assignment and a processing and recordation fee of \$2,500. Upon such execution, delivery, acceptance and recording, from and after the effective date specified in each Assignment and Acceptance, (x) the assignee thereunder shall be a party hereto and, to the extent that rights and obligations hereunder have been assigned to it pursuant to such Assignment and Acceptance, have the rights and obligations of a Lender hereunder and (y) the Lender assignor thereunder shall, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment and Acceptance, relinquish its rights and be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all

or the remaining portion of an assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto).

(b) By executing and delivering an Assignment and Acceptance, the Lender assignor thereunder and the assignee thereunder confirm to and agree with each other and the other parties hereto as follows: (i) other than as provided in such Assignment and Acceptance, such assigning Lender makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other instrument or document furnished pursuant hereto; (ii) such assigning Lender makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Borrower or the performance or observance by the Borrower of any of its obligations under this Agreement or any other instrument or document furnished pursuant hereto; (iii) such assignee confirms that it has received a copy of this Agreement, together with copies of the financial statements referred to in Section 4.01 and such other documents and information as it has deemed

appropriate to make its own credit analysis and decision to enter into such Assignment and Acceptance; (iv) such assignee will, independently and without reliance upon the Agent, such assigning Lender, any other Lender, any Co-Agent or any Lead Manager and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement; (v) such assignee confirms that it is an Eligible Assignee; (vi) such assignee appoints and authorizes the Agent to take such action as agent on its behalf and to exercise such powers and discretion under this Agreement as are delegated to the Agent by the terms hereof, together with such powers and discretion as are reasonably incidental thereto; and (vii) such assignee agrees that it will perform in accordance with their terms all of the obligations that by the terms of this Agreement are required to be performed by it as a Lender.

(c) Upon its receipt of an Assignment and Acceptance executed by an assigning Lender and an assignee representing that such assignee is an Eligible Assignee, together with any A Note or Notes subject to such assignment, the Agent shall, if such Assignment and Acceptance has been completed and is in substantially the form of Exhibit C hereto, (i) accept such Assignment and Acceptance, (ii) record the information contained therein in the Register and (iii) give prompt notice thereof to the Borrower. Within five (5) Business Days after its receipt of such notice, the Borrower, at its own expense, shall execute and deliver to the Agent in exchange for the surrendered A Note or Notes a new A Note to the order of such Eligible Assignee in an amount equal to the Commitment assumed by it pursuant to such Assignment and Acceptance and, if the assigning Lender has retained a Commitment hereunder, a new

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A Note to the order of the assigning Lender in an amount equal to the Commitment retained by it hereunder. Such new A Note or Notes shall be in an aggregate principal amount equal to the aggregate principal amount of such surrendered A Note or Notes, shall be dated the effective date of such Assignment and Acceptance and shall otherwise be in substantially the form of Exhibit A-1 hereto.

(d) Each Lender may assign to one or more banks or other entities any B Note or Notes held by it.

(e) The Agent shall maintain at its address referred to in Section 8.02 a copy of each Assignment and Acceptance delivered to and accepted by it and a register for the recordation of the names and addresses of the Lenders and, the Commitment of, and principal amount of the A Advances owing to, each Lender from time to time (the "Register"). The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and the Borrower, the Agent and the Lenders may treat each Person whose name is recorded in the Register as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower or any Lender at any reasonable time and from time to time upon reasonable prior notice.

(f) Each Lender may sell participations to one or more banks or other entities in or to all or a portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of its Commitment, the Advances owing to it and the Note or Notes held by it); provided, however, that (i) such Lender's obligations under this Agreement (including, without limitation, its Commitment to the Borrower hereunder) shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (iii) such Lender shall remain the holder of any such Note for all purposes of this Agreement, (iv) such Lender shall retain the right to consent or agree to any amendment or waiver of the provisions of this Agreement without the need to obtain the consent or agreement of its participants except with respect to any amendments or waivers that would reduce the principal, interest, fees or other amounts payable hereunder or postpone any date fixed for the payment thereof, and (v) the Borrower, the Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement.

(g) Any Lender may, in connection with any assignment, or participation or proposed assignment or participation pursuant to this Section 8.07, disclose to the assignee or participant or proposed assignee or participant, any information relating to the Borrower furnished to such Lender by or on behalf of the Borrower; provided that, prior to any such disclosure, the assignee or participant or

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proposed assignee or participant shall agree to preserve the confidentiality of any confidential information relating to the Borrower received by it from such Lender in accordance with Section 8.11.

(h) Notwithstanding any other provision set forth in this Agreement, any Lender may at any time create a security interest in all or any portion of its rights under this Agreement (including, without limitation, the Advances owing to it and the Notes held by it) in favor of any Federal Reserve Bank in accordance with Regulation A of the Board of Governors of the Federal Reserve System.

(i) Notwithstanding anything to the contrary in this Section 8.07 or otherwise in this Agreement, no Lender may assign all or any portion of its rights and obligations under this Agreement (including, without limitation, any B Note) or sell participations in all or a portion of its rights and obligations under this Agreement if such assignment or sale would require the Borrower to file a registration statement with the Securities and Exchange Commission under the Securities Act of 1933, as amended, or apply to qualify this Agreement, the Notes or any other evidence of its obligations to any Lender, assignee or participant under the blue sky law of any state.

