UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-K

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 1995

Commission file number 0-9286

COCA-COLA BOTTLING CO. CONSOLIDATED

(Exact name of Registrant as specified in its charter)

DELAWARE	56-0950585
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

1900 REXFORD ROAD,
CHARLOTTE, NORTH CAROLINA 28211
(Address of principal executive offices)
(Zip Code)

(704) 551-4400
(Registrant's telephone number, including area code)

Securities Registered Pursuant to Section 12(b) of the Act: None
Securities Registered Pursuant to Section 12(g) of the Act:

Common Stock, $l.00 par value

(Title of Class)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements, incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

State the aggregate market value of voting stock held by non-affiliates of the Registrant.

	MARKET VALUE AS OF MARCH 14, 1996
Common Stock, $1 par value	$241,681,000
Class B Common Stock, $1 par value	*

* No market exists for the shares of Class B Common Stock, which is neither registered under Section 12 of the Act nor subject to Section 15(d) of the Act. The Class B Common Stock is convertible into Common Stock on a share for share basis at the option of the holder.

Indicate the number of shares outstanding of each of the Registrant's classes of common stock, as of the latest practicable date.

CLASS	OUTSTANDING AS OF MARCH 14, 1996
Common Stock, $1 Par Value	7,958,059
Class B Common Stock, $1 Par Value	1,336,362

DOCUMENTS INCORPORATED BY REFERENCE

Proxy Statement to be filed pursuant to Section 14 of the Exchange Act with respect to the 1996 Annual Meeting of Shareholders.....	Part III, Items 10-13

PART I

ITEM 1 -- BUSINESS

INTRODUCTION AND RECENT DEVELOPMENTS

Coca-Cola Bottling Co. Consolidated, a Delaware corporation (the "Company"), is engaged in the production, marketing and distribution of carbonated and noncarbonated beverages, primarily products of The Coca-Cola Company, Atlanta, Georgia ("The Coca-Cola Company"). The Company has been in the soft drink manufacturing business since 1902.

The Company has grown significantly since 1984. In 1984, net sales were $130.2 million. In 1995, net sales were $761.9 million. The Company's franchise territory was concentrated in North Carolina prior to 1984. A series of acquisitions since 1984 have significantly expanded the Company's franchise territory. The most significant acquisitions were as follows:

- February 8, 1985 -- Acquisition of various subsidiaries of Wometco Coca-Cola Bottling Company which included franchise territories in parts of Alabama, Tennessee and Virginia. Other noncontiguous territories acquired in this acquisition were subsequently sold.

- January 27, 1989 -- Acquisition of all of the outstanding stock of The Coca-Cola Bottling Company of West Virginia, Inc. which included franchise territory covering most of the state of West Virginia.

- December 20, 1991 -- Acquisition of all of the outstanding capital stock of Sunbelt Coca-Cola Bottling Company, Inc. ("Sunbelt") which included franchise territory covering parts of North Carolina and South Carolina.

- July 2, 1993 -- Formation of Piedmont Coca-Cola Bottling Partnership ("Piedmont"). Piedmont is a joint venture owned equally by the Company and The Coca-Cola Company through their respective subsidiaries. Piedmont distributes and markets soft drink products, primarily in parts of North Carolina and South Carolina. The Company sold and contributed certain franchise territories to Piedmont upon formation. The Company currently provides part of the finished product requirements for Piedmont and receives a fee for managing the operations of Piedmont pursuant to a Management Agreement.

These transactions, along with several smaller acquisitions of additional franchise territory, have resulted in the Company becoming the second largest Coca-Cola bottler in the United States.

The Coca-Cola Company currently owns an economic interest of approximately 30% and a voting interest of approximately 23% in the Company. The Company sold 1,355,033 shares of newly issued Common Stock and 269,158 shares of Class B Common Stock to The Coca-Cola Company in June 1987. An additional 1.1 million shares of the Company's Common Stock were issued to The Coca-Cola Company on January 27, 1989 in exchange for outstanding stock of The Coca-Cola Bottling Company of West Virginia, Inc., and The Coca-Cola Company purchased an additional 33,464 shares of Common Stock on June 25, 1993 pursuant to the exercise of its right to maintain its proportionate voting and equity interests in the Company under the terms of a Stock Rights and Restrictions Agreement dated January 27, 1989.

The Company considers acquisition opportunities for additional territories on an ongoing basis. To achieve its goals, further purchases and sales of franchise rights and entities possessing such rights and other related transactions designed to facilitate such purchases and sales may occur.

GENERAL

In its soft drink operations, the Company holds franchises under which it produces and markets, in certain regions, carbonated soft drink products of The Coca-Cola Company, including Coca-Cola classic, caffeine free Coca-Cola classic, diet Coke, caffeine free diet Coke, Cherry Coke, TAB, Sprite, diet Sprite, Mello Yello, diet Mello Yello, Mr. PiBB, Barq's Root Beer, Fresca, Minute Maid orange and diet Minute Maid orange sodas. The Company also distributes and markets POWERaDE, ready-to-drink Nestea, Fruitopia and Minute Maid Juices To Go in certain of its markets. The Company produces and markets Dr Pepper in most of its regions. Various other products, including Welch's flavors, Seagrams' products and Sundrop are produced and marketed in one or more of the Company's regions under franchise agreements with the companies that manufacture the concentrate for those beverages. In addition, the Company also produces soft drinks for other Coca-Cola franchise bottlers.

The Company's principal soft drink is Coca-Cola classic. During the last three fiscal years, sales of products under the trademark Coca-Cola have accounted for more than half of the Company's soft drink sales. In total, the products of The Coca-Cola Company accounted for approximately 90% of the Company's soft drink sales during fiscal 1995.

FRANCHISES

The Company's franchises from The Coca-Cola Company entitle the Company to produce and market The Coca-Cola Company's soft drinks in bottles, cans and five gallon, pressurized, pre-mix containers. The Company is one of many companies holding such franchises. The Coca-Cola Company is the sole owner of the secret formulas pursuant to which the primary components (either concentrates or syrups) of Coca-Cola trademark beverages are manufactured. The concentrates, when mixed with water and sweetener, produce syrup which, when mixed with carbonated water, produce the soft drinks known as "Coca-Cola," "Coca-Cola classic," "Coke" and other soft drinks of The Coca-Cola Company which are manufactured and marketed by the Company. The Company also purchases natural sweeteners from The Coca-Cola Company. No royalty or other compensation is paid under the franchise agreements to The Coca-Cola Company for the Company's right to use in its territories the franchised tradenames and trademarks, such as "Coca-Cola," "Coca-Cola classic" and "Coke," and their associated patents, copyrights, designs and labels, all of which are owned by The Coca-Cola Company. The Company has similar arrangements with the Dr Pepper Company and other franchisors.

BOTTLE CONTRACTS. The Company is party to standard bottle contracts with The Coca-Cola Company for each of its bottling territories (the "Bottle Contracts") which provide that the Company will purchase its entire requirement of concentrates and syrups for Coca-Cola, Coca-Cola classic, caffeine free Coca-Cola classic, Cherry Coke, diet Coke, caffeine free diet Coke and diet Cherry Coke (together, the "Coca-Cola Trademark Beverages") from The Coca-Cola Company. The Company has the exclusive right to distribute Coca-Cola Trademark Beverages for sale in its territories in authorized containers of the nature currently used by the Company, which include cans and returnable and non-returnable bottles. The Coca-Cola Company may determine from time to time what containers of this type to authorize for use by the Company.

The price The Coca-Cola Company may charge for syrup or concentrate under the Bottle Contracts is set by The Coca-Cola Company from time to time. Except as provided in the Supplementary Agreement described below, there are no limitations on prices for concentrate or syrup. Consequently, the prices at which the Company purchases concentrates and syrup under the Bottle Contracts may vary materially from the prices it has paid during the periods covered by the financial information included in this report.

Under the Bottle Contracts, the Company is obligated to maintain such plant, equipment, staff and distribution facilities as are required for the manufacture, packaging and distribution of the Coca-Cola Trademark Beverages in authorized containers, and in sufficient quantities to satisfy fully the demand for these beverages in its territories; to undertake adequate quality control measures and maintain sanitation standards prescribed by The Coca-Cola Company; to develop, to stimulate, and to satisfy fully the demand for Coca-Cola Trademark Beverages and to use all approved means, and to spend such funds on advertising and other forms of marketing, as may be reasonably required to meet that objective; and to maintain such sound financial capacity as may be reasonably necessary to assure performance by the Company and its affiliates of their obligations to The Coca-Cola Company.

The Bottle Contracts require the Company to submit to The Coca-Cola Company each year its plans for marketing, management and advertising with respect to the Coca-Cola Trademark Beverages for the ensuing year. Such plans must demonstrate that the Company has the financial capacity to perform its duties and obligations to The Coca-Cola Company under the Bottle Contracts. The Company must obtain The Coca-Cola Company's approval of those plans, which approval may not be unreasonably withheld, and if the Company carries out its plan in all material respects, it will have satisfied its contractual obligations. Failure to carry out such plans in all material respects would constitute an event of default that, if not cured within 120 days of notice of such failure, would give The Coca-Cola Company the right to terminate the Bottle Contracts. If the Company at any time fails to carry out a plan in all material respects with respect to any geographic segment (as defined by The Coca-Cola Company) of its territory, and if that failure is not cured within six months of notice of such failure, The Coca-Cola Company may reduce the territory covered by the applicable Bottle Contract by eliminating the portion of the territory with respect to which the failure has occurred.

The Coca-Cola Company has no obligation under the Bottle Contracts to participate with the Company in expenditures for advertising and marketing. As it has in the past, The Coca-Cola Company may contribute to such expenditures and undertake independent advertising and marketing activities, as well as cooperative advertising and sales promotion programs which require mutual cooperation and financial support of the Company. The future levels of marketing support and promotional funds provided by The Coca-Cola Company may vary materially from the levels provided during the periods covered by the financial information included in this report.

The Coca-Cola Company has the right to reformulate any of the Coca-Cola Trademark Beverages and to discontinue any of the Coca-Cola Trademark Beverages, subject to certain limitations, so long as all Coca-Cola Trademark Beverages are

not discontinued. The Coca-Cola Company may also introduce new beverages under the trademarks "Coca-Cola" or "Coke" or any modification thereof, and in that event the Company would be obligated to manufacture, package, distribute and sell the new beverages with the same duties as exist under the Bottle Contracts with respect to Coca-Cola Trademark Beverages.

If the Company acquires the right to manufacture and sell Coca-Cola Trademark Beverages in any additional territory, the Company has agreed that such new territory will be covered by a standard contract in the same form as the Bottle Contracts and that any existing agreement with respect to the acquired territory automatically shall be amended to conform to the terms of the Bottle Contracts. In addition, if the Company acquires control, directly or indirectly, of any bottler of Coca-Cola Trademark Beverages, or any party controlling a bottler of Coca-Cola Trademark Beverages, the Company must cause the acquired bottler to amend its franchises for the Coca-Cola Trademark Beverages to conform to the terms of the Bottle Contracts.

The Bottle Contracts are perpetual, subject to termination by The Coca-Cola Company in the event of default by the Company. Events of default by the Company include (1) the Company's insolvency, bankruptcy, dissolution, receivership or similar conditions; (2) the Company's disposition of any interest in the securities of any bottling subsidiary without the consent of The Coca-Cola Company; (3) termination of any agreement regarding the manufacture, packaging, distribution or sale of Coca-Cola Trademark Beverages between The Coca-Cola Company and any person that controls the Company; (4) any material breach of any obligation occurring under the Bottle Contracts (including, without limitation, failure to make timely payment for any syrup or concentrate or of any other debt owing to The Coca-Cola Company, failure to meet sanitary or quality control standards, failure to comply strictly with manufacturing standards and instructions, failure to carry out an approved plan as described above, and failure to cure a violation of the terms regarding imitation products), that remains uncured for 120 days after notice by The Coca-Cola Company; or (5) producing, manufacturing, selling or dealing in any "Cola Product," as defined, or any concentrate or syrup which might be confused with those of The Coca-Cola Company; or (6) selling any product under any trade dress, trademark, or tradename or in any container in which The Coca-Cola Company has a proprietary interest; or (7) owning any equity interest in or controlling any entity which performs any of the activities described in (5) or (6) above. In addition, upon termination of the Bottle Contracts for any reason, The Coca-Cola Company, at its discretion, may also terminate any other agreements with the Company regarding the manufacture, packaging, distribution, sale or promotion of soft drinks, including the Allied Bottle Contracts described elsewhere herein.

The Company is prohibited from assigning, transferring or pledging its Bottle Contracts, or any interest therein, whether voluntarily or by operation of law, without the prior consent of The Coca-Cola Company. Moreover, the Company may not enter into any contract or other arrangement to manage or participate in the management of any other Coca-Cola bottler without the prior consent of The Coca-Cola Company.

The Coca-Cola Company may automatically amend the Bottle Contracts if 80% of the domestic bottlers who are parties to agreements with The Coca-Cola Company containing substantially the same terms as the Bottle Contracts, which bottlers purchased for their own account 80% of the syrup and equivalent gallons of concentrate for Coca-Cola Trademark Beverages purchased for the account of all such bottlers, agree that their bottle contracts shall be likewise amended.

SUPPLEMENTARY AGREEMENT. The Company and The Coca-Cola Company are also parties to a Supplementary Agreement (the "Supplementary Agreement") that modifies some of the provisions of the Bottle Contracts. The Supplementary Agreement provides that The Coca-Cola Company will exercise good faith and fair dealing in its relationship with the Company under the Bottle Contracts; offer marketing support and exercise its rights under the Bottle Contracts in a manner consistent with its dealings with comparable bottlers; offer to the Company any written amendment to the Bottle Contracts (except amendments dealing with transfer of ownership) which it offers to any other bottler in the United States; and, subject to certain limited exceptions, sell syrups and concentrates to the Company at prices no greater than those charged to other bottlers which are parties to contracts substantially similar to the Bottle Contracts.

The Supplementary Agreement permits transfers of the Company's capital stock that would otherwise be limited by the Bottle Contracts.

ALLIED BOTTLE CONTRACTS. Other contracts with The Coca-Cola Company (the "Allied Bottle Contracts") grant similar exclusive rights to the Company with respect to the distribution of Sprite, Mr. PiBB, Mello Yello, diet Mello Yello, Fanta, TAB, diet Sprite, sugar free Mr. PiBB, Fresca, Minute Maid orange and diet Minute Maid orange sodas (the "Allied Beverages") for sale in authorized containers in its territories. These contracts contain provisions that are similar to those of the Bottle Contracts with respect to pricing, authorized containers, planning, quality control, trademark and transfer restrictions and related matters. Each Allied Bottle Contract has a term of 10 years and is renewable by the Company for an additional 10

years at the end of each 10 year period, but is subject to termination in the event of (1) the Company's insolvency, bankruptcy, dissolution, receivership or similar condition; (2) termination of the Company's Bottle Contract covering the same territory by either party for any reason; and (3) any material breach of any obligation of the Company under the Allied Bottle Contract that remains uncured for 120 days after notice by The Coca-Cola Company. The Coca-Cola Company recently purchased Barq's, Inc. from whom the Company has been granted rights to manufacture and market Barq's Root Beer. The Bottler's Agreement between the Company and Barq's, Inc. remains in effect and The Coca-Cola Company has not informed the Company of any intention to replace it.

POST-MIX RIGHTS. The Company also has the non-exclusive right to sell Coca-Cola classic and other fountain syrups ("post-mix syrup") of The Coca-Cola Company.

OTHER BOTTLING AGREEMENTS. The bottling agreements from most other soft drink franchisors are similar to those described above in that they are renewable at the option of the Company and the franchisors at prices unilaterally fixed by the franchisors. They also contain similar restrictions on the use of trademarks, approved bottles, cans and labels and sale of imitations or substitutes as well as termination for cause provisions. Sales of beverages by the Company under these agreements represented approximately 10% of the Company's sales for fiscal 1995.

The territories covered by the Allied Bottle Contracts and by bottling agreements for products of franchisors other than The Coca-Cola Company in most cases correspond with the territories covered by the Bottle Contracts. The variations do not have a material effect on the business of the Company taken as a whole.

MARKETS AND PRODUCTION AND DISTRIBUTION FACILITIES

As of March 14, 1996, the Company held franchises from The Coca-Cola Company covering the majority of central, northern and western North Carolina, and portions of Alabama, Mississippi, Tennessee, Kentucky, Virginia, West Virginia, Ohio, Pennsylvania, Georgia and Florida. The total population within the Company's franchise territory is approximately 12.1 million.

As of March 14, 1996, the Company operated in six principal geographical regions. Certain information regarding each of these markets follows:

1. NORTH CAROLINA. This region includes the majority of central and western North Carolina, including Raleigh, Greensboro, Winston-Salem, High Point, Hickory, Asheville, Fayetteville and Charlotte and the surrounding areas. The region has an estimated population of 5.2 million. Production/distribution facilities are located in Charlotte and 15 other distribution facilities are located in the region.

2. SOUTH ALABAMA. This region includes a portion of southwestern Alabama, including the area surrounding Mobile, and a portion of southeastern Mississippi. The region has an estimated population of 900,000. A production/distribution facility is located in Mobile, and five other distribution facilities are located in the region.

3. SOUTH GEORGIA. This region includes a small portion of eastern Alabama, a portion of southwestern Georgia surrounding Columbus, Georgia, in which a distribution facility is located, and a portion of the Florida Panhandle, including Panama City and Quincy. Four other distribution facilities are located in the region. This region has an estimated population of 1.0 million.

4. MIDDLE TENNESSEE. This region includes a portion of central Tennessee, including areas surrounding Nashville, and a small portion of southern Kentucky. The region has an estimated population of 1.6 million. A production/distribution facility is located in Nashville and seven other distribution facilities are located in the region.