SECTION 8.08. Indemnification. The Borrower agrees to indemnify and hold harmless the Agent, each Lender and each of their Affiliates and their respective directors, officers, employees, agents, advisors and representatives (each, an "Indemnified Party"), from and against, and to promptly reimburse them and each of them, for any and all liabilities, losses, damages, actions, judgments, suits, claims, costs, out-of-pocket expenses (including, without limitation, interest, penalties and all reasonable attorneys' fees and expenses) and settlement costs that may be incurred by or asserted or awarded against any Indemnified Party, in each case arising out of or in connection with or by reason of, or in connection with the preparation for a defense of, any litigation or proceeding or governmental action or investigation (administrative or judicial), arising out of, related to or in connection with the actual or proposed use of the proceeds of the Advances, whether or not such investigation, litigation or proceeding is brought by the Borrower, its directors, shareholders or creditors or an Indemnified Party or any other Person or any Indemnified Party is otherwise a party thereto or is otherwise required to respond thereto, provided that the Borrower shall not be liable hereunder to the extent such claim, damage, loss, liability or expense (i) arises out of any settlement made without the Borrower's consent, which consent shall not unreasonably be withheld, (ii) arises out of any proceeding brought against any Indemnified Party by a security holder of such Indemnified Party based upon rights afforded such security holder solely in its capacity as such, (iii) arises solely from disputes among two or more Indemnified Parties, (iv) is found in a final, non-appealable judgment of a court of competent jurisdiction to have resulted from the gross negligence

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or willful misconduct of such Indemnified Party or (v) is found in a final, non-appealable judgment of a court of competent jurisdiction to have resulted solely from such Indemnified Party's breach of its obligations under the Loan Documents.

SECTION 8.09. Governing Law; Submission to Jurisdiction. This Agreement and the Notes shall be governed by, and construed in accordance with,

the laws of the State of New York. The Borrower hereby submits to the nonexclusive jurisdiction of the United States District Court for the Southern District of New York and of any New York State court sitting in New York City for purposes of all legal proceedings arising out of or relating to this Agreement or the transactions contemplated hereby.

SECTION 8.10. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page by telecopier shall be effective as delivery of a manually executed counterpart of this Agreement.

SECTION 8.11. Confidentiality. Except to the extent permitted by this Section 8.11 or by Section 8.07(g), the Lenders shall keep confidential all non-public information obtained by them from the Borrower pursuant to this Agreement that has been identified as such by the Borrower; provided, however, that Lenders may make such disclosure thereof as is required or requested by any governmental agency or self-regulatory organization or representative thereof with supervisory jurisdiction over it or pursuant to legal process, or as may otherwise be required by law or court order; provided further, however, that, unless specifically prohibited by applicable law or court order, each Lender shall notify the Borrower of any request received by it from any governmental agency or self-regulatory organization or representative thereof (other than any such request in connection with an examination of such Lender by a governmental agency or self-regulatory organization with supervisory jurisdiction over it) for disclosure of any such non-public information prior to disclosure of such information so that the Borrower may seek an appropriate protective order. The Borrower authorizes each Lender to disclose to any of its Affiliates, attorneys, auditors and accountants and any prospective Lender or participant any and all information in such Lender's possession concerning the Borrower and any Subsidiary of the Borrower that has been delivered to such Lender by or on behalf of the Borrower pursuant to Section 5.01(f), provided that each such Person shall agree to keep such information confidential in accordance with this Section 8.11. In no event shall any Lender be obligated or required to return any materials furnished by or on behalf of the Borrower or any of its Subsidiaries. Notwithstanding the foregoing, this Section 8.11 shall not

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apply to any information that is or becomes generally available to the public other than as a result of the disclosure by any Lender, participant, prospective Lender or participant or their respective representatives.

SECTION 8.12. WAIVER OF JURY TRIAL, ETC. EACH OF THE BORROWER, THE AGENT, THE CO-AGENTS, THE LEAD MANAGERS AND THE LENDERS HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO ANY OF THE LOAN DOCUMENTS, THE ADVANCES OR THE ACTIONS OF THE AGENT, ANY CO-AGENT, ANY LEAD MANAGER OR ANY LENDER IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE OR ENFORCEMENT THEREOF.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

SUPERVALU INC.

By:

Title:

CITIBANK, N.A.,
as Agent

By: _____

Title: _____

FIRST BANK NATIONAL ASSOCIATION,
as Co-Agent

By: _____

Title: _____

NATIONSBANK, N.A. (CAROLINAS),
as Co-Agent

By: _____

Title: _____

PNC BANK, NATIONAL ASSOCIATION,
as Co-Agent

By: _____

Title: _____

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THE FUJI BANK, LIMITED, CHICAGO
BRANCH,
as Co-Agent

By: _____
Title: _____

MORGAN GUARANTY TRUST COMPANY
OF NEW YORK,
as Lead Manager

By: _____
Title: _____

ROYAL BANK OF CANADA,
as Lead Manager

By: _____
Title: _____

SHAWMUT BANK, N.A.,
as Lead Manager

By: _____
Title: _____

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Commitment
- - - - -

Banks

\$13,500,000

BANKERS TRUST COMPANY

By: _____
Title: _____

\$13,500,000

BANK OF HAWAII

By: _____
Title: _____

\$45,000,000

CITICORP USA, INC.