5. WESTERN VIRGINIA. This region includes most of southwestern Virginia, including areas surrounding Roanoke, a portion of the southern piedmont of Virginia, a portion of northeastern Tennessee and a portion of southeastern West Virginia. The region has an estimated population of 1.5 million. A production/distribution facility is located in Roanoke and seven other distribution facilities are located in the region.

6. WEST VIRGINIA. This region includes most of the state of West Virginia, a portion of eastern Kentucky, a portion of eastern Ohio and a portion of southwestern Pennsylvania. The region has an estimated population of 1.9 million. There are 11 distribution facilities located in the region.

The Company owns 100% of the operations in each of the regions listed.

The Company sold the majority of its South Carolina franchise territory to Piedmont in July 1993. Pursuant to a Management Agreement, the Company produces a portion of the soft drink products for Piedmont. The Company currently owns a 50% interest in Piedmont. Piedmont's franchise territory covers parts of eastern North Carolina and most of South Carolina. This region has an estimated population of 4.1 million.

On June 1, 1994, the Company executed a management agreement with South Atlantic Canners, Inc. ("SAC"), a manufacturing cooperative located in Bishopville, South Carolina. The Company is a member of the cooperative and receives a fee for managing the day-to-day operations of SAC pursuant to a 10-year Management Agreement. SAC has significantly expanded its operations by adding two PET bottling lines. The new bottling lines supply a portion of the Company's and Piedmont's volume requirements for PET product. The Company executed member purchase agreements with SAC that require minimum annual purchases of canned product, 20 ounce PET product, 2 liter PET product and 3 liter PET product by the Company. Products purchased pursuant to these member purchase agreements total approximately $40 million on an annual basis.

In addition to producing bottled and canned soft drinks for the Company's franchise territories, each production facility also produces some products for sale by other Coca-Cola bottlers. With the exception of the Company's production of soft drink products for Piedmont, this contract production is currently not material in the Company's production centers.

RAW MATERIALS

In addition to concentrates obtained by the Company from The Coca-Cola Company and other concentrate companies for use in its soft drink manufacturing, the Company also purchases sweeteners, carbon dioxide, glass and plastic bottles, cans, closures, pre-mix containers and other packaging materials as well as equipment for the production, distribution and marketing of soft drinks. Except for sweetener, cans and plastic bottles, the Company purchases its raw materials from multiple suppliers.

The cost of aluminum cans increased significantly at the beginning of 1995 as a result of increases in the price of aluminum ingot. The Company entered into supply agreements in the fourth quarter of 1995 with its aluminum can suppliers which require the Company to purchase the majority of its aluminum can requirements for two of its four manufacturing facilities. These agreements, which extend through the end of 2000, also reduce the variability of the cost of cans for these two facilities.

The Company purchases substantially all of its plastic bottles (20 ounce, 1 liter, 2 liter and 3 liter sizes) from manufacturing plants which are owned and operated by two cooperatives of Coca-Cola bottlers, including the Company. The Company joined the southwest cooperative in February 1985 following its acquisition of the bottling subsidiaries of Wometco Coca-Cola Bottling Company. The Company joined the southeast cooperative in 1984.

None of the materials or supplies used by the Company is in short supply, although the supply of specific materials could be adversely affected by strikes, weather conditions, governmental controls or national emergency conditions.

MARKETING

The Company's soft drink products are sold and distributed directly by its employees to retail stores and other outlets, including food markets, institutional accounts and vending machine outlets. During 1995, approximately 75% of the Company's total sales were made in the take-home channel through supermarkets, convenience stores and other retail outlets. The remaining sales were made in the cold drink channel, primarily through dispensing machines, owned either by the Company, retail outlets or third party vending companies.

New product introductions, packaging changes and sales promotions have been the major competitive techniques in the soft drink industry in recent years and have required and are expected to continue to require substantial expenditures. New product introductions in recent years include: caffeine free Coca-Cola classic; caffeine free diet Coke; Cherry Coke; diet Mello Yello; Minute Maid orange; diet Minute Maid orange; ready-to-drink Nestea; Fruitopia; POWERaDE; and Minute Maid Juices To Go. New product introductions have entailed increased operating costs for the Company resulting from special marketing efforts, obsolescence of replaced items and, occasionally, higher raw materials costs.

After several new package introductions in recent years, the Company now sells its soft drink products in a variety of returnable and non-returnable bottles, both glass and plastic, and in cans, in varying proportions from market to market. There may be as many as eight different packages for Coca-Cola classic within a single geographical area. Physical unit sales of soft drinks during fiscal year 1995 were approximately 48% cans, 49% non-returnable bottles, 2% pre-mix and 1% returnable bottles.

Advertising in various media, primarily television and radio, is relied upon extensively in the marketing of the Company's soft drinks. The Coca-Cola Company and Dr Pepper Company have joined the Company in making substantial expenditures in cooperative advertising in the Company's marketing areas. The Company also benefits from national advertising programs conducted by The Coca-Cola Company and Dr Pepper Company. In addition, the Company expends substantial funds on its own behalf for extensive local sales promotions of the Company's soft drink products. These expenses are partially offset by marketing funds which the concentrate companies provide to the Company in support of a variety of marketing programs, such as price promotions, merchandising programs and point-of-sale displays.

The substantial outlays which the Company makes for advertising are generally regarded as necessary to maintain or increase sales volume, and any curtailment of the funding provided by The Coca-Cola Company for advertising or marketing programs which benefit the Company could have a material effect on the business of the Company.

SEASONALITY

Sales are somewhat seasonal, with the highest sales volume occurring in May, June, July and August. The Company has adequate production capacity to meet sales demands during these peak periods.

COMPETITION

The soft drink industry is highly competitive. The Company's competitors include several large soft drink manufacturers engaged in the distribution of nationally advertised products, as well as similar companies which market lesser-known soft drinks in limited geographical areas and manufacturers of private brand soft drinks. In each region in which the Company operates, between 75% and 95% of carbonated soft drink sales in bottles, cans and pre-mix containers are accounted for by the Company and its principal competition, which in each region includes the local bottler of Pepsi-Cola and, in some regions, also includes the local bottler of Royal Crown products. The Company's carbonated beverage products also compete with, among others, noncarbonated beverages and citrus and noncitrus fruit drinks.

The principal methods of competition in the soft drink industry are point-of-sale merchandising, new product introductions, packaging changes, price promotions, quality of distribution and advertising.

GOVERNMENT REGULATION

The production and marketing of beverages are subject to the rules and regulations of the United States Food and Drug Administration ("FDA") and other federal, state and local health agencies. The FDA also regulates the labeling of containers.

No reformulation of the Company's products is presently required by any rule or regulation, but there can be no assurance that future government regulations will not require reformulation of the Company's products.

From time to time, legislation has been proposed in Congress and by certain state and local governments which would prohibit the sale of soft drink products in non-returnable bottles and cans or require a mandatory deposit as a means of encouraging the return of such containers in an attempt to reduce solid waste and litter. The Company is currently not impacted by this type of proposed legislation.

Soft drink and similar-type taxes have been in place in North Carolina, South Carolina, West Virginia and Tennessee for several years. To the Company's knowledge, legislation has not been proposed or enacted to increase the tax in West Virginia or Tennessee. The North Carolina soft drink tax will be reduced by 25% beginning July 1, 1996. The South Carolina soft drink tax has been repealed and will be phased out over a six-year period beginnning July 1, 1996.

ENVIRONMENTAL REMEDIATION

The Company does not currently have any material capital expenditure commitments for environmental remediation for any of its properties.

EMPLOYEES

As of March 14, 1996, the Company had a total of approximately 4,800 full-time employees, of whom approximately 400 were union members. Management of the Company believes that the Company's relations with its employees are generally good.

ITEM 2 -- PROPERTIES

The principal properties of the Company include its corporate headquarters, its four production facilities and its 54 distribution centers, all of which are owned by the Company except for its corporate headquarters, two production/distribution facilities and nine distribution centers.

On November 30, 1992, the Company and the owner of the Company's Snyder Production Center in Charlotte, North Carolina agreed to the early termination of the Company's lease. Harrison Limited Partnership One purchased the property contemporaneously with the termination of the lease, and the Company and Harrison Limited Partnership One entered into an agreement under which the Company leased the property for a 10-year term beginning on December 1, 1992. JFH Management, Inc., a North Carolina corporation of which J. Frank Harrison, Jr. is the sole shareholder, serves as sole general partner of the limited partnership that purchased the production center property. The sole limited partner of the limited partnership is a trust as to which J. Frank Harrison, III and Reid M. Henson are co-trustees, share investment powers, and as to which they share voting power for purposes of this partnership interest. The beneficiaries of this trust are J. Frank Harrison, Jr. and his descendants. The annual base rent the Company is obligated to pay under the lease agreement is subject to adjustment for increases in the Consumer Price Index and for increases or decreases in interest rates based on London Interbank Offered Rate ("LIBOR").

On June 1, 1993, Beacon Investment Corporation, a North Carolina corporation of which J. Frank Harrison, III is sole shareholder, purchased the office building located on Rexford Road in Charlotte, North Carolina, in which the Company leases its executive offices. Contemporaneously, the Company entered into a 10-year lease commencing June 1, 1993 with Beacon Investment Corporation for office space within the building. The annual base rent the Company is obligated to pay under the lease agreement is subject to adjustment for increases in the Consumer Price Index and for increases or decreases in interest rates based on LIBOR.

The Company also leases its 297,500 square-foot production/distribution facility in Nashville, Tennessee. The lease requires monthly payments through 2002. The Company's other real estate leases are not material.

The Company owns and operates two soft drink production facilities apart from the leased facilities described above. The current percentage utilization of the Company's production centers as of March 14, 1996 is approximately as indicated below:

PRODUCTION FACILITIES

LOCATION	PERCENTAGE UTILIZATION*
Charlotte, North Carolina	84%
Mobile, Alabama	81%
Nashville, Tennessee	63%
Roanoke, Virginia	74%

* Estimated 1996 production divided by capacity (based on 80 hours of operations per week).

The Company currently has sufficient production capacity to meet its operational requirements. In addition to the production facilities noted above, the Company also has access to production capacity from South Atlantic Canners, Inc.

Bottled and canned soft drinks are transported to distribution centers for storage pending sale. The number of centers by market area as of March 14, 1996 is as follows:

DISTRIBUTION CENTERS

REGION	NUMBER OF CENTERS
North Carolina	16
South Alabama	6
South Georgia	5
Middle Tennessee	8
Western Virginia	8
West Virginia	11

The Company's distribution facilities are all in good condition and are adequate for the Company's operations as presently conducted.

The Company also operates approximately 2,600 vehicles in the sale and distribution of its soft drink products, of which approximately 1,400 are delivery trucks. In addition, the Company owns or leases approximately 113,000 soft drink dispensing and vending machines.

ITEM 3 -- LEGAL PROCEEDINGS

On March 4, 1993, a Complaint was filed against the Company, the predecessor bottling company for the Laurel, Mississippi territory and other unnamed parties by the testatrix spouse of a deceased former employee of the predecessor bottler. This suit alleges misrepresentation and fraud in connection with the severance package offered to employees terminated by the predecessor bottler in connection with the acquisition of the Laurel franchise subsidiary of the Company. Plaintiff seeks damages in an amount up to $18 million in compensatory and punitive damages. The Company believes that the Complaint is without merit and its ultimate disposition will not have a material adverse effect on the financial condition or results of operations of the Company.

ITEM 4 -- SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

There were no matters submitted to a vote of security holders during the fourth quarter of the fiscal year ended December 31, 1995.

EXECUTIVE OFFICERS OF THE REGISTRANT

Pursuant to General Instruction G(3) of Form 10-K, the following list is included as an unnumbered item in Part I of this Report in lieu of being included in the Proxy Statement for the Annual Meeting of Shareholders to be filed.

The following is a list of names and ages of all the executive officers of the Registrant as of March 14, 1996, indicating all positions and offices with the Registrant held by each such person. All officers have served in their present capacities for the past five years except as otherwise stated.

J. FRANK HARRISON, JR., age 65, is Chairman of the Board of Directors of the Company and has served the Company in that capacity since 1977. Mr. Harrison, Jr. served as Chief Executive Officer of the Company from August 1980 until April 1983. He has previously served the Company as Vice Chairman of the Board of Directors. He has been a Director of the Company since 1973. Mr. Harrison, Jr. presently is a Director of Dixie Yarns, Inc. Mr. Harrison, Jr. is Chairman of the Executive Committee and the Finance Committee and is a member of the Compensation Committee.

J. FRANK HARRISON, III, age 41, is a Vice Chairman of the Board of Directors and Chief Executive Officer of the Company. Mr. Harrison has served in the capacity of Vice Chairman since his election in November 1987 and was appointed as the Company's Chief Executive Officer in May 1994. He was first employed by the Company in 1977, and has served as a Division Sales Manager and as a Vice President of the Company. Mr. Harrison, III is a Director of Wachovia Bank & Trust Co., N.A., Southern Region Board. He is Chairman of the Compensation Committee and is a member of the Executive Committee, the Audit Committee and the Finance Committee.

REID M. HENSON, age 56, has served as a Vice Chairman of the Board of Directors of the Company since 1983. Prior to that time, Mr. Henson served as a consultant for JTL Corporation, a management company, and later as President of JTL Corporation. He has been a Director of the Company since 1979, is Chairman of the Audit Committee and is a member of the Executive Committee, the Retirement Benefits Committee and the Finance Committee.

JAMES L. MOORE, JR., age 53, is President and Chief Operating Officer of the Company. Prior to his election as President in March 1987, he served as President and Chief Executive Officer of Atlantic Soft Drink Co., a soft drink bottling subsidiary of Grand Metropolitan USA. Mr. Moore has been a Director of the Company since March 1987. He is a member of the Executive Committee and is Chairman of the Retirement Benefits Committee.

DAVID V. SINGER, age 40, is Vice President and Chief Financial Officer. In addition to his Finance duties, Mr. Singer has overall responsibility for the Company's Purchasing/Materials Management function as well as the Manufacturing function. He served as Vice President, Chief Financial Officer and Treasurer from October 1987 through May 1992; prior to that he was Vice President and Treasurer. Prior to joining the Company in March 1986, Mr. Singer was a Vice President of Corporate Banking for Mellon Bank, N.A.

M. CRAIG AKINS, age 45, is Vice President, Cold Drink Market, a position he has held since October 1993. He was Vice President, Division Manager of the Tennessee Division from 1989-1993. From 1987 through 1988, he was General Manager of the Nashville, TN sales center. From 1985 through 1986, he was Trade Development Director of the Tennessee Division. Prior to joining the Company in 1985, he was a Regional Trade Development Manager for Coca-Cola USA.

STEVEN D. CALDWELL, age 46, joined the Company in April 1987 as Vice President, Business Systems and Services. Prior to joining the Company, he was Director of MIS at Atlantic Soft Drink Co., a soft drink bottling subsidiary of Grand Metropolitan USA for four years.

WILLIAM B. ELMORE, age 40, is Vice President, Regional Manager for the Virginia Division, West Virginia Division and Tennessee Division, a position he has held since November 1991. He was Vice President, Division Manager of the West Virginia Division from 1989-1991. He was Senior Director, Corporate Marketing from 1988-1989. Preceding that, he held various positions in sales and marketing in the Charlotte Division from 1985-1988. Before joining the Company in 1985, he was employed by Coca-Cola USA for seven years where he held several positions in their field sales organization.

NORMAN C. GEORGE, age 40, is Vice President, Regional Manager for the Carolinas South Region, a position he has held since November 1991. He served as Vice President, Division Manager of the Southern Division from 1988-1991. He served as Vice President, Division Manager of the Alabama Division from 1986-1988. From 1982-1986, he served as Director of Sales and Operations in the Northern Division. Prior to joining the Company in 1982, he was Sales Manager of the Dallas-Fort Worth Dr Pepper Bottling Company in Irving, Texas.

BRENDA B. JACKSON, age 35, is Vice President and Treasurer, a position she has held since January 1993. From February 1992 until her promotion, she served as Assistant Treasurer. Mrs. Jackson joined the Company in March 1989 as Director of Finance.

UMESH M. KASBEKAR, age 38, is Vice President, Planning and Administration, a position he has held since December 1994. He was Vice President, Planning from December 1988 until December 1994. He was first employed by the Company in 1983 and held various other positions with the Company from 1983 to 1988.

C. RAY MAYHALL, age 48, is Vice President, Regional Manager for the Georgia Division, Alabama Division and the Carolinas North Region, a position he has held since November 1991. He served as Vice President, Division Manager of the Northern Division from 1989-1991. Before joining the Company in 1989, he was Vice President, Sales and Marketing of Florida Coca-Cola Bottling Company, a position he had held since 1987. Prior to 1987, he was Division Manager of the Central Florida Division of Florida Coca-Cola Bottling Company for six years.

ROBERT D. PETTUS, JR., age 51, is Vice President, Human Resources, a position he has held since September 1984. Prior to joining the Company, he was Director, Employee Relations for the Texize Division of Morton-Thiokol for seven years.

JAMES B. STUART, age 53, joined the Company in October 1990 as Vice President, Marketing. Mr. Stuart had been Senior Vice President, Sales and Marketing with JTL Corporation from 1980 until such company was acquired by The Coca-Cola Company in 1986. From 1987 until joining the Company in 1990, Mr. Stuart formed his own marketing company, serving a number of clients inside and outside the soft drink industry. During this period, he worked almost exclusively with the International Business Sector of The Coca-Cola Company.

STEVEN D. WESTPHAL, age 41, is Vice President and Controller of the Company, a position he has held since November 1987. Prior to joining the Company, he was Vice President-Finance for Joyce Beverages, an independent bottler, beginning in January 1985. Prior to working for Joyce Beverages, he was Director of Corporate Planning for Mid-Atlantic Coca-Cola Bottling Company, Inc. from December 1981 to December 1984.

PART II

ITEM 5 -- MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

The Company has two classes of common stock outstanding, Common Stock and Class B Common Stock. The Common Stock is traded on the Nasdaq National Market tier of the Nasdaq Stock MarketSM under the symbol COKE. The table below sets forth for the periods indicated the high and low reported sales prices per share of Common Stock. There is no established public trading market for the Class B Common Stock. Shares of Class B Common Stock are convertible on a share-for-share basis into shares of Common Stock.

	FISCAL YEAR 1995	
	HIGH	LOW
First quarter	$ 29 3/4	$ 26
Second quarter	32 3/4	29 1/4
Third quarter	35 7/8	31
Fourth quarter	35 1/2	33 1/4

	1994	
	HIGH	LOW
First quarter	$ 37 1/4	$ 27
Second quarter	30 1/4	24
Third quarter	31	26 3/4
Fourth quarter	29 3/4	24

On February 8, 1994, the Board of Directors declared an increase in the first quarter 1994 dividends. Shareholders of record as of February 24, 1994 received $.25 per share on both their Common Stock and Class B Common Stock shares, payable on March 10, 1994. This dividend rate was maintained throughout 1994 and 1995.

Pursuant to the Company's Certificate of Incorporation, no cash dividend or dividend of property or stock other than stock of the Company may be declared and paid, per share, on the Class B Common Stock unless a dividend of an amount greater than or equal to such cash or property or stock has been declared and paid on the Common Stock. Reference should be made to Article Fourth of the Company's Certificate of Incorporation for additional provisions relating to the relative dividend rights of holders of Common Stock and Class B Common Stock.

The amount and frequency of future dividends will be determined by the Company's Board of Directors in light of the earnings and financial condition of the Company at such time, and no assurance can be given that dividends will be declared in the future.

The number of shareholders of record of the Common Stock and Class B Common Stock, as of March 14, 1996, was 1,171 and 14, respectively.

ITEM 6 -- SELECTED FINANCIAL DATA

The following table sets forth certain selected financial data concerning the Company for the five years ended December 31, 1995. The data for the five years ended December 31, 1995 is unaudited but is derived from audited statements of the Company. This information should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" set forth in Item 7 hereof and is qualified in its entirety by reference to the more detailed financial statements and notes contained in Item 8 hereof. This information should also be read in conjunction with the "Introduction and Recent Developments" section in Item 1 hereof which details the Company's significant acquisitions and divestitures since 1984.

SELECTED FINANCIAL DATA*

IN THOUSANDS (EXCEPT PER SHARE DATA)

SUMMARY OF OPERATIONS	FISCAL YEAR 1995	1994	1993	1992	1991
Net sales	$761,876	$723,896	$686,960	$ 655,778	$464,733
Cost of products sold	447,636	427,140	396,077	372,865	262,887
Selling expenses	158,831	149,992	144,411	151,382	107,266
General and administrative expenses	54,720	54,559	51,125	47,154	37,995
Depreciation expense	26,746	24,188	23,284	22,217	18,785
Amortization of goodwill and intangibles	12,230	12,309	14,784	18,326	10,884
Total costs and expenses	700,163	668,188	629,681	611,944	437,817
Income from operations	61,713	55,708	57,279	43,834	26,916
Interest expense	33,091	31,385	30,994	36,862	21,556
Other income (expense), net	(3,401)	63	(2,270)	(2,121)	(2,404)
Income before income taxes, extraordinary charge and effect of accounting changes	25,221	24,386	24,015	4,851	2,956
Federal and state income taxes	9,685	10,239	9,182	2,768	20
Income before extraordinary charge and effect of accounting changes	15,536	14,147	14,833	2,083	2,936
Extraordinary charge	(5,016)				
Effect of accounting changes		(2,211)		(116,199)	
Net income (loss)	10,520	11,936	14,833	(114,116)	2,936
Preferred stock dividends				4,195	728
Net income (loss) applicable to common shareholders	$ 10,520	$ 11,936	$ 14,833	$(118,311)	$ 2,208
Income (loss) per share:					
Income (loss) before extraordinary charge and effect of accounting changes	$ 1.67	$ 1.52	$ 1.60	$ (.23)	$ .24
Extraordinary charge	(.54)				
Effect of accounting changes		(.24)		(12.66)	
Net income (loss) applicable to common shareholders	$ 1.13	$ 1.28	$ 1.60	$ (12.89)	$ .24
Cash dividends per share:					
Common	$ 1.00	$ 1.00	$ .88	$ .88	$ .88
Class B Common	$ 1.00	$ 1.00	$ .52	$ .52	$ .52
YEAR-END FINANCIAL POSITION					
Total assets	$676,571	$664,159	$648,449	$ 785,871	$785,196
Long-term debt	419,896	432,971	434,358	555,126	479,414
Redeemable preferred stock					7,280
Shareholders' equity	38,972	33,981	29,629	25,806	205,426
OTHER INFORMATION					
Weighted average number of Common and Class B Common shares outstanding	9,294	9,294	9,258	9,181	9,181

* All years presented are 52-week years except for 1992 which is a 53-week year. In December 1991, the Company acquired Sunbelt Coca-Cola Bottling Company, Inc. See Note 2 to the consolidated financial statements for information concerning the Company's investment in Piedmont Coca-Cola Bottling Partnership. During 1992, the Company changed its method of accounting for income taxes and for postretirement benefits other than pensions. In 1994, the Company changed its method of accounting for postemployment benefits, as described in Note 12. In 1995, the Company recorded an extraordinary charge related to the repurchase at a premium of a portion of the Company's long-term debt, as described in Note 6.

ITEM 7 -- MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

INTRODUCTION

Coca-Cola Bottling Co. Consolidated (the "Company") is engaged in the production, marketing and distribution of soft drinks, primarily products of The Coca-Cola Company. Since 1984, the Company has expanded its franchise territory throughout the Southeast, primarily through acquisitions.

The current year provided significant challenges for the Company, with substantial price increases for raw materials and a rise in short term interest rates. The Company experienced increased packaging costs for both aluminum cans and plastic bottles. The Company was able to offset these cost increases by generating higher volume and increased net selling prices. The net selling price increased by approximately 4%. Franchise sales volume increased by 5% over 1994. The introduction of the 20 ounce contour bottle throughout the Company's franchise territory contributed to the successful increases in both sales volume and net selling prices. Interest expense increased by $1.7 million due to higher short-term interest rates more than offsetting the interest savings resulting from the $13 million reduction in long-term debt.

Capital expenditures of $37 million in 1995 and $49 million in 1994 were made to maintain the Company's physical asset base as well as providing the Company with the opportunity to take advantage of new packages and higher margin channels.

On November 1, 1995, the Company issued $100 million of 6.85% debentures under its $400 million shelf registration filed with the Securities and Exchange Commission in 1994. The proceeds from the issuance of the debentures were used for the early retirement of approximately $87 million of the Company's Medium-Term Notes which matured between 1999 and 2002 and with varying rates of interest from 7.99% to 10.00%. In conjunction with the early retirement of the Medium-Term Notes, the Company recorded an after tax extraordinary charge of $5.0 million or $.54 per share for 1995. This refinancing has allowed the Company to take advantage of lower long-term interest rates.

On July 2, 1993, the Company and The Coca-Cola Company formed Piedmont Coca-Cola Bottling Partnership ("Piedmont") to distribute and market soft drink products of The Coca-Cola Company and other third party licensors, primarily in certain portions of North Carolina and South Carolina. The Company provides a portion of the soft drink products to Piedmont at cost and receives a fee for managing the business of Piedmont pursuant to a management agreement. The Company and The Coca-Cola Company, through their respective subsidiaries, each beneficially own a 50% interest in Piedmont. The Company is accounting for its investment in Piedmont using the equity method of accounting.

On June 1, 1994, the Company executed a management agreement with South Atlantic Canners, Inc. ("SAC"), a manufacturing cooperative located in Bishopville, South Carolina. The Company is a member of the cooperative and receives a fee for managing the day-to-day operations of SAC pursuant to this 10-year management agreement. SAC has significantly expanded its operations by adding two PET bottling lines. These new bottling lines will supply a portion of the Company's and Piedmont's volume requirements for PET product.

RESULTS OF OPERATIONS

1995 COMPARED TO 1994

The Company reported net income of $10.5 million or $1.13 per share for fiscal 1995 compared to $11.9 million or $1.28 per share for fiscal 1994. The 1995 results reflect an after tax extraordinary charge of $5.0 million or $.54 per share on the early retirement of some of the Company's Medium-Term Notes. A one-time, after-tax noncash charge of $2.2 million or $.24 per share was recorded in 1994 upon the adoption of Statement of Financial Accounting Standards No. 112, "Employers' Accounting for Postemployment Benefits" ("SFAS 112").

Pretax earnings in 1995 were slightly higher than pretax earnings in 1994 despite increases in certain raw material costs and short-term interest rates. Costs of goods sold related to net franchise sales increased due to higher packaging costs; however, selling price increases more than offset the higher cost of goods sold. The cost of aluminum cans increased significantly at the beginning of 1995 as a result of increases in the price of aluminum ingot. The Company entered into agreements in the fourth quarter of 1995 with its aluminum can suppliers which require the Company to purchase the majority of its aluminum can requirements for two of its four manufacturing facilities. These agreements, which extend through the end of 2000, also reduce the variability of the cost of cans for these two facilities. The cost of resin used to make plastic bottles also increased significantly during 1995. The Company does not expect a similar increase in the cost of plastic bottles in 1996.

Net franchise sales for 1995 increased 9%, reflecting a volume increase of approximately 5% and higher average net selling prices. Sales to other bottlers decreased by 13% during 1995 as compared to 1994 primarily due to South Atlantic Canners providing a larger portion of Piedmont's finished products requirements. Finished products are sold by the Company to Piedmont at cost. The Company's share of Piedmont's net loss increased from $671,000 in 1994 to $2.1 million in 1995. The increased loss was due primarily to higher short-term interest rates on Piedmont's variable rate debt.

Gross margin increased 6% in 1995. As a percentage of net franchise sales, gross margin decreased slightly due to higher ingredient costs.

Selling expenses for 1995 increased at a slower rate than net sales. Selling expenses decreased from 26.3% of net franchise sales in 1994 to 25.9% of net franchise sales in 1995. Increased selling costs were due to the Company's ongoing commitment to sales development programs which resulted in increased market share in 1995. Employment costs rose over 1994 levels due to increases in franchise volume and in certain sales and operational areas as the Company strives to improve employee retention in key markets.

Depreciation expense increased 10.6% as a result of significant capital spending in 1995 and 1994, primarily for manufacturing improvements related to packaging changes and improvements to distribution facilities.

Interest expense increased by 5.4% in 1995 despite a reduction in long-term debt of $13 million. This increase is attributable to an average borrowing cost in 1995 of 7.3% versus 6.6% in 1994, due primarily to higher interest rates on the Company's variable rate debt. The early retirement of approximately $87 million of Medium-Term Notes in the fourth quarter of 1995 is expected to reduce interest expense in 1996 as a result of lower interest rates.

The $3.5 million change in "other income (expense), net" primarily reflects a $1.2 million loss on disposal of assets in 1995 compared to a $1.4 million gain on disposals in 1994. In addition, higher short-term interest rates increased the cost of the Company's accounts receivable sale program by $.6 million.

The effective tax rate for federal and state income taxes was approximately 38.4% in 1995 versus approximately 42% in 1994. The difference between the effective rate and the statutory rate was due primarily to amortization of nondeductible goodwill, state income taxes, nondeductible premiums on officers' life insurance and other nondeductible expenses. The 1995 rate was lower than the 1994 rate due to the utilization of certain credits and the reduced impact of nondeductible items.

1994 COMPARED TO 1993

The Company reported net income of $11.9 million or $1.28 per share for fiscal 1994 compared to $14.8 million or $1.60 per share for fiscal 1993. A one-time, after-tax noncash charge of $2.2 million or $.24 per share was recorded in the first quarter of 1994 upon the adoption of Statement of Financial Accounting Standards No. 112, "Employers' Accounting for Postemployment Benefits" ("SFAS 112"). SFAS 112 requires the accrual, during the years that employees render service, of the expected cost of providing postemployment benefits if certain criteria are met.

Pretax earnings in 1994 were slightly higher than pretax earnings in 1993 despite higher short-term interest rates that increased interest expense by approximately 10% in the second half of 1994 versus the second half of 1993.

Due to the formation of Piedmont on July 2, 1993, results of operations for 1994 are not directly comparable to the results of operations for 1993. On a comparable franchise territory basis, net franchise sales for 1994 increased 5.2%, reflecting a volume increase of 4.6% and slightly higher average net selling prices. The higher net selling prices maintained the increases in net selling prices realized in 1993. Sales to other bottlers increased 57% during 1994 as compared to 1993 primarily due to the sale of soft drink products to Piedmont. Finished products are sold to Piedmont at cost.

When adjusted for comparable territories, gross margin increased 4.8%. As a percentage of net franchise sales, gross margin decreased slightly due to higher ingredient costs.

For comparable franchise territories, selling expenses increased from approximately 24.3% of net franchise sales in 1993 to approximately 26.3% of net franchise sales in 1994. New sales development programs contributed to the increase in selling expenses and resulted in improved market share. Higher employment costs were incurred due to planned increases in certain sales and operations functions to improve customer service and to reduce turnover. Increased expenses associated with the cold drink effort resulted in a record number of placements of vending equipment. For the comparable franchise territories, general and administrative expenses as a percentage of net sales increased slightly due to higher employment costs.

Amortization of goodwill and intangibles decreased 16.7% for fiscal 1994, reflecting the 1993 sale and contribution of franchise territories to Piedmont. Depreciation expense increased 3.9% as a result of increased capital spending, primarily for manufacturing improvements related to packaging changes and other line efficiency projects.

Interest expense increased 1.3% due to higher short-term interest rates. The Company's overall weighted average borrowing rate on its long-term debt increased from an average of 5.9% during 1993 to an average of 6.6% during 1994.

The change in "other income (expense), net" for 1994 was due primarily to a third quarter 1994 gain on the sale of one of the Company's aircraft and a first quarter 1994 gain on the sale of an idle production facility. This facility was acquired in the 1991 Sunbelt acquisition and was closed in April 1992. Gains of approximately $1.4 million on sales of property, plant and equipment were included in "other income (expense), net" in 1994. Losses of approximately $1.1 million on sales of property, plant and equipment were included in "other income (expense), net" in 1993.

The effective tax rate for federal and state income taxes was approximately 42% in 1994 versus approximately 38% in 1993. The difference between the effective rate and the statutory rate was due primarily to amortization of nondeductible goodwill, state income taxes, nondeductible premiums on officers' life insurance and other nondeductible expenses. The 1993 rate was lower due to the utilization of certain tax benefits from prior years. The formation of Piedmont allowed the utilization of these benefits.

FINANCIAL CONDITION

Working capital increased by $4.0 million from a deficit of $14.3 million on January 1, 1995 to a deficit of $10.3 million on December 31, 1995. The working capital deficit is a result of the Company's sale of its trade accounts receivable. The Company had sold trade accounts receivable of $35 million as of December 31, 1995 and January 1, 1995. Proceeds from the sale of the Company's trade accounts receivable were used to reduce its outstanding long-term debt. The increase in working capital was primarily due to an increase in trade accounts receivable and a decrease in accrued interest payable. Trade accounts receivable increased principally due to increases in net sales. Accrued interest declined due to the early retirement and refinancing of a portion of the Company's long-term debt.

Other liabilities increased by $6.2 million primarily due to deferred revenue received from certain franchisors under multi-year marketing programs and liabilities accrued under certain deferred compensation programs.

In March 1995, the Financial Accounting Standards Board issued Statement of Financial Accounting Standard No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of." This statement, which is effective for fiscal years beginning after December 15, 1995, requires that an entity evaluate long-lived assets and certain other identifiable intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. An impairment loss meeting the recognition criteria is to be measured as the amount by which the carrying amount for financial reporting purposes exceeds the fair value of the asset. The Company plans to adopt this statement in 1996 and does not expect adoption of the statement to have a material effect on the Company's financial position or results of operations.

In October 1995, the Financial Accounting Standards Board issued Statement of Financial Accounting Standard No. 123, "Accounting for Stock-Based Compensation," effective for fiscal years beginning after December 15, 1995. This statement defines a fair value method of accounting for employee stock options and encourages entities to adopt that method of accounting for its stock compensation plans. Under the prescribed method, compensation cost would be measured at the grant date based on the fair value of the award and would be recognized over the related service period. An entity that does not adopt the fair value method of accounting will be required to include in its financial statements pro forma disclosures of net income and earnings per share as if the fair value method of accounting had been applied. The Company plans to adopt this statement in 1996 and does not expect adoption of the statement to have a material effect on the Company's financial position or results of operations.

LIQUIDITY AND CAPITAL RESOURCES

On December 21, 1995, the Company amended and restated a revolving credit agreement totaling $170 million and extended the maturity date to December 2000. The agreement contains several covenants that establish ratio requirements related to debt, interest expense and cash flow. A facility fee of 1/8% per year on the banks' commitment is payable quarterly. There were no amounts outstanding under this facility on December 31, 1995.

On November 20, 1995, the Company entered into a $170 million variable rate loan agreement with $85 million maturing in November 2002 and $85 million maturing in November 2003. This loan was used to repay two $60 million loans and other debt. As of December 31, 1995, $170 million was outstanding under this agreement.

On November 1, 1995, the Company issued $100 million of 6.85% debentures due 2007 pursuant to a $400 million shelf registration filed in 1994 with the Securities and Exchange Commission. The net proceeds from this issuance were used to repurchase approximately $87 million of the Company's Medium-Term Notes due between 1999 and 2002 and to repay other outstanding borrowings.

The Company borrows from time to time under informal lines of credit from various banks. On December 31, 1995, the Company had $246 million available under these lines, of which $22.6 million was outstanding. Loans under these lines are made at the discretion of the banks at rates negotiated at the time of borrowing.

A $100 million commercial paper program was established in January 1990 for general corporate purposes. On December 31, 1995, there were no amounts outstanding under this program.