By: _____
Title: _____

\$13,500,000

CREDIT SUISSE

By: _____
Title: _____

\$40,000,000

FIRST BANK NATIONAL ASSOCIATION

By: _____
Title: _____

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Commitment
- - - - -

Banks

\$13,500,000

MERCANTILE BANK OF ST. LOUIS
NATIONAL ASSOCIATION

By: _____
Title: _____

\$20,000,000

MORGAN GUARANTY TRUST COMPANY
OF NEW YORK

By: _____
Title:

\$40,000,000

NATIONSBANK, N.A. (CAROLINAS)

By: _____
Title:

\$13,500,000

NORWEST BANK MINNESOTA,
NATIONAL ASSOCIATION

By: _____
Title:

\$40,000,000

PNC BANK, NATIONAL ASSOCIATION

By: _____
Title:

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Commitment
- -----

Banks

\$20,000,000

ROYAL BANK OF CANADA

By: _____
Title:

\$20,000,000

SHAWMUT BANK, N.A.

By: _____
Title:

\$13,500,000

SOCIETE GENERALE

By: _____
Title:

\$13,500,000

THE BOATMEN'S NATIONAL BANK
OF ST. LOUIS

By: _____
Title:

\$13,500,000

THE DAI-ICHI KANGYO BANK, LTD.,
CHICAGO BRANCH

By: _____
Title:

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Commitment
- - - - -

Banks

\$40,000,000

THE FUJI BANK, LIMITED, CHICAGO
BRANCH

By: _____
Title:

\$13,500,000

THE SANWA BANK LTD.,
CHICAGO BRANCH

By: _____
Title:

\$13,500,000

WACHOVIA BANK OF GEORGIA, N.A.

By: _____
Title:

SCHEDULE I

LIST OF APPLICABLE LENDING OFFICES -----

Name of Bank	Domestic Lending Office	Eurodollar Lending Office
Bankers Trust Company	Bankers Trust Company 130 Liberty Street 32nd Floor New York, NY 10006 Attn: Katherine A. Judge Tel: (212) 250-4969 Fax: (212) 250-7478	Bankers Trust Company 130 Liberty Street 32nd Floor New York, NY 10006 Attn: Katherine A. Judge Tel: (212) 250-4969 Fax: (212) 250-7478
Bank of Hawaii	Bank of Hawaii 130 Merchant Street 20th Floor Honolulu, Hawaii 96813 Attn: Iwalani Sabarre-Kapika Tel: (808) 484-3584 Fax: (808) 484-3606	Bank of Hawaii 130 Merchant Street 20th Floor Honolulu, Hawaii 96813 Attn: Iwalani Sabarre-Kapika Tel: (808) 484-3584 Fax: (808) 484-3606
Citicorp USA, Inc.	Citicorp USA, Inc. 399 Park Avenue New York, NY 10043 Attn: Rachel Heisler	Citicorp USA, Inc. 399 Park Avenue New York, NY 10043 Attn: Rachel Heisler

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Name of Bank	Domestic Lending Office	Eurodollar Lending Office
	Tel: (212) 559-1875 Fax: (212) 793-7585	Tel: (212) 559-1875 Fax: (212) 793-7585
Credit Suisse	Credit Suisse 12 E. 49th Street New York, NY 10017 Attn: Kristin Kristinsson Tel: (212) 238-5206 Fax: (212) 238-5245	Credit Suisse 12 E. 49th Street New York, NY 10017 Attn: Kristin Kristinsson Tel: (212) 238-5206 Fax: (212) 238-5245
First Bank National Association	First Bank National Association 601 Second Avenue South Minneapolis, MN 55402-4302 Attn: Mark R. Olman Tel: (612) 973-1085 Fax: (612) 973-0825	First Bank National Association 601 Second Avenue South Minneapolis, MN 55402-4302 Attn: Mark R. Olman Tel: (612) 973-1085 Fax: (612) 973-0825
Mercantile Bank of St. Louis	Mercantile Bank of St. Louis 721 Locust Street St. Louis, MO 63101 Attn: John Holland Tel: (314) 425-1315 Fax: (314) 425-2162	Mercantile Bank of St. Louis 721 Locust Street St. Louis, MO 63101 Attn: John Holland Tel: (314) 425-1315 Fax: (314) 425-2162
Morgan Guaranty Trust Company of New York	Morgan Guaranty Trust Company of New York c/o J.P. Morgan Services, Inc. 500 Stanton Christiana Road	Morgan Guaranty Trust Company of New York c/o J.P. Morgan Services, Inc. 500 Stanton Christiana Road

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Name of Bank	Domestic Lending Office	Eurodollar Lending Office
	P.O. Box 6070 Newark, Delaware 19713-2107 Attn: Multi-Option Unit-Loan Dept. Tel: (302) 634-1800 Fax: (302) 634-1094	P.O. Box 6070 Newark, Delaware 19713-2107 Attn: Multi-Option Unit-Loan Dept. Tel: (302) 634-1800 Fax: (302) 634-1094
NationsBank, N.A. (Carolinas)	NationsBank, N.A. (Carolinas) 233 South Wacker Drive Suite 2800 Chicago, IL 60606-6308	NationsBank, N.A. (Carolinas) 233 South Wacker Drive Suite 2800 Chicago, IL 60606-6308
Norwest Bank Minnesota, National Association	Norwest Bank Minnesota, National Association Norwest Center Sixth and Marquette Minneapolis, MN 55479-0085 Attn: Molly Van Metre Tel: (612) 667-9147 Fax: (612) 667-4145	Norwest Bank Minnesota, National Association Norwest Center Sixth and Marquette Minneapolis, MN 55479-0085 Attn: Molly Van Metre Tel: (612) 667-9147 Fax: (612) 667-4145
PNC Bank, National Association	PNC Bank, National Association Fifth Avenue & Wood Street Pittsburgh, PA 15222 Address for notices: ----- PNC Bank, National Association	PNC Bank, National Association Fifth Avenue & Wood Street Pittsburgh, PA 15222 Address for notices: ----- PNC Bank, National Association