It is the Company's intent to renew any borrowings under the revolving credit facility and the lines of credit as they mature. To the extent that any borrowings under the revolving credit facility, the informal lines of credit and commercial paper program do not exceed the amount available under the Company's $170 million revolving credit facility, they are classified as noncurrent liabilities.

On June 26, 1992, the Company entered into a three-year arrangement under which it has the right to sell an undivided interest in a designated pool of trade accounts receivable for up to a maximum of $40 million. This arrangement was amended in June 1995 to extend the arrangement to June 1998 on terms substantially similar to those previously in place. On December 31, 1995, the Company had sold $35 million of its trade accounts receivable and used the proceeds to reduce its outstanding long-term debt.

On October 30, 1992, the Company entered into a three-year, $50 million loan agreement. This agreement was amended November 30, 1992 to increase this facility by $25 million to a total of $75 million. The proceeds from the loan agreement were used primarily to redeem the Company's outstanding preferred stock. On January 31, 1994, funds from informal lines of credit were used to repay the $75 million loan agreement.

As of December 31, 1995, the Company was in compliance with the covenants contained in its various borrowing agreements.

The Company uses interest rate hedging products to modify risk from interest rate fluctuations in its underlying debt. The Company has historically altered its fixed/floating rate mix based upon anticipated operating cash flows of the Company relative to its debt level and the Company's ability to absorb increases in interest rates. Sensitivity analyses are performed to review the impact of various interest rate movements on the Company's financial position and coverage ratios. The Company does not use derivative financial instruments for trading purposes.

The weighted average interest rate of the debt portfolio as of December 31, 1995 is 7.2%. Approximately 48% of the Company's debt portfolio of $420 million was subject to changes in short-term interest rates as of December 31, 1995.

Leasing is used to lower the Company's overall cost for certain capital equipment additions. Total lease expense in 1995 was $23.3 million compared to $20.9 million in 1994. The Company plans to lease the majority of its vending and fleet requirements in 1996.

At the end of 1995, the Company had no material commitments for the purchase of capital assets other than those related to normal replacement of equipment.

Management believes that the Company, through the generation of cash flow from operations and the utilization of unused borrowing capacity, has sufficient financial resources available to maintain its current operations and provide for its current capital expenditure requirements. The Company considers the acquisition of additional franchise territories on an ongoing basis.

ITEM 8 -- FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

COCA-COLA BOTTLING CO. CONSOLIDATED

CONSOLIDATED BALANCE SHEETS

IN THOUSANDS (EXCEPT SHARE DATA)

	DEC. 31, 1995	JAN. 1, 1995
ASSETS		
Current assets:		
Cash	$ 2,434	$ 1,812
Accounts receivable, trade, less allowance for doubtful accounts of $406 and $400	12,098	7,756
Accounts receivable from The Coca-Cola Company	6,725	4,514
Due from Piedmont Coca-Cola Bottling Partnership	4,584	1,383
Accounts receivable, other	9,492	7,232
Inventories	27,989	31,871
Prepaid expenses and other current assets	6,935	5,054
Total current assets	70,257	59,622
PROPERTY, PLANT AND EQUIPMENT, less accumulated depreciation of $153,602 and $141,419	191,800	185,633
INVESTMENT IN PIEDMONT COCA-COLA BOTTLING PARTNERSHIP	65,624	67,729
OTHER ASSETS	33,268	23,394
IDENTIFIABLE INTANGIBLE ASSETS, less accumulated amortization of $85,535 and $75,667	247,983	257,851
EXCESS OF COST OVER FAIR VALUE OF NET ASSETS OF BUSINESSES ACQUIRED, less accumulated amortization of $23,980 and $21,689	67,639	69,930
Total	$676,571	$664,159

See Accompanying Notes to Consolidated Financial Statements.

	DEC. 31, 1995	JAN. 1, 1995
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Portion of long-term debt payable within one year	$ 120	$ 300
Accounts payable and accrued liabilities	65,510	55,215
Accounts payable to The Coca-Cola Company	3,636	2,930
Accrued compensation	5,049	4,246
Accrued interest payable	6,259	11,275
Total current liabilities	80,574	73,966
DEFERRED INCOME TAXES	97,252	89,531
OTHER LIABILITIES	39,877	33,710
LONG-TERM DEBT	419,896	432,971
Total liabilities	637,599	630,178
SHAREHOLDERS' EQUITY:		
Convertible Preferred Stock, $100 par value: Authorized-50,000 shares; Issued-None		
Nonconvertible Preferred Stock, $100 par value: Authorized-50,000 shares; Issued-None		
Preferred Stock, $.01 par value: Authorized-20,000,000 shares; Issued-None		
Common Stock, $1 par value: Authorized-30,000,000 shares; Issued-10,090,859 shares	10,090	10,090
Class B Common Stock, $1 par value: Authorized-10,000,000 shares; Issued-1,964,476 shares	1,965	1,965
Class C Common Stock, $1 par value: Authorized-20,000,000 shares; Issued-None		
Capital in excess of par value	120,733	130,028
Accumulated deficit	(76,032)	(86,552)
Minimum pension liability adjustment	(138)	(3,904)
	56,618	51,627
Less-Treasury stock, at cost:		
Common-2,132,800 shares	17,237	17,237
Class B Common-628,114 shares	409	409
Total shareholders' equity	38,972	33,981
Total	$676,571	$664,159

See Accompanying Notes to Consolidated Financial Statements.

COCA-COLA BOTTLING CO. CONSOLIDATED

CONSOLIDATED STATEMENTS OF OPERATIONS

IN THOUSANDS (EXCEPT PER SHARE DATA)

	FISCAL YEAR		
	1995	1994	1993
NET SALES (includes sales to Piedmont of $71,123, $85,272 and $42,183)	$761,876	$723,896	$686,960
Cost of products sold, excluding depreciation shown below (includes $62,526, $75,879 and $38,944 related to sales to Piedmont)	447,636	427,140	396,077
GROSS MARGIN	314,240	296,756	290,883
Selling expenses	158,831	149,992	144,411
General and administrative expenses	54,720	54,559	51,125
Depreciation expense	26,746	24,188	23,284
Amortization of goodwill and intangibles	12,230	12,309	14,784
INCOME FROM OPERATIONS	61,713	55,708	57,279
Interest expense	33,091	31,385	30,994
Other income (expense), net	(3,401)	63	(2,270)
Income before income taxes, extraordinary charge and effect of accounting change	25,221	24,386	24,015
Federal and state income taxes:			
Current	751	304	1,921
Deferred	8,934	9,935	7,261
Total federal and state income taxes	9,685	10,239	9,182
Income before extraordinary charge and effect of accounting change	15,536	14,147	14,833
Extraordinary charge, net of tax benefit of $3,127	(5,016)		
Effect of accounting change		(2,211)	
NET INCOME	$ 10,520	$ 11,936	$ 14,833
Income per share:			
Income before extraordinary charge and effect of accounting change	$ 1.67	$ 1.52	$ 1.60
Extraordinary charge	(.54)		
Effect of accounting change		(.24)	
NET INCOME	$ 1.13	$ 1.28	$ 1.60
Cash dividends per share:			
Common Stock	$ 1.00	$ 1.00	$ .88
Class B Common Stock	1.00	1.00	.52
Weighted average number of Common and Class B Common shares outstanding	9,294	9,294	9,258

See Accompanying Notes to Consolidated Financial Statements.

COCA-COLA BOTTLING CO. CONSOLIDATED

CONSOLIDATED STATEMENTS OF CASH FLOWS

IN THOUSANDS

	FISCAL YEAR		
	1995	1994	1993
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	$ 10,520	$ 11,936	$ 14,833
Adjustments to reconcile net income to net cash provided by operating activities:			
Extraordinary charge	5,016		
Effect of accounting change		2,211	
Depreciation expense	26,746	24,188	23,284
Amortization of goodwill and intangibles	12,230	12,309	14,784
Deferred income taxes	8,934	9,935	7,261
(Gains) losses on sale of property, plant and equipment	1,182	(1,361)	1,148
Amortization of debt costs	467	448	511
Undistributed loss of Piedmont Coca-Cola Bottling Partnership	2,105	671	1,600
Increase in current assets less current liabilities	(3,174)	(8,667)	(403)
Increase in other noncurrent assets	(9,588)	(3,287)	(4,414)
Increase in other noncurrent liabilities	10,891	7,779	1,191
Other	237	521	25
Total adjustments	55,046	44,747	44,987
Net cash provided by operating activities	65,566	56,683	59,820
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from the issuance of long-term debt	73,840		
Payments on long-term debt		(1,387)	(120,768)
Issuance of Common Stock			2,269
Redemption of Medium-Term Notes	(95,948)		
Cash dividends paid	(9,295)	(9,294)	(7,665)
Other	791	(1,654)	(1,376)
Net cash used in financing activities	(30,612)	(12,335)	(127,540)
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment	(37,284)	(49,292)	(28,786)
Proceeds from the sale of property, plant and equipment	2,952	5,494	1,908
Acquisitions of companies, net of cash acquired			(1,488)
Net proceeds from sale and contribution of assets to Piedmont Coca-Cola Bottling Partnership			95,934
Net cash provided by (used in) investing activities	(34,332)	(43,798)	67,568
NET INCREASE (DECREASE) IN CASH	622	550	(152)
CASH AT BEGINNING OF YEAR	1,812	1,262	1,414
CASH AT END OF YEAR	$ 2,434	$ 1,812	$ 1,262

See Accompanying Notes to Consolidated Financial Statements.

COCA-COLA BOTTLING CO. CONSOLIDATED

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

IN THOUSANDS

	COMMON STOCK	CLASS B COMMON STOCK	CAPITAL IN EXCESS OF PAR VALUE	ACCUMULATED DEFICIT	MINIMUM PENSION LIABILITY ADJUSTMENT	TREASURY STOCK
Balance on January 3, 1993	$ 9,977	$1,965	$ 144,831	$(113,321)		$ 17,646
Net income				14,833		
Cash dividends paid			(7,665)			
Issuance of Common Stock	113		2,156			
Minimum pension liability adjustment					$ (5,614)	
Balance on January 2, 1994	10,090	1,965	139,322	(98,488)	(5,614)	17,646
Net income				11,936		
Cash dividends paid			(9,294)			
Minimum pension liability adjustment					1,710	
Balance on January 1, 1995	10,090	1,965	130,028	(86,552)	(3,904)	17,646
Net income				10,520		
Cash dividends paid			(9,295)			
Minimum pension liability adjustment					3,766	
BALANCE ON DECEMBER 31, 1995	$10,090	$1,965	$ 120,733	$ (76,032)	$ (138)	$ 17,646

See Accompanying Notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

Coca-Cola Bottling Co. Consolidated (the "Company") is engaged in the production, marketing and distribution of carbonated and noncarbonated beverages, primarily products of The Coca-Cola Company. The Company operates in portions of 11 states, principally in the southeastern region of the United States.

The consolidated financial statements include the accounts of the Company and its majority owned subsidiaries. All significant intercompany accounts and transactions have been eliminated.

The fiscal years presented are the 52-week periods ended December 31, 1995, January 1, 1995 and January 2, 1994.

Certain prior year amounts have been reclassified to conform to current year classifications.

The Company's more significant accounting policies are as follows:

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, cash in banks and cash equivalents, which are highly liquid debt instruments with maturities of less than 90 days.

INVENTORIES

Inventories are stated at the lower of cost, primarily determined on the last-in, first-out basis ("LIFO"), or market.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are recorded at cost and depreciated using the straight-line method over the estimated useful lives of the assets. Additions and major replacements or betterments are added to the assets at cost. Maintenance and repair costs and minor replacements are charged to expense when incurred. When assets are replaced or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts, and the gains or losses, if any, are reflected in income.

INVESTMENT IN PIEDMONT COCA-COLA BOTTLING PARTNERSHIP

The Company beneficially owns a 50% interest in Piedmont Coca-Cola Bottling Partnership ("Piedmont"). The Company accounts for its interest in Piedmont using the equity method of accounting.

With respect to Piedmont, sales of soft drink products at cost, management fee revenue and the Company's share of Piedmont's results from operations are included in "Net sales." See Note 2 for additional information.

INCOME TAXES

The Company provides deferred income taxes for the tax effects of temporary differences between the financial reporting and income tax bases of the Company's assets and liabilities.

BENEFIT PLANS

The Company has a noncontributory pension plan covering substantially all nonunion employees and one noncontributory pension plan covering certain union employees. Costs of the plans are charged to current operations and consist of several components of net periodic pension cost based on various actuarial assumptions regarding future experience of the plans. In addition, certain other union employees are covered by plans provided by their respective union organizations. The Company expenses amounts as paid in accordance with union agreements. The Company recognizes the cost of postretirement benefits, which consist principally of medical benefits, during employees' periods of active service.

Amounts recorded for benefit plans reflect estimates related to future interest rates, investment returns, employee turnover, wage increases and health care costs. The Company reviews all assumptions and estimates on an ongoing basis.

INTANGIBLE ASSETS AND EXCESS OF COST OVER FAIR VALUE OF NET ASSETS OF BUSINESSES ACQUIRED

Identifiable intangible assets resulting from the acquisition of Coca-Cola bottling franchises are being amortized on a straight-line basis over periods ranging from 17 to 40 years. The excess of cost over fair value of net assets of businesses acquired is being amortized on a straight-line basis over 40 years.

The Company continually monitors conditions that may affect the carrying value of its intangible assets. When conditions indicate potential impairment of an intangible asset, the Company will undertake necessary market studies and reevaluate projected future cash flows associated with the intangible asset. When projected future cash flows, not discounted for the time value of money, are less than the carrying value of the intangible asset, the impaired asset is written down to its net realizable value.

PER SHARE AMOUNTS

Per share amounts are calculated based on the weighted average number of Common and Class B Common shares outstanding.

POSTEMPLOYMENT BENEFITS

In November 1992, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 112, "Employers' Accounting for Postemployment Benefits" ("SFAS 112"). SFAS 112 requires the accrual, during the years that employees render service, of the expected cost of providing postemployment benefits if certain criteria are met. Postemployment benefits encompass various types of employer-provided benefits including, but not limited to, workers' compensation, disability-related benefits and severance benefits.

The Company adopted the provisions of SFAS 112 in the first quarter of 1994, effective January 3, 1994.

DERIVATIVE FINANCIAL INSTRUMENTS

Premiums paid for interest rate cap agreements are amortized to interest expense over the terms of the agreements. Unamortized premiums are included in other liabilities. Amounts receivable under cap agreements are accrued as a reduction of interest expense.

Unamortized deferred gains or losses on interest rate swap terminations are amortized over the lives of the initial agreements as an adjustment to interest expense. Amounts receivable or payable under interest rate swap agreements are included in other assets or other liabilities.

Forward rate agreements are used to fix the interest rate reset periods on a portion of debt that is floating. The differential to be paid or received under these agreements is accrued as interest rates change and is recognized as an adjustment to interest expense over the terms of the agreements. Amounts receivable or payable under forward rate agreements are included in other assets or other liabilities.

2. INVESTMENT IN PIEDMONT COCA-COLA BOTTLING PARTNERSHIP

On July 2, 1993, the Company and The Coca-Cola Company formed Piedmont Coca-Cola Bottling Partnership ("Piedmont") to distribute and market soft drink products primarily in certain portions of North Carolina and South Carolina. The Company and The Coca-Cola Company, through their respective subsidiaries, each beneficially own a 50% interest in Piedmont. The Company provides a portion of the soft drink products for Piedmont at cost and receives a fee for managing the operations of Piedmont pursuant to a management agreement.

Subsidiaries of the Company made an initial capital contribution to Piedmont of $70 million in the aggregate. The capital contribution made by such subsidiaries was composed of approximately $21.7 million in cash and of bottling operations and certain assets used in connection with the Company's Wilson, North Carolina and Greenville and Beaufort, South Carolina territories. The cash contributed to Piedmont by the Company's subsidiaries was provided from the Company's available credit facilities. The Company sold other territories to Piedmont for an aggregate purchase price of approximately $118 million. Assets were sold or contributed at their approximate carrying values. Proceeds from the sale of territories to

Piedmont, net of the Company's cash contribution, totaled approximately $96 million and were used to reduce the Company's long-term debt.

Summarized financial information for Piedmont is as follows:

IN THOUSANDS	DEC. 31, 1995	JAN. 1, 1995
Current assets	$ 22,136	$ 18,907
Noncurrent assets	351,450	358,371
Total assets	$373,586	$377,278
Current liabilities	$ 13,775	$ 7,035
Noncurrent liabilities	228,563	234,785
Total liabilities	242,338	241,820
Partners' equity	131,248	135,458
Total liabilities and partners' equity	$373,586	$377,278
Company's equity investment	$ 65,624	$ 67,729

IN THOUSANDS	FISCAL YEAR 1995	FISCAL YEAR 1994	FOR THE PERIOD JULY 2, 1993 THROUGH JANUARY 2, 1994
Net sales	$212,665	$194,054	$ 91,259
Cost of products sold	126,197	109,563	52,535
Gross margin	86,468	84,491	38,724
Income from operations	5,618	6,705	1,209
Net loss	$ (4,210)	$ (1,342)	$ (3,200)
Company's equity in loss	$ (2,105)	$ (671)	$ (1,600)

3. INVENTORIES

Inventories are summarized as follows:

IN THOUSANDS	DEC. 31, 1995	JAN. 1, 1995
Finished products	$17,809	$17,621
Manufacturing materials	8,809	12,638
Used bottles and cases	1,371	1,612
Total inventories	$27,989	$31,871

The amounts included above for inventories valued by the LIFO method were greater than replacement or current cost by approximately $1.2 million and $2.1 million on December 31, 1995 and January 1, 1995, respectively, as a result of inventory premiums associated with certain acquisitions.