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Domestic	Eurodollar
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Name of Bank	Lending Office	Lending Office
	500 West Madison Street Suite 3140 Chicago, IL 60661 Attn: Jon C. Otterberg Tel: (312) 906-3425 Fax: (312) 906-3420	500 West Madison Street Suite 3140 Chicago, IL 60661 Attn: Jon C. Otterberg Tel: (312) 906-3425 Fax: (312) 906-3420
Royal Bank of Canada	Royal Bank of Canada Grand Cayman (North America No. 1) Branch c/o New York Branch Financial Square 23rd Floor New York, NY 10005-3531 Attn: Manager, Loans Administration Tel: (212) 428-6324 Fax: (212) 428-2372	Royal Bank of Canada Grand Cayman (North America No. 1) Branch c/o New York Branch Financial Square 23rd Floor New York, NY 10005-3531 Attn: Manager, Loans Administration Tel: (212) 428-6324 Fax: (212) 428-2372
	With a copy to: ----- Royal Bank of Canada One North Franklin Street Suite 700 Chicago, IL 60600 Attn: Karen T. Hull Tel: (312) 551-1617	With a copy to: ----- Royal Bank of Canada One North Franklin Street Suite 700 Chicago, IL 60600 Attn: Karen T. Hull Tel: (312) 551-1617 Fax: (312) 551-0805

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Name of Bank	Domestic Lending Office	Eurodollar Lending Office
	Fax: (312) 551-0805	
Shawmut Bank, N.A.	Shawmut Bank, N.A. One Federal Street Boston, MA 02211 Attn: Anahed Varsabedian Tel: (617) 292-2609 Fax: (617) 292-3241	Shawmut Bank, N.A. One Federal Street Boston, MA 02211 Attn: Anahed Varsabedian Tel: (617) 292-2609 Fax: (617) 292-3241
Societe Generale	Societe Generale 181 West Madison Street Suite 3400 Chicago, IL 60602 Attn: Eric E.O. Siebert Tel: (312) 578-5003 Fax: (312) 578-5099	Societe Generale 181 West Madison Street Suite 3400 Chicago, IL 60602 Attn: Eric E.O. Siebert Tel: (312) 578-5003 Fax: (312) 578-5099
The Boatmen's National Bank of St. Louis	The Boatmen's National Bank of St. Louis One Boatmen's Plaza St. Louis, Missouri 63101 Attn: Sharron Kovach Tel: (314) 466-6944 Fax: (314) 466-6499	The Boatmen's National Bank of St. Louis One Boatmen's Plaza St. Louis, Missouri 63101 Attn: Sharron Kovach Tel: (314) 466-6944 Fax: (314) 466-6499
The Dai-Ichi Kangyo Bank, Ltd., Chicago Branch	The Dai-Ichi Kangyo Bank, Ltd., Chicago Branch 10 South Wacker Drive	The Dai-Ichi Kangyo Bank, Ltd., Chicago Branch 10 South Wacker Drive

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Name of Bank	Domestic Lending Office	Eurodollar Lending Office
	26th Floor Chicago, IL 60606 Attn: Brian Cushing Vice President, Corporate Banking Dept. I Tel: (312) 715-6361 Fax: (312) 876-2011	26th Floor Chicago, IL 60606 Attn: Brian Cushing Vice President, Corporate Banking Dept. I Tel: (312) 715-6361 Fax: (312) 876-2011
The Fuji Bank, Limited, Chicago Branch	The Fuji Bank, Limited, Chicago Branch	The Fuji Bank, Limited, Chicago Branch

225 W. Wacker Drive
Suite 2000
Chicago, IL 60606
Attn: Vir Guiang
Tel: (312) 621-3385
Fax: (312) 621-0539

225 W. Wacker Drive
Suite 2000
Chicago, IL 60606
Attn: Vir Guiang
Tel: (312) 621-3385
Fax: (312) 621-0539

The Sanwa Bank Ltd., Chicago Branch

The Sanwa Bank Ltd., Chicago
Branch
10 South Wacker Drive
31st Floor
Chicago, IL 60606
Attn: Joe Moreno
Vice President & Manager
Tel: (312) 368-3007
Fax: (312) 346-6677

The Sanwa Bank Ltd., Chicago
Branch
10 South Wacker Drive
31st Floor
Chicago, IL 60606
Attn: Joe Moreno
Vice President & Manager
Tel: (312) 368-3007
Fax: (312) 346-6677

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Name of Bank	Domestic Lending Office	Eurodollar Lending Office
Wachovia Bank of Georgia, N.A.	Wachovia Bank of Georgia, N.A. 191 Peachtree Street, N.E. Atlanta, GA 30303 Attn: Francis Whittington Josephic Tel: (404) 332-4132 Fax: (404) 332-6898	Wachovia Bank of Georgia, N.A. 191 Peachtree Street, N.E. Atlanta, GA 30303 Attn: Francis Whittington Josephic Tel: (404) 332-4132 Fax: (404) 332-6898

SCHEDULE II

LITIGATION

NONE

EXHIBIT A-1

FORM OF A NOTE

U.S.\$_____ Dated: May 26, 1995

FOR VALUE RECEIVED, the undersigned, SUPERVALU INC., a Delaware corporation (the "Borrower"), HEREBY PROMISES TO PAY to the order of _____ (the "Lender") for the account of its Applicable Lending Office (as defined in the Credit Agreement referred to below) the principal sum of U.S.\$[amount of the Lender's Commitment in figures] or, if less, the aggregate principal amount of the A Advances (as defined below) made by the Lender to the Borrower pursuant to the Credit Agreement outstanding on the Termination Date (as defined in the Credit Agreement).