4. PROPERTY, PLANT AND EQUIPMENT

The principal categories and estimated useful lives of property, plant and equipment were as follows:

IN THOUSANDS	DEC. 31, 1995	JAN. 1, 1995	ESTIMATED USEFUL LIVES
Land	$ 9,500	$ 9,898	
Buildings	71,359	65,973	10-50 years
Machinery and equipment	80,909	76,296	5-20 years
Transportation equipment	48,267	42,439	4-10 years
Furniture and fixtures	23,027	21,180	7-10 years
Vending equipment	88,903	88,666	6-13 years
Leasehold and land improvements	20,048	18,049	5-20 years
Construction in progress	3,389	4,551	
Total property, plant and equipment, at cost	345,402	327,052	
Less: Accumulated depreciation	153,602	141,419	
Property, plant and equipment, net	$191,800	$185,633	

5. IDENTIFIABLE INTANGIBLE ASSETS

The principal categories and estimated useful lives of identifiable intangible assets, net of accumulated amortization, were as follows:

IN THOUSANDS	DEC. 31, 1995	JAN. 1, 1995	ESTIMATED USEFUL LIVES
Franchise rights	$217,149	$223,679	40 years
Customer lists	25,400	28,129	17-23 years
Advertising savings	4,764	5,278	17-23 years
Other	670	765	17-18 years
Total identifiable intangible assets	$247,983	$257,851	

6. LONG-TERM DEBT

Long-term debt is summarized as follows:

IN THOUSANDS	MATURITY	INTEREST RATE	FIXED(F) OR VARIABLE(V) RATE	INTEREST PAID	DEC. 31, 1995	JAN. 1, 1995
Lines of Credit	2000	6.00%-6.04%	V	Varies	$ 22,590	$ 93,420
Term Loan Agreement	2002	6.44%-6.46%	V	Varies	85,000	60,000
Term Loan Agreement	2003	6.44%-6.46%	V	Varies	85,000	60,000
Medium-Term Notes	1998	6.37%	V	Quarterly	10,000	10,000
Medium-Term Notes	1998	10.05%	F	Semi-annually	2,000	2,000
Medium-Term Notes	1999	7.99%	F	Semi-annually	28,585	66,500
Medium-Term Notes	2000	10.00%	F	Semi-annually	25,500	55,000
Medium-Term Notes	2002	8.56%	F	Semi-annually	47,000	66,500
Debentures	2007	6.85%	F	Semi-annually	100,000	
Notes acquired in Sunbelt acquisition	2001	8.00%	F	Quarterly	217	5,327
Other notes payable	1996-2001	6.85%-12.00%	F	Varies	14,124	14,524
					420,016	433,271
Less: Portion of long-term debt payable within one year					120	300
Long-term debt					$419,896	$432,971

The principal maturities of long-term debt outstanding on December 31, 1995 were as follows:

IN THOUSANDS	
1997	$ 125
1998	12,050
1999	28,635
2000	50,762
Thereafter	328,324
Total long-term debt	$419,896

On December 21, 1995, the Company amended and restated the revolving credit agreement totaling $170 million and extended the revolving credit maturity date to December 2000. The agreement contains several covenants which establish ratio requirements related to debt, interest expense and cash flow. A facility fee of 1/8% per year on the banks' commitment is payable quarterly. There were no amounts outstanding under this facility as of December 31, 1995.

A $100 million commercial paper program was established in January 1990 for general corporate purposes. On December 31, 1995, there were no amounts outstanding under this program.

The Company borrows from time to time under informal lines of credit from various banks. On December 31, 1995, the Company had $246 million of credit available under these lines, of which $22.6 million was outstanding. Loans under these lines are made at the sole discretion of the banks at rates negotiated at the time of borrowing. It is the Company's intent to

renew such borrowings as they mature. To the extent that these borrowings, the borrowings under the revolving credit facility described above, and outstanding commercial paper do not exceed the amount available under the Company's $170 million revolving credit facility, they are classified as noncurrent liabilities.

On November 20, 1995, the Company entered into a $170 million loan agreement with $85 million maturing in November 2002 and $85 million maturing in November 2003. This loan was used to repay two $60 million loans previously entered into by the Company and other bank debt.

On June 26, 1992, the Company entered into a three-year arrangement under which it has the right to sell an undivided interest in a designated pool of trade accounts receivable for up to a maximum of $40 million. As of December 31, 1995 and January 1, 1995, the Company had sold $35 million of its trade accounts receivable and used the proceeds to reduce its outstanding long-term debt. This arrangement was amended in June 1995 to extend the arrangement to June 1998 on terms substantially similar to those previously in place. The discount on sales of trade accounts receivable was $2.2 million, $1.6 million, $1.4 million in 1995, 1994 and 1993, respectively, and is included in "other income (expense), net."

On October 12, 1994, a $400 million shelf registration for debt and equity securities filed with the Securities and Exchange Commission became effective and the securities thereunder became available for issuance. On November 1, 1995, the Company issued $100 million of 6.85% debentures due 2007 pursuant to such registration. The net proceeds from this issuance were used principally for refinancing existing indebtedness with the remainder used to repay other bank debt. As of December 31, 1995, $37.9 million of Medium-Term Notes due 1999 with a coupon rate of 7.99%, $29.5 million of Medium-Term Notes due 2000 with a coupon rate of 10.00% and $19.5 million of Medium-Term Notes due 2002 with a coupon rate of 8.56% had been repurchased. An after tax extraordinary charge of $5.0 million related to the premium paid on these repurchases was recorded in the fourth quarter of 1995.

As of December 31, 1995, the Company was in compliance with the covenants covering all of its various borrowing agreements.

The Company has a weighted average interest rate of 7.2% for the debt portfolio as of December 31, 1995 compared to 7.0% at January 1, 1995. The Company's overall weighted average borrowing rate on its long-term debt increased from an average of 6.6% during 1994 to an average of 7.3% during 1995.

As of December 31, 1995, after taking into account all of the interest rate hedging activities, approximately $203 million or 48% of the total debt portfolio was subject to changes in short-term interest rates.

A rate increase of 1% would increase annual interest expense by approximately $2.0 million and net income for the year ended December 31, 1995 would have been reduced by approximately $1.2 million. Interest coverage as of December 31, 1995 would have been 2.0 times (versus 2.1 times) if interest rates increased by 1%.

7. DERIVATIVE FINANCIAL INSTRUMENTS

The Company uses interest rate hedging products to modify risk from interest rate fluctuations in its underlying debt. The Company has historically altered its fixed/floating rate mix based upon anticipated operating cash flows of the Company relative to its debt level and the Company's ability to absorb increases in interest rates. During 1995, and in conjunction with the Company's early retirement of a portion of its Medium-Term Notes, all but two of the derivative financial instruments held by the Company were extinguished.

All deferred gains and losses on interest rate hedging transactions associated with the retired Medium-Term Notes have been recognized in 1995. The notional amount of the extinguished interest rate swaps exceeds the amount of debt retired due to the Company's practice of offsetting swaps. Offsetting swaps rather than an original swap were used to help mitigate counterparty credit risk as well as reduce administrative burden. The offsetting swaps along with original swaps and the underlying debt were accounted for as a combined instrument. The Company does not use derivative financial instruments for trading or other speculative purposes nor does it use leveraged financial instruments. All of the Company's outstanding interest rate swap agreements are LIBOR-based. The Company's two remaining interest rate swaps are with the same financial institution and effectively offset each other. Accordingly, risk of counterparty nonperformance is considered minimal.

Derivative financial instruments are summarized as follows:

IN THOUSANDS	December 31, 1995 Amount	December 31, 1995 Remaining Term	January 1, 1995 Amount	January 1, 1995 Remaining Term
Interest rate swaps -- floating	$60,000	8 years	$221,600	6-9 years
Interest rate swaps -- fixed	60,000	8 years	215,000	1-9 years
Interest rate caps	-0-	--	110,000	.5 years

INTEREST RATE SWAP ACTIVITY

The table below summarizes interest rate swap activity for the period ending December 31, 1995:

IN THOUSANDS	
Total swaps, January 1, 1995	$ 436,600
New swaps	25,000
Terminated swaps	(341,600)
Expired swaps	-0-
Total swaps, December 31, 1995	$ 120,000

8. FAIR VALUES OF FINANCIAL INSTRUMENTS

The following methods and assumptions were used by the Company in estimating the fair values of its financial instruments:

PUBLIC DEBT

The fair values of the Company's public debt are based on estimated market prices.

NON-PUBLIC VARIABLE RATE LONG-TERM DEBT

The carrying amounts of the Company's variable rate borrowings approximate their fair values.

NON-PUBLIC FIXED RATE LONG-TERM DEBT

The fair values of the Company's fixed rate long-term borrowings are estimated using discounted cash flow analyses based on the Company's current incremental borrowing rates for similar types of borrowing arrangements.

DERIVATIVE FINANCIAL INSTRUMENTS

Fair values for the Company's interest rate swaps are based on current settlement values.

The carrying amounts and fair values of the Company's balance sheet and off-balance-sheet instruments were as follows:

IN THOUSANDS	December 31, 1995 Carrying Amount	December 31, 1995 Fair Value	January 1, 1995 Carrying Amount	January 1, 1995 Fair Value
Balance Sheet Instruments				
Public debt	$ 213,085	$ 228,103	$ 200,000	$ 201,119
Non-public variable rate long-term debt	192,590	192,590	213,420	213,420
Non-public fixed rate long-term debt	14,341	16,189	19,851	19,030
Off-Balance-Sheet Instruments				
Interest rate swaps		(4,725)		(11,123)

The fair values of the interest rate swaps represent the estimated amounts the Company would have had to pay to terminate these agreements.

9. COMMITMENTS AND GUARANTEES

Operating lease payments are charged to expense as incurred. Such rental expenses included in the consolidated statements of operations were $23.3 million, $20.9 million and $17.3 million for 1995, 1994 and 1993, respectively.

The following is a summary of future minimum lease payments for all operating leases as of December 31, 1995:

IN THOUSANDS	
1996	$ 23,255
1997	20,759
1998	18,940
1999	14,588
2000	11,445
Thereafter	29,651
Total minimum lease payments	$118,638

The Company is a member of one cooperative from which it is obligated to purchase a specified minimum number of plastic bottles on an annual basis through December 1998. The annual purchase commitment under this agreement is approximately $.5 million. The Company is a member of another cooperative from which it is obligated to purchase a specified number of cases of finished product on an annual basis. The current annual purchase commitment under this agreement is approximately $40 million.

The Company guarantees a portion of the debt for one cooperative from which the Company purchases plastic bottles. The Company also guarantees a portion of debt for South Atlantic Canners, Inc., a manufacturing cooperative that is being managed by the Company. See Note 13 to the consolidated financial statements for additional information concerning these financial guarantees. The total amounts guaranteed on December 31, 1995 and January 1, 1995 were $35.2 million and $31.0 million, respectively.

The Company has entered into purchase agreements for aluminum cans on an annual basis through 2000. The annual purchase commitment under these agreements is approximately $39 million.

10. INCOME TAXES

The provision for income taxes on income before extraordinary charge and the effect of an accounting change consisted of the following:

	FISCAL YEAR		
IN THOUSANDS	1995	1994	1993
Current:			
Federal	$ 751	$ 304	$ 1,921
State			
	751	304	1,921
Deferred:			
Federal	9,382	8,957	(27,748)
State	2,130	1,213	(3,662)
Benefit of acquired loss carryforwards used to reduce franchise value			35,599
Benefit (expense) of minimum pension liability adjustment	(2,578)	(359)	3,072
Other		124	
	8,934	9,935	7,261
Income tax expense	$ 9,685	$10,239	$ 9,182

Income tax benefits of $1.7 million were recorded in 1994 in conjunction with the adoption of SFAS 112. Income tax benefits of $3.1 million were recorded in 1995 related to the extraordinary charge associated with the early retirement of long-term debt at a premium.

The Company made income tax payments for alternative minimum tax of approximately $1.1 million and $.3 million during 1995 and 1994, respectively.

Deferred income taxes are recorded based upon differences between the financial statement and tax bases of assets and liabilities and available tax credit carryforwards. Temporary differences and carryforwards that comprised a significant part of deferred income tax assets and liabilities were as follows:

IN THOUSANDS	DEC. 31, 1995	JAN. 1, 1995
Intangible assets	$106,752	$107,886
Depreciation	23,166	22,249
Investment in Piedmont	19,417	18,715
Other	10,309	16,920
Gross deferred income tax liabilities	159,644	165,770
Net operating loss carryforwards	(39,736)	(56,497)
Other	(25,817)	(18,278)
Gross deferred income tax assets	(65,553)	(74,775)
Tax benefit of minimum pension liability adjustment	(48)	(2,713)
Deferred income tax liability	$ 94,043	$ 88,282

Net current deferred tax assets of $3.2 million and $1.2 million were included in prepaid expenses and other current assets on December 31, 1995 and January 1, 1995, respectively.

Reported income tax expense is reconciled to the amount computed on the basis of income before income taxes, extraordinary charge and effect of accounting change at the statutory rate as follows:

	FISCAL YEAR		
IN THOUSANDS	1995	1994	1993
Statutory expense	$8,827	$ 8,535	$ 8,405
Amortization of franchise and goodwill assets	364	364	364
State income taxes, net of federal benefit	758	1,244	1,185
Effect of change in statutory tax rates			2,100
Adjustment of valuation allowance			(3,216)
Other	(264)	96	344
Income tax expense	$9,685	$10,239	$ 9,182

The Company had $3.5 million of investment tax credits available to reduce future income tax payments for federal income tax purposes on December 31, 1995. These credits expire in varying amounts through 2001.

On December 31, 1995, the Company had $97 million and $132 million of federal and state net operating losses, respectively, available to reduce future income taxes. The net operating loss carryforwards expire in varying amounts through 2007.

The Omnibus Budget Reconciliation Act of 1993 increased the maximum federal income tax rate from 34% to 35% effective January 1, 1993. This increase resulted in additional income tax expense of $2.1 million for the year ended January 2, 1994.

11. CAPITAL TRANSACTIONS

On April 9, 1993, the Company acquired all of the outstanding stock of Whirl-i-Bird, Inc. in exchange for 80,000 shares of the Company's Common Stock valued at $1.6 million (based on the closing market price of $20 per share on March 17, 1993). Whirl-i-Bird, Inc. had previously leased a helicopter to the Company from time to time and was wholly owned by J. Frank Harrison, Jr., the Chairman of the Board of Directors of the Company. On June 25, 1993, the Company issued

33,464 shares of its Common Stock to The Coca-Cola Company at a price of $20 per share. These shares were issued pursuant to a Stock Rights and Restrictions Agreement dated January 27, 1989 that provided The Coca-Cola Company a preemptive right to purchase a number of shares of the Company's equity securities as necessary to allow it to maintain ownership of both 29.67% of the outstanding shares of common stock of all classes and 22.59% of the total votes of all outstanding shares of all classes. This preemptive right was triggered by the issuance of shares pursuant to the Whirl-i-Bird transaction.

Shareholders with Class B Common Stock are entitled to 20 votes per share compared to one vote per share on the Common Stock. Dividends on the Class B Common Stock are permitted to equal, but not exceed, dividends on the Common Stock. On February 8, 1994, the Board of Directors increased the dividend for the first quarter of 1994 to $.25 per share on both the Common and Class B Common shares outstanding. This dividend rate was maintained throughout 1994 and 1995.

On March 8, 1989, the Company granted J. Frank Harrison, Jr. an option for the purchase of 100,000 shares of Common Stock exercisable at the closing market price of the stock on the day of grant. The closing market price of the stock on March 8, 1989 was $27.00 per share. The option is exercisable, in whole or in part, at any time at the election of Mr. Harrison, Jr. over a period of 15 years from the date of grant. This option has not been exercised with respect to any such shares.

On August 9, 1989, the Company granted J. Frank Harrison, III an option for the purchase of 150,000 shares of Common Stock exercisable at the closing market price of the stock on the day of grant. The closing market price of the stock on August 9, 1989 was $29.75 per share. The option may be exercised, in whole or in part, during a period of 15 years beginning on the date of grant. The option is currently exercisable with respect to 127,500 shares and is exercisable with respect to an additional 7,500 shares annually. This option has not been exercised with respect to any such shares.

12. BENEFIT PLANS

Pension plan expense related to the two Company-sponsored pension plans for 1995, 1994 and 1993 was $2.7 million, $2.6 million and $2.5 million, respectively, including the pro rata share of past service costs, which are being amortized over 30 years. In addition, certain employees are covered by pension plans administered by unions.

Retirement benefits under the Company's principal pension plan are based on the employee's length of service, average compensation over the five consecutive years which gives the highest average compensation and the average of the Social Security taxable wage base during the 35-year period before a participant reaches Social Security retirement age. Contributions to the plan are based on the projected unit credit actuarial funding method and are limited to the amounts that are currently deductible for tax purposes.

The following table sets forth the status of the two Company-sponsored plans:

IN THOUSANDS	DEC. 31, 1995	JAN. 1, 1995
Actuarial present value of benefit obligations:		
Accumulated benefit obligation, including vested benefits of $48,990 and $40,779	$ 50,236	$ 42,282
Projected benefit obligation for service rendered to date	(56,427)	(47,355)
Plan assets at fair market value	51,988	41,107
Projected benefit obligation in excess of plan assets	(4,439)	(6,248)
Unrecognized net loss	11,752	12,158
Unrecognized prior service cost	(1,207)	12
Unrecognized net asset being amortized over 7 years	(210)	(280)
Additional minimum pension liability	(225)	(6,816)
Pension asset (liability)	$ 5,671	$ (1,174)

Under the requirements of Statement of Financial Accounting Standards No. 87, "Employers' Accounting for Pensions," an additional minimum pension liability for certain plans, representing the excess of accumulated benefits over plan assets,

was recognized as of January 2, 1994. The increase in liabilities was charged directly to shareholders' equity. As of December 31, 1995 and January 1, 1995, the minimum pension liability adjustment, net of income taxes, was $138,000 and $3.9 million, respectively.