The Borrower promises to pay interest on the unpaid principal amount of each A Advance from the date of such A Advance until such principal amount is paid in full, at such interest rates, and at such times, as are specified in the Credit Agreement.

Both principal and interest are payable in lawful money of the United States of America to Citibank, N.A., as Agent, at 399 Park Avenue, New York, NY 10043, in same day funds. Each A Advance made by the Lender to the Borrower pursuant to the Credit Agreement, and all payments made on account of principal thereof, shall be recorded by the Lender and, prior to any transfer hereof, endorsed on the grid attached hereto which is part of this Promissory Note.

This Promissory Note is one of the A Notes referred to in, and is entitled to the benefits of, the Credit Agreement dated as of May 26, 1995 (as amended or modified from time to time, the "Credit Agreement") among the Borrower, the Lender and certain other Banks and the Co-Agents and the Lead Managers (each as defined in the Credit Agreement) parties thereto, and Citibank, N.A., as Agent for the Lender and such other banks. The Credit Agreement, among other things, (i) provides for the making of advances (the "A Advances") by the Lender to the Borrower from time to time in an aggregate amount not to exceed at any time outstanding the U.S. dollar amount first above mentioned, the indebtedness of the Borrower resulting from each such A Advance being evidenced by this Promissory Note, and (ii) contains provisions for acceleration of the maturity hereof upon the happening of certain stated events and

A-1-2

also for prepayments on account of principal hereof prior to the maturity hereof upon the terms and conditions therein specified.

A-1-3

The Borrower hereby waives presentment, demand, protest and notice of any kind. No failure to exercise, and no delay in exercising, any rights hereunder on the part of the holder hereof shall operate as a waiver of such rights.

This Promissory Note shall be governed by, and construed in accordance with, the laws of the State of New York, United States.

SUPERVALU INC.

By: _____
Title: _____

ADVANCES AND PAYMENTS OF PRINCIPAL

[illegible]

EXHIBIT A-2

FORM OF B NOTE.

Dated:

The Borrower promises to pay interest on the unpaid principal amount hereof from the date hereof until such principal amount is paid in full, at the interest rate and payable on the interest payment date or dates provided below:

Interest Payment Date or Dates:

This Promissory Note is one of the B Notes referred to in, and is entitled to the benefits of, the Credit Agreement dated as of May 26, 1995 (as amended or modified from time to time, the "Credit Agreement") among the Borrower, the Lender and certain other Banks and the Co-Agents and the Lead

Managers (each as defined in the Credit Agreement) parties thereto, and Citibank, N.A., as Agent for the Lender and such other banks. The Credit Agreement, among other things, contains provisions for acceleration of the maturity hereof upon the happening of certain stated events.

The Borrower hereby waives presentment, demand, protest and notice of any kind. No failure to exercise, and no delay in exercising, any rights hereunder on the part of the holder hereof shall operate as a waiver of such rights.

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This Promissory Note shall be governed by, and construed in accordance with, the laws of the State of New York, United States.

SUPERVALU INC.

By: _____
Title:

EXHIBIT B-1

NOTICE OF A BORROWING

Citibank, N.A., as Agent
for the Lenders parties
to the Credit Agreement
referred to below
399 Park Avenue
New York, New York 10043 [Date]

Attention: Bank Loan Syndication

Ladies and Gentlemen:

The undersigned, SUPERVALU INC., refers to the Credit Agreement, dated as of May 26, 1995 (as amended or modified from time to time, the "Credit Agreement", the terms defined therein being used herein as therein defined), among the undersigned, certain Lenders, the Co-Agents and the Lead Managers parties thereto and Citibank, N.A., as Agent for said Lenders, and hereby gives you notice, irrevocably, pursuant to Section 2.02 of the Credit Agreement that the undersigned hereby requests an A Borrowing under the Credit Agreement, and in that connection sets forth below the information relating to such A Borrowing (the "Proposed A Borrowing") as required by Section 2.02(a) of the Credit Agreement:

(i) The Business Day of the Proposed A Borrowing is _____.

(ii) The Type of A Advances comprising the Proposed A Borrowing is [Base Rate Advances] [Eurodollar Rate Advances].

(iii) The aggregate amount of the Proposed A Borrowing is \$_____.

[(iv) The Interest Period for each Eurodollar Rate Advance made as part of the Proposed A Borrowing is ____ month[s].]

The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the date of the Proposed A Borrowing:

(A) The representations and warranties contained in Section 4.01 of the Credit Agreement (excluding that contained in the last sentence of subsection (e) thereof) are correct on and as of the date of such A Borrowing, before and after giving effect to such A Borrowing and to the application of the proceeds therefrom, as though made on and as of such date; and

(B) no event has occurred and is continuing, or would result from such Proposed A Borrowing or from the application of the proceeds therefrom, that constitutes a Default.

Very truly yours,

SUPERVALU INC.

By: _____
Title:

EXHIBIT B-2

NOTICE OF B BORROWING

Citibank, N.A., as Agent
for the Lenders parties
to the Credit Agreement
referred to below
399 Park Avenue
New York, New York 10043

[Date]

Attention: Bank Loan Syndication

Ladies and Gentlemen:

The undersigned, SUPERVALU INC., refers to the Credit Agreement, dated as of May 26, 1995 (as amended or modified from time to time, the "Credit Agreement", the terms defined therein being used herein as therein defined), among the undersigned, certain Lenders, the Co-Agents and the Lead Managers parties thereto and Citibank, N.A., as Agent for said Lenders, and hereby gives you notice pursuant to Section 2.03 of the Credit Agreement that the undersigned hereby requests a B Borrowing under the Credit Agreement, and in that connection sets forth the terms on which such B Borrowing (the "Proposed B Borrowing") is requested to be made:

(A) Date of B Borrowing _____

(B) Amount of B Borrowing _____
(C) Maturity Date _____
(D) Interest Rate Basis _____
(E) Interest Payment Date(s) _____

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(F) _____
(G) _____
(H) _____

The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the date of the Proposed B Borrowing:

(a) the representations and warranties contained in Section 4.01 of the Credit Agreement (excluding that contained in the last sentence of subsection (e) thereof) are correct on and as of the date of such B Borrowing, before and after giving effect to such B Borrowing and to the application of the proceeds therefrom, as though made on and as of such date;

(b) no event has occurred and is continuing, or would result from the Proposed B Borrowing or from the application of the proceeds therefrom, that constitutes a Default;

(c) no event has occurred and no circumstance exists as a result of which the information concerning the undersigned that has been provided to the Agent and each Lender by the undersigned in connection with the Credit Agreement would include an untrue statement of a material fact or omit to state any material fact or any fact necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading; and

(d) the aggregate amount of the Proposed B Borrowing and all other Borrowings to be made on the same day under the Credit Agreement is within the aggregate amount of the unused Commitments of the Lenders.

The undersigned hereby confirms that the Proposed B Borrowing is to be made available to it in accordance with Section 2.03(a)(v) of the Credit Agreement.

Very truly yours,

SUPERVALU INC.

By: _____
Title:

EXHIBIT C

FORM OF ASSIGNMENT AND ACCEPTANCE

Dated _____

Reference is made to the Credit Agreement dated as of May 26, 1995 (as amended or modified from time to time, the "Credit Agreement") among SUPERVALU INC., a Delaware corporation (the "Borrower"), the Lenders, the Co-Agents and the Lead Managers (each as defined in the Credit Agreement) and Citibank, N.A., as Agent for the Lenders (the "Agent"). Terms defined in the Credit Agreement are used herein with the same meaning.

_____ (the "Assignor") and _____ (the "Assignee") agree as follows:

1. The Assignor hereby sells and assigns to the Assignee, and the Assignee hereby purchases and assumes from the Assignor, that interest in and to all of the Assignor's rights and obligations under the Credit Agreement as of the date hereof (other than in respect of B Advances and B Notes) that represents the percentage interest specified on Schedule 1 of all outstanding rights and obligations of the Lenders under the Credit Agreement (other than in respect of B Advances and B Notes), including, without limitation, such interest in the Assignor's Commitment, the A Advances owing to the Assignor, and the A Note[s] held by the Assignor. After giving effect to such sale and assignment, the Assignee's Commitment and the amount of the A Advances owing to the Assignee will be as set forth in Section 2 of Schedule 1, and the Assignor's Commitment and the amount of A Advances owing to the Assignor will be as set forth in Section 2 of Schedule 1.

2. The Assignor (i) represents and warrants that it is the legal and beneficial owner of the interest being assigned by it hereunder and that such interest is free and clear of any adverse claim; (ii) makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Credit Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Agreement or any other instrument or document furnished pursuant thereto; (iii) makes no representation or

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warranty and assumes no responsibility with respect to the financial condition of the Borrower or the performance or observance by the Borrower of any of its obligations under the Credit Agreement or any other instrument or document furnished pursuant thereto; and (iv) attaches the A Note[s] referred to in paragraph 1 above and requests that the Agent exchange such A Note[s] for a new A Note payable to the order of the Assignee in an amount equal to the Commitment assumed by the Assignee pursuant hereto or new A Notes payable to the order of the Assignee in an amount equal to the Commitment assumed by the Assignee pursuant hereto and the Assignor in an amount equal to the Commitment retained by the Assignor under the Credit Agreement, respectively, as specified on Schedule 1 hereto.

3. The Assignee (i) confirms that it has received a copy of the Credit Agreement, together with copies of the financial statements referred to in Section 4.01 thereof and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Acceptance; (ii) agrees that it will, independently and without reliance upon the Agent, the Assignor, any other Lender, any Co-Agent or any Lead Manager and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement; (iii) confirms that it is an Eligible Assignee; (iv) appoints and authorizes the Agent to take such action as agent on its behalf and to exercise such powers and discretion under the Credit Agreement as are delegated to the Agent by the terms thereof, together with such

powers and discretion as are reasonably incidental thereto; (v) agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Credit Agreement are required to be performed by it as a Lender; [and] (vi) specifies as its Domestic Lending Office (and address for notices) and Eurodollar Lending Office the offices set forth beneath its name on the signature pages hereof[; and (vii) attaches the forms prescribed by the Internal Revenue Service of the United States certifying as to the Assignee's status for purposes of determining exemption from United States withholding taxes with respect to all payments to be made to the Assignee under the Credit Agreement and the Notes or such other documents as are necessary to indicate that all such payments are subject to such rates at a rate reduced to zero by an applicable tax treaty.]/++/

4. Following the execution of this Assignment and Acceptance by the Assignor and the Assignee, and, to the extent required under Section 8.07 of the Credit Agreement, the Borrower's consent hereto, it will be delivered to the Agent for acceptance (which acceptance shall not constitute a consent) and recording by the

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/++/ If the Assignee is organized under the laws of a jurisdiction outside the United States.