Net periodic pension cost for the Company-sponsored pension plans included the following:

IN THOUSANDS	FISCAL YEAR 1995	1994	1993
Service cost-benefits earned	$ 1,901	$ 1,916	$ 1,693
Interest cost on projected benefit obligation	4,015	3,556	3,310
Actual return on plan assets	(6,993)	1,169	(3,965)
Net amortization and deferral	3,732	(4,034)	1,446
Net periodic pension cost	$ 2,655	$ 2,607	$ 2,484

The actuarial assumptions that were used for the Company's principal pension plan calculations were as follows:

	1995	1994
Weighted average discount rate used in determining the actuarial present value of the projected benefit obligation	7.75%	8.25%
Weighted average expected long-term rate of return on plan assets	9.0%	9.0%
Weighted average rate of compensation increase	4.50%	4.75%

The Company provides a 401(k) Savings Plan for substantially all of its nonunion employees. Under provisions of the Savings Plan, an employee is vested with respect to Company contributions upon the earlier of two consecutive years of service while participating in the Savings Plan or after five years of service with the Company. The total cost for this benefit in 1995, 1994 and 1993 was $1.6 million, $1.3 million and $1.5 million, respectively.

The Company recognizes the cost of postretirement benefits, which consist principally of medical benefits, during employees' periods of active service. The Company does not pre-fund these benefits and has the right to modify or terminate certain of these plans in the future.

The components of postretirement benefit expense were as follows:

IN THOUSANDS	FISCAL YEAR 1995	1994	1993
Service cost -- benefits earned	$ 338	$ 304	$ 238
Interest cost on projected benefit obligation	1,275	989	1,223
Net amortization	11		
Net postretirement benefit cost	$1,624	$1,293	$1,461

The accrued postretirement benefit obligation was comprised of the following:

IN THOUSANDS	DEC. 31, 1995	JAN. 1, 1995
Accumulated postretirement benefit obligation:		
Retirees	$10,025	$ 9,163
Fully eligible active plan participants	2,231	1,738
Other active plan participants	4,124	3,251
	16,380	14,152
Unrecognized transition asset	394	418
Unrecognized net loss	(2,443)	(1,622)
Accrued postretirement benefit obligation	$14,331	$12,948

The weighted average health care cost trend rate used in measuring the postretirement benefit expense was 9% in 1995 gradually declining to 5.25% in 1999 and remaining at that level thereafter. A 1% increase in this annual trend rate would have increased the accumulated postretirement benefit obligation on December 31, 1995 by approximately $1.7 million and postretirement benefit expense in 1995 would have increased by approximately $227,000. The weighted average discount rates used to estimate the accumulated postretirement benefit obligation were 7.75% and 8.25% as of December 31, 1995 and January 1, 1995, respectively.

In November 1992, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 112, "Employers' Accounting for Postemployment Benefits" ("SFAS 112"). SFAS 112 requires the accrual, during the years that employees render service, of the expected cost of providing postemployment benefits if certain criteria are met. The Company adopted the provisions of SFAS 112 in the first quarter of 1994, effective January 3, 1994, and recorded a one-time, after tax charge of $2.2 million. The annual incremental cost of adoption of SFAS No. 112 is not material on an ongoing basis.

13. RELATED PARTY TRANSACTIONS

The Company's business consists primarily of the production, marketing and distribution of soft drink products of The Coca-Cola Company, which is the sole owner of the secret formulas under which the primary components (either concentrates or syrups) of its soft drink products are manufactured. Accordingly, the Company purchases a substantial majority of its requirements for concentrates and syrups from The Coca-Cola Company in the ordinary course of its business. The Company paid The Coca-Cola Company approximately $186 million, $187 million and $158 million in 1995, 1994 and 1993, respectively, for sweetener, syrup, concentrate and other miscellaneous purchases. Additionally, the Company engages in a variety of marketing programs, local media advertising and similar arrangements to promote the sale of products of The Coca-Cola Company in territories operated by the Company. Total direct marketing support provided to the Company by The Coca-Cola Company was approximately $36 million, $32 million and $28 million in 1995, 1994 and 1993, respectively. In addition, the Company paid approximately $18 million, $15 million and $13 million in 1995, 1994 and 1993, respectively, for local media and marketing program expense pursuant to cooperative advertising and cooperative marketing arrangements with The Coca-Cola Company.

On July 2, 1993, the Company and The Coca-Cola Company formed Piedmont. The Company and The Coca-Cola Company, through their respective subsidiaries, each beneficially own a 50% interest in Piedmont. The Company provides a portion of the soft drink products for Piedmont at cost and receives a fee for managing the operations of Piedmont pursuant to a management agreement. The Company sold product to Piedmont during 1995, 1994 and the six months ended January 2, 1994, at cost, totaling $62.5 million, $75.9 million and $38.9 million, respectively. The Company received $10.7 million, $10.1 million and $4.8 million for management services pursuant to its management agreement with Piedmont for 1995, 1994 and 1993, respectively. Also, the Company subleased various fleet and vending equipment to Piedmont at cost. These sublease rentals amounted to approximately $784,000, $693,000 and $380,000 in 1995, 1994 and 1993, respectively. In addition, Piedmont subleased various fleet and vending equipment to the Company at cost. These sublease rentals amounted to approximately $186,000, $56,000 and $2,000 in 1995, 1994 and 1993, respectively.

On November 30, 1992, the Company and the owner of the Company's Snyder Production Center in Charlotte, North Carolina agreed to the early termination of the Company's lease. Harrison Limited Partnership One purchased the property contemporaneously with the termination of the lease, and the Company and Harrison Limited Partnership One entered into an agreement pursuant to which the Company leased the property for a 10-year term beginning on December 1, 1992. A North Carolina corporation owned entirely by J. Frank Harrison, Jr. serves as sole general partner of the limited partnership. The sole limited partner of this limited partnership is a trust as to which J. Frank Harrison, III and Reid M. Henson are co-trustees. The annual base rent the Company is obligated to pay for its lease of the Snyder Production Center is subject to adjustment for increases in the Consumer Price Index and for increases or decreases in interest rates, using LIBOR as the measurement device. Rent expense under this lease totaled $2,593,000, $2,007,000 and $1,947,000 in 1995, 1994 and 1993, respectively.

On June 1, 1993, the Company entered into a 10-year lease agreement with Beacon Investment Corporation related to the Company's headquarters office building. Beacon Investment Corporation's sole shareholder is J. Frank Harrison, III. The annual base rent the Company is obligated to pay under this lease is subject to adjustment for increases in the Consumer Price

Index and for increases or decreases in interest rates, using LIBOR as the measurement device. Rent expense under this lease totaled $1,804,000, $1,560,000 and $738,000 in 1995, 1994 and 1993, respectively.

The Company is a shareholder in two entities from which it purchases substantially all its requirements for plastic bottles. Net purchases from these entities were approximately $52 million, $44 million and $47 million in 1995, 1994 and 1993, respectively. In connection with its participation in one of these cooperatives, the Company has guaranteed a portion of the cooperative's debt. On December 31, 1995, such guarantee amounted to approximately $20 million.

The Company has also guaranteed a portion of debt for South Atlantic Canners, Inc., a manufacturing cooperative that is being managed by the Company. On December 31, 1995, such guarantee was approximately $15.2 million.

The Company leases vending equipment from Coca-Cola Financial Corporation ("CCFC"), a subsidiary of The Coca-Cola Company. Future lease payments to CCFC as of December 31, 1995 totaled $49.6 million. During 1995, the Company made lease payments to CCFC totaling $4.4 million.

See Note 11 to the consolidated financial statements for information concerning the Whirl-i-Bird transaction.

14. LITIGATION

On March 4, 1993, a Complaint was filed against the Company, the predecessor bottling company for the Laurel, Mississippi territory and other unnamed parties by the testatrix spouse of a deceased former employee of the predecessor bottler. This suit alleges misrepresentation and fraud in connection with the severance package offered to employees terminated by the predecessor bottler in connection with the acquisition of the Laurel franchise subsidiary of the Company. Plaintiff seeks damages in an amount up to $18 million in compensatory and punitive damages. The Company believes that the Complaint is without merit and its ultimate disposition will not have a material adverse effect on the financial condition or results of operations of the Company.

15. RISKS AND UNCERTAINTIES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Approximately 90% of the Company's sales are products of The Coca-Cola Company, which is the sole supplier of the concentrate required to manufacture these products. Additionally, the Company purchases virtually all of its requirements for sweetener from The Coca-Cola Company.

The Company currently obtains all of its aluminum cans from two domestic suppliers. The Company currently obtains all of its PET bottles from two domestic cooperatives. The inability of either of these aluminum can or PET bottle suppliers to meet the Company's requirement for containers could result in short-term shortages until alternative sources of supply could be located.

Less than 10% of the Company's labor force is currently covered by collective bargaining agreements. There are no material collective bargaining contracts expiring during 1996.

16. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Changes in current assets and current liabilities affecting cash, net of effects from acquisitions and divestitures and the effect of an accounting change, were as follows:

IN THOUSANDS	FISCAL YEAR 1995	1994	1993
Accounts receivable, trade, net	$(4,342)	$(2,796)	$(9,319)
Due from Piedmont	(3,201)	1,071	(2,454)
Accounts receivable, other	(4,471)	5,710	(3,524)
Inventories	3,882	(4,338)	(2,939)
Prepaid expenses and other assets	(1,881)	(1,729)	(845)
Portion of long-term debt payable within one year	(180)	(411)	(793)
Accounts payable and accrued liabilities	11,232	(9,381)	20,656
Accrued compensation	803	2,040	(251)
Accrued interest payable	(5,016)	1,167	(934)
Increase in current assets less current liabilities	$(3,174)	$(8,667)	$ (403)

Cash payments for interest and income taxes were as follows:

IN THOUSANDS	FISCAL YEAR 1995	1994	1993
Interest	$36,749	$30,218	$31,417
Income taxes	1,475	56	2,900

17. QUARTERLY FINANCIAL DATA (UNAUDITED)

Set forth below are unaudited quarterly financial data for the fiscal years ended December 31, 1995 and January 1, 1995.

IN THOUSANDS (EXCEPT PER SHARE DATA) YEAR ENDED DECEMBER 31, 1995	QUARTER 1	2	3	4
Net sales	$170,977	$207,876	$203,559	$179,464
Gross margin	72,074	87,134	82,727	72,305
Income before extraordinary charge	1,957	8,054	4,639	886
Extraordinary charge				(5,016)
Net income (loss)	1,957	8,054	4,639	(4,130)
Per share:				
Income before extraordinary charge	.21	.87	.50	.09
Extraordinary charge				(.54)
Net income (loss)	.21	.87	.50	(.45)
Weighted average number of common shares outstanding	9,294	9,294	9,294	9,294

IN THOUSANDS (EXCEPT PER SHARE DATA) YEAR ENDED JANUARY 1, 1995	QUARTER 1	2	3	4
Net sales	$163,817	$200,692	$188,418	$170,969
Gross margin	66,333	81,751	75,864	72,808
Income before effect of accounting change	1,510	6,700	4,899	1,038
Effect of accounting change	(2,211)			
Net income (loss)	(701)	6,700	4,899	1,038
Per share:				
Income before effect of accounting change	.16	.72	.53	.11
Effect of accounting change	(.24)			
Net income (loss)	(.08)	.72	.53	.11
Weighted average number of common shares outstanding	9,294	9,294	9,294	9,294

REPORT OF INDEPENDENT ACCOUNTANTS

TO THE BOARD OF DIRECTORS AND SHAREHOLDERS
OF COCA-COLA BOTTLING CO. CONSOLIDATED

In our opinion, the consolidated financial statements listed in the index appearing under Item 14(a) (1) and (2) of this filing present fairly, in all material respects, the financial position of Coca-Cola Bottling Co. Consolidated and its subsidiaries at December 31, 1995 and January 1, 1995, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 1995, in conformity with generally accepted accounting principles. These financial statements are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with generally accepted auditing standards which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for the opinion expressed above.

During 1994, the Company changed its method of accounting for postemployment benefits, as described in Note 12.

PRICE WATERHOUSE LLP

Charlotte, North Carolina
February 23, 1996

The financial statement schedule required by Regulation S-X is set forth in response to Item 14 below.

The supplementary data required by Item 302 of Regulation S-K is set forth in Note 17 to the financial statements.

ITEM 9 -- CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

Not applicable.

PART III

ITEM 10 -- DIRECTORS AND EXECUTIVE OFFICERS OF THE COMPANY

For information with respect to the executive officers of the Company, see "Executive Officers of the Registrant" at the end of Part I of this Report. For information with respect to the Directors of the Company, see the "Election of Directors" and "Certain Transactions" sections of the Proxy Statement for the 1996 Annual Meeting of Shareholders to be filed with the Securities and Exchange Commission, which is incorporated herein by reference. For information with respect to Section 16 reports for directors and executive officers of the Company, see the "Election of Directors -- Beneficial Ownership of Management" section of the Proxy Statement for the 1996 Annual Meeting of Shareholders.

ITEM 11 -- EXECUTIVE COMPENSATION

For information with respect to executive compensation, see the "Executive Compensation" section of the Proxy Statement for the 1996 Annual Meeting of Shareholders to be filed with the Securities and Exchange Commission, which is incorporated herein by reference (other than the subsections entitled "Report of the Compensation Committee on Annual Compensation of Executive Officers" and "Common Stock Performance," which are specifically excluded from such incorporation).

ITEM 12 -- SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

For information with respect to security ownership of certain beneficial owners and management, see the "Principal Shareholders" and "Election of Directors -- Beneficial Ownership of Management" sections of the Proxy Statement for the 1996 Annual Meeting of Shareholders to be filed with the Securities and Exchange Commission, which is incorporated herein by reference.

ITEM 13 -- CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

For information with respect to certain relationships and related transactions, see the "Certain Transactions" and "Compensation Committee Interlocks and Insider Participation" sections of the Proxy Statement for the 1996 Annual Meeting of Shareholders to be filed with the Securities and Exchange Commission, which are incorporated herein by reference.

PART IV

ITEM 14 -- EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

A. List of Documents filed as part of this report.

1. Financial Statements

Report of Independent Accountants
Consolidated Balance Sheets
Consolidated Statements of Operations
Consolidated Statements of Cash Flows
Consolidated Statements of Changes in Shareholders' Equity
Notes to Consolidated Financial Statements

2. Financial Statement Schedule

The following financial statement schedule is filed as part of this report following this Item 14. The Report of Independent Accountants with respect to the financial statement schedule is included in Item 8 above.

Schedule II -- Valuation and Qualifying Accounts and Reserves

All other financial statements and schedules not listed have been omitted because the required information is included in the consolidated financial statements or the notes thereto, or is not applicable or required.

3. Listing of Exhibits:

(i) Exhibits Incorporated by Reference:

EXHIBIT INDEX

Number	Description	Page Number or Incorporation by Reference to
(1.1)	Underwriting Agreement dated November 1, 1995 among the Company, Citicorp Securities, Inc. and Solomon Brothers, Inc.	Exhibit 1.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended October 1, 1995.
(3.1)	Bylaws of the Company, as amended.	Exhibit 3.2 to the Company's Registration Statement (No. 33-54657) on Form S-3.
(3.2)	Restated Certificate of Incorporation of the Company.	Exhibit 3.1 to the Company's Registration Statement (No. 33-54657) on Form S-3.
(4.1)	Specimen of Common Stock Certificate.	Exhibit 4.1 to the Company's Registration Statement (No. 2-97822) on Form S-1.
(4.2)	Specimen Fixed Rate Note under the Company's Medium-Term Note Program, pursuant to which it may issue, from time to time, up to $200 million aggregate principal amount of its Medium-Term Notes, Series A.	Exhibit 4.1 to the Company's Current Report on Form 8-K dated February 14, 1990.
(4.3)	Specimen Floating Rate Note under the Company's Medium-Term Note Program, pursuant to which it may issue, from time to time, up to $200 million aggregate principal amount of its Medium-Term Notes, Series A.	Exhibit 4.2 to the Company's Current Report on Form 8-K dated February 14, 1990.
(4.4)	Indenture dated as of October 15, 1989 between the Company and Manufacturers Hanover Trust Company of California, as Trustee, in connection with the Company's $200 million shelf registration of its Medium-Term Notes, Series A, due from nine months to 30 years from date of issue.	Exhibit 4. to the Company's Registration Statement (No. 33-31784) on Form S-3 as filed on February 14, 1990.

(4.5)	Selling Agency Agreement, dated as of February 14, 1990, between the Company and Salomon Brothers and Goldman Sachs, as Agents, in connection with the Company's $200 million Medium-Term Notes, Series A, due from nine months to 30 years from date of issue.	Exhibit 1.2 to the Company's Registration Statement (No. 33-31784) on Form S-3 as filed on February 14, 1990.
(4.6)	Form of Debenture issued by the Company to two shareholders of Sunbelt Coca-Cola Bottling Company, Inc. dated as of December 19, 1991.	Exhibit 4.04 to the Company's Current Report on Form 8-K dated December 19, 1991.
(4.7)	Commercial Paper Dealer Agreement, dated as of February 11, 1993, between the Company and Citicorp Securities Markets, Inc., as co-agent.	Exhibit 4.14 to the Company's Annual Report on Form 10-K for the fiscal year ended January 3, 1993.
(4.8)	Amended and restated commercial paper agreement, dated as of November 14, 1994, between the Company and Goldman Sachs Money Markets, L.P.	Exhibit 4.13 to the Company's Annual Report on Form 10-K for the fiscal year ended January 1, 1995.
(4.9)	Supplemental Indenture, dated as of March 3, 1995, between the Company and NationsBank of Georgia, National Association, as Trustee.	Exhibit 4.15 to the Company's Annual Report, as amended, on Form 10-K/A-2 for the fiscal year ended January 1, 1995.
(4.10)	First Omnibus Amendment to Purchase Agreements, dated as of June 26, 1995, by and among the Company, as Seller, Corporate Receivables Corporation, as the Investor, and Citicorp North America, Inc., individually and as agent.	Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended July 2, 1995.
(4.11)	Form of the Company's 6.85% Debentures due 2007.	Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended October 1, 1995.
(4.12)	The Registrant, by signing this report, agrees to furnish the Securities and Exchange Commission, upon its request, a copy of any instrument which defines the rights of holders of long-term debt of the Registrant and its subsidiaries for which consolidated financial statements are required to be filed, and which authorizes a total amount of securities not in excess of 10 percent of total assets of the Registrant and its subsidiaries on a consolidated basis.	