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Agent. The effective date of this Assignment and Acceptance shall be the date of acceptance thereof by the Agent, unless otherwise specified on Schedule 1 hereto (the "Effective Date").

5. Upon such acceptance and recording by the Agent, as of the Effective Date, (i) the Assignee shall be a party to the Credit Agreement and, to the extent provided in this Assignment and Acceptance, have the rights and obligations of a Lender thereunder and (ii) the Assignor shall, to the extent provided in this Assignment and Acceptance, relinquish its rights and be released from its obligations under the Credit Agreement.

6. Upon such acceptance and recording by the Agent, from and after the Effective Date, the Agent shall make all payments under the Credit Agreement and the A Notes in respect of the interest assigned hereby (including, without limitation, all payments of principal, interest and commitment fees with respect thereto) to the Assignee. The Assignor and Assignee shall make all appropriate adjustments in payments under the Credit Agreement and the A Notes for periods prior to the Effective Date directly between themselves.

7. This Assignment and Acceptance shall be governed by, and construed in accordance with, the laws of the State of New York.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment and Acceptance to be executed by their respective officers thereunto duly authorized, as of the date first above written, such execution being made on Schedule 1 hereto.

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Schedule 1
to
Assignment and Acceptance

Dated _____

Section 1.
- -----

Percentage Interest: _____ %

Section 2.

- - - - -

Assignee's Commitment: \$ _____

Aggregate Outstanding Principal
Amount of A Advances owing
to the Assignee: \$ _____

Assignor's Commitment after this Assignment: \$ _____

Aggregate Outstanding Principal Amount
of A Advances owing to the Assignor after
this Assignment: \$ _____

An A Note payable to the order of the Assignee

Dated: _____

Principal amount: \$ _____

An A Note payable to the order of the Assignor

Dated: _____

Principal amount: \$ _____

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Section 3.

- - - - -

Effective Date*: _____

[NAME OF ASSIGNOR]

By: _____

Title:

[NAME OF ASSIGNEE]

By: _____

Title:

Domestic Lending Office (and
address for notices):

[Address]

Eurodollar Lending Office:

[Address]

- -----

* This date should be no earlier than the date of acceptance by the Agent.

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*[Consented to this ____ day

of _____

SUPERVALU INC.

By: _____

Title:]

Accepted this ____ day

of _____

[NAME OF AGENT]

By: _____

Title:

* Add if Borrower's consent is required under Section 8.07 of the Credit Agreement.

SUPERVALU INC. and Subsidiaries
Ratio of Earnings to Fixed Charges

(in thousands, except ratios)

	Two Quarters (28 weeks) Ended	
	September 9, 1995	September 10, 1994
Earnings before income taxes	130,627	138,530
Less undistributed earnings of ShopKo	(88)	(334)
Earnings before income taxes	130,539	138,196
Interest Expense	76,890	67,955
Interest on operating leases	9,020	9,588
	216,449	215,739
	=====	=====
Total fixed charges	85,910	77,543
	=====	=====
Ratio of earnings to fixed charges	2.52	2.78
	=====	=====

FOR RELEASE: September 21, 1995 CONTACT: Kris Sundberg
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SUPERVALU INC. REPORTS SECOND QUARTER RESULTS

MINNEAPOLIS, MN SEPTEMBER 21, 1995 -- SUPERVALU INC. today reported improved second quarter operating results for the 12-week period ended September 9, 1995. Sales of \$3.8 billion for the second quarter were even with the prior year. Net earnings were \$33.3 million compared with \$33.5 million last year, and earnings per share were \$0.49 versus \$0.47. After-tax expenses incurred in connection with the company's wholesale realignment, called the ADVANTAGE project, were \$3.1 million in this year's second quarter and \$1.7 million last year. Net earnings on an operating basis for the quarter increased 4.5 percent to \$35.5 million versus \$34.0 million last year when excluding the ADVANTAGE expenses and the decreased earnings contribution from ShopKo.

"We are very satisfied with these financial results considering the enormity of the changes we have undertaken with the ADVANTAGE project and the increased spending necessary to implement that project," said Mike Wright, SUPERVALU chairman, president and CEO. "Though it is too early to expect an earnings contribution from ADVANTAGE, preliminary test results of portions of the project clearly indicate that we are on the right course to turn industry changes to our competitive advantage. The customers participating in the testing are equally enthused and look forward to adopting the full ADVANTAGE program."

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Net sales for the first half (28 weeks) were \$8.8 billion compared with last year's \$8.8 billion. Net earnings were \$79.2 million or \$1.15 per share. Last year the company earned \$84.1 million or \$1.18 per share for the same period. Earnings were impacted primarily by expenses related to the ADVANTAGE project, higher net interest expense, and flat sales. ShopKo's contribution decreased as a result of generally soft sales and lower gross margins from promotional spending designed to boost sales as well as competitive pressures on pricing.

Sales in the food distribution segment were \$3.4 billion in the quarter compared with \$3.4 billion in the same period last year. Sales were affected by the continuing impact from last year's facility consolidations and the soft retail environment. Food price inflation as measured by the company was nearly 1 percent. Operating earnings in food distribution were \$78.5 million compared with \$78.8 million in last year's second quarter.

ADVANTAGE expenses for the quarter of \$4.0 million were charged to the food distribution segment while \$1.0 million were charged to unallocated corporate expenses. Last year, however, ADVANTAGE expenses of \$2.9 million were reported in unallocated corporate expenses. Excluding these ADVANTAGE expenses, earnings in the distribution segment would have increased 4.7 percent from \$78.8 million to \$82.5 million.

Sales for the company's retail food operations were up 11.5 percent to \$1.0 billion versus \$904 million in last year's second quarter. These results are due primarily to the 7-store bigg's acquisition in August 1994, new store openings, and a 2 percent increase in same-store sales.

Operating earnings for the retail food operations were \$10.5 million compared with \$6.6 million last year. These results were affected principally by the bigg's acquisition and the elimination of operating losses from the closing of underperforming stores.

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"As this retail restructuring phase is completed we expect a continuation of improved operating results. This will also allow more focus on implementation of our strategy to substantially expand our growth formats," said Wright. At quarter end, SUPERVALU operated 291 stores principally under the names Cub Foods, Shop 'n Save, Save-A-Lot, bigg's, Scott's Foods and Laneco.

The company also continues to purchase treasury stock as authorized in December 1994 by the board of directors. The current authorization covers 5 million shares; over 3.6 million shares have been repurchased. These purchases are being funded by the disposition of surplus real estate and unproductive assets.

SUPERVALU is one of the nation's leading food distributors and the 12th largest food retailer in the nation. As of September 9, 1995, the company served independent retailers in 48 states and operated retail food stores in 29 states.

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CONSOLIDATED STATEMENTS OF EARNINGS

SUPERVALU INC. and Subsidiaries

(In thousands, except per share data)

	Quarter-to-date (12 Weeks) Ended		Year-to-Date (28 Weeks) Ended	
	Sept. 9, 1995	Sept. 10, 1994	Sept. 9, 1995	Sept. 10, 1994
Net sales	\$3,779,397	\$3,773,725	\$8,752,434	\$8,764,840
Costs and expenses:				
Cost of sales	3,427,689	3,437,488	7,940,385	7,990,435
Selling and administrative expenses	265,350	255,301	609,946	577,253
Amortization of goodwill	4,053	3,464	9,510	7,689
Interest				
Interest expense	32,771	29,658	76,890	67,955
Interest income	4,503	5,792	11,595	13,447
Interest expense, net	28,268	23,866	65,295	54,508
Total costs and expenses	3,725,360	3,720,119	8,625,136	8,629,885
Earnings before equity in earnings of ShopKo and income taxes	54,037	53,606	127,298	134,955
Equity in earnings of ShopKo	861	1,282	3,329	3,575
Earnings before income taxes	54,898	54,888	130,627	138,530
Provision for income taxes	21,620	21,373	51,398	54,402
Net earnings	\$ 33,278	\$ 33,515	\$ 79,229	\$ 84,128
Net earnings per common share	\$ 0.49	\$ 0.47	\$ 1.15	\$ 1.18
Weighted average number of common shares outstanding	68,181	71,471	68,795	71,563
Dividends declared per common share	\$ 0.245	\$ 0.235	\$ 0.480	\$ 0.455
Supplemental information:				
After-tax LIFO (expense)	\$ (2,525)	\$ (3,121)	\$ (2,317)	\$ (1,412)

SUPERVALU INC. and Subsidiaries

Composition of Net Sales and Earnings

The following table sets forth the composition of the company's net sales and earnings.
(In thousands, except percent data)

	Second Quarter (12 weeks) Ended		Year-to-date (28 weeks) Ended	
	Sept. 9, 1995	Sept. 10, 1994	Sept. 9, 1995	Sept. 10, 1994
<hr/>				
Net sales				
Food distribution	\$3,362,238 89.0 %	\$3,400,992 90.1 %	\$7,808,365 89.2 %	\$7,934,901 90.5 %
Retail food	1,008,391 26.6 %	904,063 24.0 %	2,269,280 25.9 %	2,035,174 23.2 %
Sales eliminations	(591,232) (15.6) %	(531,330) (14.1) %	(1,325,211) (15.1) %	(1,205,235) (13.7) %
<hr/>				
Total net sales	\$3,779,397 100.0 %	\$3,773,725 100.0 %	\$8,752,434 100.0 %	\$8,764,840 100.0 %
<hr/>				
Earnings				
Food distribution	\$78,513 88.2 %	\$78,830 92.3 %	\$179,900 87.2 %	\$183,323 88.8 %
Retail food	10,526 11.8 %	6,587 7.7 %	26,342 12.8 %	23,143 11.2 %
<hr/>				
Total operating earnings	89,039 100.0 %	85,417 100.0 %	206,242 100.0 %	206,466 100.0 %
Interest income	4,503	5,792	11,595	13,447
Interest expense	(32,771)	(29,658)	(76,890)	(67,955)
General corporate expenses	(6,734)	(7,945)	(13,649)	(17,003)
<hr/>				
Earnings before equity in earnings of ShopKo and income taxes	54,037	53,606	127,298	134,955
Equity in earnings of ShopKo	861	1,282	3,329	3,575
Provision for income taxes	(21,620)	(21,373)	(51,398)	(54,402)
<hr/>				
Net earnings	\$33,278	\$33,515	\$79,229	\$84,128
<hr/>				
Pretax LIFO (expense)	(\$4,192)	(\$5,180)	(\$3,846)	(\$2,344)