(4.13)	Loan Agreement dated as of November 20, 1995 between the Company and LTCB Trust Company, as Agent, and other banks named therein.	Exhibit included in this filing.
(4.14)	Amended and Restated Credit Agreement dated as of December 21, 1995 between the Company and NationsBank, N.A., Bank of America National Trust and Savings Association and other banks named therein.	Exhibit included in this filing.
(10.1)	Employment Agreement of James L. Moore, Jr. dated as of March 16, 1987.	Exhibit 10.2 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1986.
(10.2)	Amendment, dated as of May 18, 1994, to Employment Agreement designated as Exhibit 10.1.	Exhibit 10.84 to the Company's Annual Report on Form 10-K for the fiscal year ended January 1, 1995.
(10.3)	Stock Rights and Restrictions Agreement by and between Coca-Cola Bottling Co. Consolidated and The Coca-Cola Company dated January 27, 1989.	Exhibit 28.01 to the Company's Current Report on Form 8-K dated January 27, 1989.
(10.4)	Description and examples of bottling franchise agreements between the Company and The Coca-Cola Company.	Exhibit 10.20 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1988.
(10.5)	Lease, dated as of December 11, 1974, by and between the Company and the Ragland Corporation, related to the production/distribution facility in Nashville, Tennessee.	Exhibit 19.6 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1988.
(10.6)	Amendment to Lease Agreement designated as Exhibit 10.5.	Exhibit 19.7 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1988.
(10.7)	Second Amendment to Lease Agreement designated as Exhibit 10.5.	Exhibit 19.8 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1988.

(10.8)	Supplemental Savings Incentive Plan, dated as of April 1, 1990 between certain Eligible Employees of the Company and the Company.	Exhibit 10.36 to the Company's Annual Report on Form 10-K for the fiscal year ended December 30, 1990.
(10.9)	Description and example of Deferred Compensation Agreement, dated as of October 1, 1987, between Eligible Employees of the Company and the Company under the Officer's Split-Dollar Life Insurance Plan.	Exhibit 19.1 to the Company's Annual Report on Form 10-K for the fiscal year ended December 30, 1990.
(10.10)	Consolidated/Sunbelt Acquisition Agreement, dated as of December 19, 1991, by and among the Company and the shareholders of Sunbelt Coca-Cola Bottling Company, Inc.	Exhibit 2.01 to the Company's Current Report on Form 8-K dated December 19, 1991.
(10.11)	Officer Retention Plan, dated as of January 1, 1991, between certain Eligible Officers of the Company and the Company.	Exhibit 10.47 to the Company's Annual Report on Form 10-K for the fiscal year ended December 29, 1991.
(10.12)	Acquisition Agreement, by and among Sunbelt Coca-Cola Bottling Company, Inc., Sunbelt Carolina Acquisition Company,Inc., certain of the common stockholders of Coca-Cola Bottling Co. Affiliated, Inc., and the stock-holders of TRNH, Inc., dated as of November 7, 1989.	Exhibit 10.50 to the Company's Annual Report on Form 10-K for the fiscal year ended ended December 29, 1991.
(10.13)	Amendment Number One to the Sunbelt/Affiliated Acquisition Agreement, dated as of December 29, 1989, between Sunbelt Coca-Cola Bottling Company, Inc., Sunbelt Carolina Acquisition Company, Inc., certain of the common stockholders of Coca-Cola Bottling Co. Affiliated, Inc. and the stockholders of TRNH, Inc.	Exhibit 10.04 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 29, 1992.
(10.14)	Amendment Number Two to the Sunbelt/Affiliated Acquisition Agreement, dated as of December 29, 1989, between Sunbelt Coca-Cola Bottling Company, Inc., Sunbelt Carolina Acquisition Company, Inc., certain of the common stockholders of Coca-Cola Bottling Co. Affiliated, Inc. and the stockholders of TRNH, Inc.	Exhibit 10.05 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 29, 1992.
(10.15)	Amendment Number Three to the Sunbelt/Affiliated Acquisition Agreement, dated as of December 29, 1989, between Sunbelt Coca-Cola Bottling Company, Inc., Sunbelt Carolina Acquisition Company, Inc., certain of the common stockholders of Coca-Cola Bottling Co. Affiliated, Inc. and the stockholders of TRNH, Inc.	Exhibit 10.06 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 29, 1992.

(10.16)	Lease Agreement, dated as of November 30, 1992, between the Company and Harrison Limited Partnership One, related to the Snyder Production Center in Charlotte, North Carolina.	Exhibit 10.38 to the Company's Annual Report on Form 10-K for the fiscal year ended January 3, 1993.
(10.17)	Termination and Release Agreement dated as of March 27, 1992 by and among Sunbelt Coca-Cola Bottling Company, Coca-Cola Bottling Co. Affiliated, Inc., the agent for holders of certain debentures of Sunbelt issued pursuant to a certain Indenture dated as of January 11, 1990, as amended, and Wilmington Trust Company which acted as trustee under the Indenture.	Exhibit 10.43 to the Company's Annual Report on Form 10-K for the fiscal year ended January 3, 1993.
(10.18)	Reorganization Plan and Agreement by and among Coca-Cola Bottling Co. Consolidated, Chopper Acquisitions, Inc., Whirl-i-Bird, Inc. and J. Frank Harrison, Jr.	Exhibit 10.03 to the Company's Quarterly Report on Form 10-Q for the quarter ended April 4, 1993.
(10.19)	Partnership Agreement of Carolina Coca-Cola Bottling Partnership,* dated as of July 2, 1993, by and among Carolina Coca-Cola Bottling Investments, Inc., Coca-Cola Ventures, Inc., Coca-Cola Bottling Co. Affiliated, Inc., Fayetteville Coca-Cola Bottling Company and Palmetto Bottling Company.	Exhibit 2.01 to the Company's Current Report on Form 8-K dated July 2, 1993.
(10.20)	Asset Purchase Agreement, dated as of July 2, 1993, by and among Carolina Coca-Cola Bottling Partnership,* Coca-Cola Bottling Co. Affiliated, Inc. and Coca-Cola Bottling Co. Consolidated.	Exhibit 2.02 to the Company's Current Report on Form 8-K dated July 2, 1993.
(10.21)	Asset Purchase Agreement, dated as of July 2, 1993, by and among Carolina Coca-Cola Bottling Partnership,* Fayetteville Coca-Cola Bottling Company and Coca-Cola Bottling Co. Consolidated.	Exhibit 2.03 to the Company's Current Report on Form 8-K dated July 2, 1993.
(10.22)	Asset Purchase Agreement, dated as of July 2, 1993, by and among Carolina Coca-Cola Bottling Partnership,* Palmetto Bottling Company and Coca-Cola Bottling Co. Consolidated.	Exhibit 2.04 to the Company's Current Report on Form 8-K dated July 2, 1993.

(10.23)	Definition and Adjustment Agreement, dated July 2, 1993, by and among Carolina Coca-Cola Bottling Partnership,* Coca-Cola Ventures, Inc., Coca-Cola Bottling Co. Consolidated, CCBC of Wilmington, Inc., Carolina Coca-Cola Bottling Investments, Inc., The Coca-Cola Company, Carolina Coca-Cola Holding Company, The Coastal Coca-Cola Bottling Company, Eastern Carolina Coca-Cola Bottling Company, Inc., Coca-Cola Bottling Co. Affiliated, Inc., Fayetteville Coca-Cola Bottling Company and Palmetto Bottling Company.	Exhibit 2.05 to the Company's Current Report on Form 8-K dated July 2, 1993.
(10.24)	Management Agreement, dated as of July 2, 1993, by and among Coca-Cola Bottling Co. Consolidated, Carolina Coca-Cola Bottling Partnership,* CCBC of Wilmington, Inc., Carolina Coca-Cola Bottling Investments, Inc., Coca-Cola Ventures, Inc. and Palmetto Bottling Company.	Exhibit 10.01 to the Company's Current Report on Form 8-K dated July 2, 1993.
(10.25)	Post-Retirement Medical and Life Insurance Benefit Reimbursement Agreement, dated July 2, 1993, by and between Carolina Coca-Cola Bottling Partnership* and Coca-Cola Bottling Co. Consolidated.	Exhibit 10.02 to the Company's Current Report on Form 8-K dated July 2, 1993.
(10.26)	Aiken Asset Purchase Agreement, dated as of August 6, 1993 by and among Carolina Coca-Cola Bottling Partnership,* Palmetto Bottling Company and Coca-Cola Bottling Co. Consolidated.	Exhibit 2.01 to the Company's Quarterly Report on Form 10-Q for the quarter ended July 4, 1993.
(10.27)	Aiken Definition and Adjustment Agreement, dated as of August 6, 1993, by and among Carolina Coca-Cola Bottling Partnership*, Coca-Cola Ventures, Inc., Coca-Cola Bottling Co. Consolidated, Carolina Coca-Cola Bottling Investments, Inc., The Coca-Cola Company and Palmetto Bottling Company.	Exhibit 2.02 to the Company's Quarterly Report on Form 10-Q for the quarter ended July 4, 1993.
(10.28)	Lease Agreement, dated as of June 1, 1993, between the Company and Beacon Investment Corporation, related to the Company's corporate headquarters in Charlotte, North Carolina.	Exhibit 10.01 to the Company's Quarterly Report on Form 10-Q for the quarter ended July 4, 1993.
(10.29)	Amended and Restated Guaranty Agreement, dated as of July 15, 1993 re: Southeastern Container, Inc.	Exhibit 10.06 to the Company's Quarterly Report on Form 10-Q for the quarter ended July 4, 1993.

(10.30)	Agreement, dated as of December 23, 1993, between the Company and Western Container Corporation covering purchase of PET bottles.	Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended October 2, 1994.
(10.31)	Management Agreement, dated as of June 1, 1994, by and among Coca-Cola Bottling Co. Consolidated and South Atlantic Canners, Inc.	Exhibit 10.6 to the Company's Quarterly Report on Form 10-Q for the quarter ended July 3, 1994.
(10.32)	Guaranty Agreement, dated as of July 22, 1994, between Coca-Cola Bottling Co. Consolidated and Wachovia Bank of North Carolina, N.A.	Exhibit 10.7 to the Company's Quarterly Report on Form 10-Q for the quarter ended July 3, 1994.
(10.33)	Selling Agency Agreement, dated as of March 3, 1995, between the Company, Salomon Brothers Inc. and Citicorp Securities, Inc.	Exhibit 10.83 to the Company's Annual Report on Form 10-K for the fiscal year ended January 1, 1995.
(10.34)	Agreement, dated as of March 1, 1994, between the Company and South Atlantic Canners, Inc.	Exhibit 10.85 to the Company's Annual Report on Form 10-K for the fiscal year ended January 1, 1995.
(10.35)	Stock Option Agreement, dated as of March 8, 1989, of J. Frank Harrison, Jr.	Exhibit 10.86 to the Company's Annual Report on Form 10-K for the fiscal year ended January 1, 1995.
(10.36)	Stock Option Agreement, dated as of August 9, 1989, of J. Frank Harrison, III.	Exhibit 10.87 to the Company's Annual Report on Form 10-K for the fiscal year ended January 1, 1995.
(10.37)	First Amendment to Credit Agreement, Line of Credit Note and Mortgage, and Reaffirmation of Term Note, Security Agreement, Guaranty Agreement and Addendum to Guaranty Agreement, dated as of March 31, 1995, by and among the Company, South Atlantic Canners, Inc. and Wachovia Bank of North Carolina, N.A.	Exhibit 10.8 to the Company's Quarterly Report on Form 10-Q for the quarter ended April 2, 1995.
(10.38)	Guaranty Agreement and Addendum, dated as of March 31, 1995, between the Company and Wachovia Bank of North Carolina, N.A.	Exhibit 10.9 to the Company's Quarterly Report on Form 10-Q for the quarter ended April 2, 1995.

(10.39)	Can Supply Agreement, dated November 7, 1995, between the Company and American National Can Company.	Exhibit 10.16 to the Company's Quarterly Report on Form 10-Q for the quarter ended October 1, 1995.
(10.40)	Lease Agreement, dated as of July 17, 1988, between the Company and GE Capital Fleet Services covering various vehicles.	Exhibit 19.4 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 1990.
(10.41)	Master Motor Vehicle Lease Agreement, dated as of December 15, 1988, between the Company and Citicorp North America, Inc. covering various vehicles.	Exhibit 19.5 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 1990.
(10.42)	Master Lease Agreement, beginning on April 12, 1989, between the Company and Citicorp North America, Inc. covering various equipment.	Exhibit 19.6 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 1990.
(10.43)	Master Lease Agreement, dated as of January 7, 1992 between the Company and Signet Leasing and Financial Corporation covering various vehicles.	Exhibit 10.01 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 29, 1992.
(10.44)	Master Equipment Lease, dated as of February 9, 1993, between the Company and Coca-Cola Financial Corporation covering various vending machines.	Exhibit 10.37 to the Company's Annual Report on Form 10-K for the fiscal year ended January 3, 1993.
(10.45)	Motor Vehicle Lease Agreement No. 790855, dated as of December 31, 1992, between the Company and Citicorp Leasing, Inc. covering various vehicles.	Exhibit 10.39 to the Company's Annual Report on Form 10-K for the fiscal year ended January 3, 1993.
(10.46)	Master Lease Agreement, dated as of February 18, 1992, between the Company and Citicorp Leasing, Inc. covering various equipment.	Exhibit 10.69 to the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 1994.
(10.47)	Lease Agreement dated as of December 15, 1994 between the Company and BA Leasing & Capital Corporation.	Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended April 2, 1995.

(10.48)	Beverage Can and End Agreement dated November 9, 1995 between the Company and Ball Metal Beverage Container Group.	Exhibit included in this filing.
(10.49)	Member Purchase Agreement, dated as of August 1, 1994 between the Company and South Atlantic Canners, Inc., regarding minimum annual purchase requirements of canned product by the Company.	Exhibit included in this filing.
(10.50)	Member Purchase Agreement, dated as of August 1, 1994 between the Company and South Atlantic Canners, Inc., regarding minimum annual purchase requirements of 20 ounce PET product by the Company.	Exhibit included in this filing.
(10.51)	Member Purchase Agreement, dated as of August 1, 1994 between the Company and South Atlantic Canners, Inc., regarding minimum annual purchase requirements of 2 Liter PET product by the Company.	Exhibit included in this filing.
(10.52)	Member Purchase Agreement, dated as of August 1, 1994 between the Company and South Atlantic Canners, Inc., regarding minimum annual purchase requirements of 3 Liter PET product by the Company.	Exhibit included in this filing.
(10.53)	Description of the Company's 1996 Bonus Plan for officers.	Exhibit included in this filing.
(21.1)	List of subsidiaries.	Exhibit included in this filing.
(23.1)	Consent of Independent Accountants to Incorporation by Reference into Form S-3 (Registration No. 33-4325) and Form S-3 (Registration No. 33-54657).	Exhibit included in this filing.
(27.1)	Financial data schedule for period ended December 31, 1995.	Exhibit included in this filing.
(99.1)	Audited Financial Statements of Piedmont Coca-Cola Bottling Partnership for the 1994 and 1993 fiscal periods.	Included as Item 14D of Part IV to the Company's Annual Report on Form 10-K for the fiscal year ended January 1, 1995.
(99.2)	Information, financial statements and exhibits required by Form 11-K with respect to the Coca-Cola Bottling Co. Consolidated Savings Plan.	To be supplied by amendment.

* Carolina Coca-Cola Bottling Partnership's name was changed to Piedmont Coca-Cola Bottling Partnership.

B. Reports on Form 8-K.

There were no Current Reports on Form 8-K filed by the Company during the fourth quarter of 1995.

SCHEDULE II

COCA-COLA BOTTLING CO. CONSOLIDATED

VALUATION AND QUALIFYING ACCOUNTS AND RESERVES

(IN THOUSANDS)

DESCRIPTION	BALANCE AT BEGINNING OF YEAR	ADDITIONS CHARGED TO COSTS AND EXPENSES	OTHER (1)	DEDUCTIONS	BALANCE AT END OF YEAR
Allowance for doubtful accounts:					
Fiscal year ended December 31, 1995.....	$ 400	$319		$ 313	$ 406
Fiscal year ended January 1, 1995.....	$ 425	$600		$ 625	$ 400
Fiscal year ended January 2, 1994.....	$ 400	$443	$ (20)	$ 398	$ 425
Deferred tax assets valuation allowance:					
Fiscal year ended January 2, 1994.....	$ 29,934		$ (26,718)	$3,216	$ 0

(1) Arising from business combinations and divestitures.

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

COCA-COLA BOTTLING CO. CONSOLIDATED
(REGISTRANT)

Date: March 27, 1996

By: /s/ JAMES L. MOORE, JR.
JAMES L. MOORE, JR.
PRESIDENT AND CHIEF OPERATING OFFICER

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

By: /s/ J. FRANK HARRISON, JR. J. FRANK HARRISON, JR.	Chairman of the Board and Director	March 27, 1996
By: /s/ J. FRANK HARRISON, III J. FRANK HARRISON, III	Vice Chairman of the Board, Chief Executive Officer and Director	March 27, 1996
By: /s/ JAMES L. MOORE, JR. JAMES L. MOORE, JR.	President and Chief Operating Officer and Director	March 27, 1996
By: /s/ REID M. HENSON REID M. HENSON	Vice Chairman of the Board and Director	March 27, 1996
By: /s/ H. W. MCKAY BELK H. W. MCKAY BELK	Director	March 27, 1996
By: /s/ JOHN M. BELK JOHN M. BELK	Director	March 27, 1996
By: /s/ H. REID JONES H. REID JONES	Director	March 27, 1996
By: /s/ DAVID L. KENNEDY, JR. DAVID L. KENNEDY, JR.	Director	March 27, 1996
By: /s/ NED R. MCWHERTER NED R. MCWHERTER	Director	March 27, 1996
By: /s/ JOHN W. MURREY, III JOHN W. MURREY, III	Director	March 27, 1996
By: /s/ DAVID V. SINGER DAVID V. SINGER	Vice President and Chief Financial Officer	March 27, 1996
By: /s/ STEVEN D. WESTPHAL STEVEN D. WESTPHAL	Vice President and Chief Accounting Officer	March 27, 1996

EXHIBIT 4.13

****

COCA-COLA BOTTLING CO. CONSOLIDATED

as Borrower

LOAN AGREEMENT

Dated as of November 20, 1995

The financial institutions identified herein
as Banks

and

LTCB TRUST COMPANY

as Agent

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TABLE OF CONTENTS

LOAN AGREEMENT, dated as of November 20, 1995, among COCA-COLA BOTTLING CO. CONSOLIDATED, a corporation duly organized and validly existing under the laws of the State of Delaware (the "Company"); the financial institutions named herein as lenders (the "Banks"); and LTCB TRUST COMPANY, a trust company organized under the laws of the State of New York, as agent on behalf of the Banks (in such capacity, the "Agent").

WHEREAS, the Company has requested the Banks to make term loans to the Company in an aggregate principal amount up to but not exceeding $170,000,000 for the purpose of refinancing certain existing indebtedness of the Company and for other general corporate purposes of the Company;

WHEREAS, the Banks are willing to make such loans to the Company on the terms and conditions of this Agreement; and

WHEREAS, the Agent has been requested to act as agent for the Banks, and the Agent is willing to act as such agent on the terms and conditions of this Agreement,

NOW THEREFORE, in consideration of the premises and mutual covenants contained herein, the parties hereto hereby agree as follows:

Section 1. Definitions and Accounting Matters.

1.01 Certain Defined Terms. As used herein, the following terms shall have the following meanings (all terms defined in this Section 1 or in other provisions of this Agreement in the singular shall have the same meanings when used in the plural and vice versa):

"Affiliate" shall mean, as to any Person, any Subsidiary of such Person and any other Person which, directly or indirectly, controls, is controlled by, or is under direct or indirect common control with, such Person. For purposes of this definition "control" of a Person means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have corresponding meanings.

"Allied Bottle Contracts" shall mean, collectively, any contract between the Company or any of its Subsidiaries and The Coca-Cola Company providing for the Company or such Subsidiary to purchase its requirements of concentrates and syrups for Allied Products from The Coca-Cola Company and/or granting to the Company or such Subsidiary exclusive distribution rights with respect to Allied Products in the Company's or such Subsidiary's res pective territories, in each case as amended or supplemented from time to time.

"Allied Products" shall mean all products of The Coca-Cola Company, other than Coca-Cola Trademark Beverages.

"Applicable Lending Office" shall mean, for any Bank, the Lending Office of such Bank (or of an affiliate of such Bank) designated on the signature pages hereof or such other office or offices of such Bank (or of an affiliate of such Bank) as such Bank may from time to time specify to the Company and the Agent in writing as the office or offices at which all or a portion of its Loan is to be made and maintained .

"Applicable Margin" shall mean 0.45%; provided that, at any time when the Senior Debt Rating of the Company with S&P shall be below BBB- and the Senior Debt Rating of the Company with Moody's shall be below Baa3 (or at any time when neither S&P nor Moody's has a Senior Debt Rating for the Company), the Applicable Margin shall be 0.55% (such change in the Applicable Margin shall not prejudice any rights that the Agent or any Bank may have with respect to any Trigger Event that may occur in connection with such rating)

"Attributable Debt" shall mean, as to any particular lease under which any Person is at the time liable, at any date as of which the amount thereof is to be determined, the total net amount of rent required to be paid by such Person under such lease during the remaining primary term thereof, discounted from the respective due date thereof to such date at a rate per annum equal to the weighted average interest rate applicable to the Loans. The weighted average interest rate applicable to the Loans shall be calculated at any time by dividing the aggregate of the annual interest payments required on the Loans (calculated as if the interest rate on the Loans then in effect were to be applied to a year of 365 days) by the aggregate principal amount of the Loans outstanding on such date. The net amount of rent required to be paid under any such lease for any such period shall be the amount of the rent payable by the lessee with respect to such period, after excluding amounts required to be paid on account of maintenance and repairs, insurance, taxes, assessments, water rates and similar charges. In the case of any lease which is terminable by the lessee upon the payment of a penalty, such net amount shall also include the amount of such penalty, but no rent shall be considered as required to be paid under such lease subsequent to the first date upon which it may be so terminated.

"Board of Directors" shall mean either the board of directors of the Company or any duly authorized committee of the board.

"Board Resolution" shall mean a copy of a resolution certified by the Secretary or an Assistant Secretary of the Company to have been duly adopted by the Board of Directors and to be in full force and effect on the date of such certification, and delivered to the Agent and the Banks.

"Bottle Contracts" shall mean, collectively, any contract between the Company or any of its Subsidiaries and The Coca-Cola Company providing for the Company or such Subsidiary to purchase its requirements of concentrates and syrups for Coca-Cola Trademark Beverages from The Coca-Cola Company and/or granting to the Company or such Subsidiary exclusive distribution rights with respect to Coca-Cola Trademark Beverages in the Company's or such Subsidiary's respective territories, in each case as amended or supplemented from time to time.

"Business Day" shall mean any day (but not a Saturday or Sunday) on which commercial banks are not authorized or required to close in New York City, and which is also a day on which dealings in Dollar deposits are carried out in the London interbank market.

"Capital Stock", as applied to the stock of any corporation, shall mean the capital stock of every class whether now or hereafter authorized, regardless of whether such capital stock shall be limited to a fixed sum or percentage with respect to the rights of the holders thereof to participate in dividends and in the distribution of assets upon the voluntary or involuntary liquidation, dissolution or winding up of such corporation.

"Coca-Cola Trademark Beverages" shall mean all products identified as such in the Company's Form 10-K filed with the SEC for the fiscal year of the Company ended January 1, 1995 or in any other Form 10-K filed for any subsequent fiscal year, and any other beverage products produced or marketed by The Coca-Cola Company.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Commitment" shall mean, with respect to each Bank, the obligation of such Bank to make a Loan to the Company on each borrowing date pursuant to Section 2.01 hereof, all such Loans to be in an aggregate principal amount up to but not exceeding the amount set forth opposite such Bank's name on the signature pages hereof, on the terms and conditions of this Agreement.

"Commitment Termination Date" shall mean December 29, 1995.

"Common Stock" shall mean any and all Capital Stock of the Company that is not Preferred Stock, being on the date hereof designated "Common Stock", "Class B Common Stock" and "Class C Common Stock".

"Consolidated Net Tangible Assets" shall mean the aggregate amount of assets of the Company and its consolidated Subsidiaries (less applicable reserves and other properly deductible items) after deducting therefrom (i) all current liabilities, and (ii) all goodwill, trade names, trademarks, patents, unamortized debt discount and expense and other like intangibles, all as set forth on the most recent balance sheet of the Company and its consolidated Subsidiaries and computed in accordance with generally accepted accounting principles. For purposes of this definition, any leasehold interest of the Company or any Restricted Subsidiary shall be deemed to be a tangible asset if the rental obligations thereunder are included in Funded Debt.

"Corporation" includes corporations, associations, companies and business trusts.

"Debt" shall mean, with respect to any Person, all indebtedness and other obligations of such Person of the type described in clauses (a) and (b) of the definition of "Indebtedness" in this Section 1.01, and all Guarantees and Hypothecations of such Person in respect of such indebtedness and other obligations.

"Default" shall mean an Event of Default or an event which with notice or lapse of time or both would become an Event of Default.

"Designated Event" shall have the meaning assigned to that term in Section 1.02 hereof.

"Dollars" and "$" shall mean lawful money of the United States of America.

"Environmental Laws" shall mean all Governmental Requirements relating to health, safety, industrial hygiene, pollution or environmental matters, including Governmental Requirements relating to emissions, discharges, releases, or threatened releases of pollutants, contaminants, chemicals or industrial, toxic or hazardous substances or wastes into the environment (including, without limitation, air, surface water, ground water or land), or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, chemicals or industrial, toxic or hazardous substances (including, without limitation, asbestos) or wastes.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time.

"ERISA Affiliate" shall mean any corporation or trade or business which is a member of the same controlled group of corporations (within the meaning of Section 414(b) of the Code) as the Company or is under common control (within the meaning of Section 414(c) of the Code) with the Company.

"Event of Default" shall have the meaning assigned to that term in Section 9 hereof.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

"Existing Term Loan Agreements" shall mean, collectively, (i) the Loan Agreement, dated as of June 28, 1990, among the Company, the financial institutions named therein as "Banks", and LTCB Trust Company, as agent on behalf of such banks, as heretofore amended, and (ii) the Loan Agreement, dated as of February 20, 1992, among the Company, the financial institutions named therein as "Banks", LTCB Trust Company, as agent on behalf of such banks, and Trust Company Bank, as lead manager, as heretofore amended.

"FDA" shall mean the United States Food and Drug Administration, and any successor thereto.

"Funded Debt" shall mean (i) all Debt having a maturity of more than 12 months from the date as of which the amount thereof is to be determined or having a maturity of 12 months or less but by its terms being renewable or extendable beyond 12 months from such date at the option of the borrower, and (ii) all rental obligations payable more than 12 months from such date under Capital Leases (such rental obligations to be included as Funded Debt as the

amount so capitalized and to be included for the purposes of the definition of Consolidated Net Tangible Assets both as an asset and as Funded Debt at the amount so capitalized).

"Governmental Authority" shall mean (a) the government of any federal, state, municipal or other political subdivision in which property of the Company or any of its Sub sidiaries is located and (b) any other government exercising jurisdiction over the Company or any of its Subsidiaries, including all agencies and instrumentalities of such government.

"Governmental Requirements" shall mean laws, ordinances, statutes, codes, rules, regulations, orders, decrees and judgments of any Governmental Authority.

"Health Laws" shall mean all Governmental Requirements, whether promulgated by the FDA, any state agency charged with the supervision of public health or related matters or otherwise, in any way relating to the production, marketing or distribution of beverages (including, without limitation, any thereof relating to labeling of containers).

"Indebtedness" shall mean, with respect to any Person (but without duplication):

(a) all indebtedness and other obligations of such Person for borrowed money or for the deferred purchase price of property or services, and without duplication, all obligations of such Person evidenced by bonds, debentures, promissory notes or other similar evidences of indebtedness;

(b) all indebtedness and other obligations of such Person arising under interest rate and currency swaps and other similar hedging arrangements, or under acceptance facilities, and the full stated amount of all letters of credit issued for account of such Person and, without duplication, all drafts drawn thereunder, and all obligations of such Person arising in respect of the sale by such Person, with or without recourse, or discount of any notes or accounts receivable of such Person;

(c) all obligations of such Person under leases or other contractual arrange ments which have been, or should be, recorded as capital leases in accordance with generally accepted accounting principles (collectively, "Capital Leases");

(d) all obligations of such Person under direct or indirect guarantees (includ ing, without limitation, agreements to "keep well") in respect of, and obligations, contin gent or otherwise, to purchase or acquire or otherwise to assure a creditor against loss in respect of, indebtedness or obligations of others of the kinds referred to above in clause (a), (b) or (c)(collectively, "Guarantees"); and

(e) all indebtedness and other obligations referred to above in clauses (a), (b), (c) or (d) secured by (or for which the holder of such indebtedness or other obligation has a right, contingent or otherwise, to be secured by) any Mortgage upon or in property (including, without limitation, contract rights and accounts receivable) owned by such Person even though such Person has not assumed or become liable beyond the value of

the property pledged for the payment of such indebtedness or other obligation (collectively, "Hypothecations").

"Interest Period" shall mean, with respect to each Loan, each successive period commencing on the date on which such Loan is made or (in the case of Interest Periods for such Loan after the initial Interest Period therefor) the last day of the next preceding Interest Period for such Loan and ending on the numerically corresponding day in the first, second, third or sixth calendar month thereafter, as the Company may select as provided in Section 3.02(d) hereof, except that each Interest Period which commences on the last Business Day of a calendar month (or on any day for which there is no numerically corresponding day in the appropriate subsequent calendar month) shall end on the last Business Day of the appropriate subsequent calendar month. Notwithstanding the foregoing: (i) each Interest Period which would otherwise end on a day which is not a Business Day shall end on the next succeeding Business Day, unless such next succeeding Business Day falls in a subsequent calendar month, in which case such Interest Period shall end on the next preceding Business Day; and (ii) each Interest Period which would otherwise commence before and end after the Interim Maturity Date or the Maturity Date shall end on the Interim Maturity Date or the Maturity Date, as the case may be.

"Interim Maturity Date" shall mean November 20, 2002; provided that if such date is not a Business Day, the Interim Maturity Date shall be the next succeeding Business Day, unless such next succeeding Business Days falls in a subsequent calendar month, in which case the Interim Maturity Date shall be the next preceding Business Day.

"LIBOR" shall mean, for any Interest Period, the rate per annum, as determined by the Agent (rounded upwards, if necessary, to the nearest 1/16 of 1%) to be the arithmetic mean of the interest rates per annum quoted by each of the Reference Banks at approximately 11:00 a.m. London time (or as soon thereafter as practicable) two Business Days prior to the first day of such Interest Period for the offering by such Reference Bank to leading banks in the London interbank market of Dollar deposits having a term comparable to such Interest Period and in an amount comparable to the principal amount of the Loan of such Reference Bank scheduled to be outstanding for such Interest Period; provided that if any Reference Bank is not scheduled to have a Loan outstanding for such Interest Period, the LIBOR for such Interest Period shall be determined by such Reference Bank by reference to such principal amount as the Agent shall determine. If any Reference Bank does not timely furnish information for determination of the LIBOR for any Interest Period, the Agent shall determine the LIBOR for such Interest Period on the basis of information timely furnished by the remaining Reference Bank or Reference Banks.

"Loan(s)" shall mean the loans provided for by Section 2.01 hereof.

"Loan Documents" shall mean this Agreement, the Notes and the fee letter dated November 20, 1995 between the Agent and the Company.

"LTCB" shall mean The Long-Term Credit Bank of Japan, Limited; provided that for purposes of Section 10.04 hereof, "LTCB" shall mean each of The Long-Term Credit Bank of Japan, Limited and LTCB Trust Company.

"Maturity Date" shall mean November 20, 2003; provided that if such date is not a Business Day, the Maturity Date shall be the next succeeding Business Day, unless such next succeeding Business Days falls in a subsequent calendar month, in which case the Maturity Date shall be the next preceding Business Day.

"Mortgage" shall mean, with respect to any asset, revenue or other property, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, revenue or other property, and any other arrangement having the practical effect of any of the foregoing.

"Multiemployer Plan" shall mean a Plan defined as such in Section 3(37) of ERISA to which contributions have been made by the Company or any ERISA Affiliate and which is covered by Title IV of ERISA.

"NationsBank Revolving Credit Agreement" shall mean the Revolving Credit Agreement dated as of March 17, 1992 among the Company, the financial institutions identified therein as lenders, and NationsBank N.A., as agent for such lenders, as such agreement may be amended, supplemented, extended, restated, replaced or refinanced (by a New Revolving Credit Agreement) from time to time.

"New Revolving Credit Agreement" shall mean a revolving credit agreement dated after the date hereof among the Company and the banks named therein, which replaces or refinances the NationsBank Revolving Credit Agreement, as such credit agreement may be amended, supplemented, extended, restated, replaced or refinanced from time to time.

"Note(s)" shall mean the promissory notes provided for by Section 2.06 hereof to further evidence the Loans and, collectively, any promissory note or notes issued in substitution therefor.

"Officers' Certificate" shall mean a certificate addressed to the Agent and the Banks signed by the Chairman of the Board, a Vice Chairman, the President or a Vice President, and by the Treasurer, an Assistant Treasurer, the Controller, an Assistant Controller, the Secre tary or an Assistant Secretary, of the Company, and delivered to the Agent and the Banks.

"Opinion of Counsel" shall mean a written opinion addressed to the Agent and the Banks of counsel, who may (except as otherwise provided in this Agreement) be counsel for, or an employee of, the Company, and who shall be acceptable to the Agent.

"PBGC" shall mean the Pension Benefit Guaranty Corporation or any entity succeeding to any or all of its functions under ERISA.

"Person" shall mean an individual, a corporation, a company, a voluntary associa tion, a partnership, a trust, an unincorporated organization or a government or any agency, instrumentality or political subdivision thereof.

"Plan" shall mean an employee benefit or other plan established or maintained by the Company or any ERISA Affiliate and which is covered by Title IV of ERISA, other than a Multiemployer Plan.

"Post-Default Rate" shall mean, in respect of any principal of any Loan or any interest thereon under this Agreement or the Notes which is not paid when due (whether at stated maturity, by acceleration or otherwise), a rate per annum during the period commencing on the due date to but excluding the date on which such amount is paid in full equal to 2% above the Prime Rate as in effect from time to time; provided that, if such amount in default is principal of a Loan and the due date is a day other than the last day of an Interest Period therefor, the "Post-Default Rate" for such principal shall be, for the period commencing on the due date and ending on the last day of the then current Interest Period therefor, 2% above the interest rate for such Loan as provided in Section 3.02(a) hereof and, thereafter, the rate provided for above in this definition.

"Preferred Stock", as applied to the Capital Stock of any corporation, shall mean Capital Stock ranking prior to the shares of any other class of Capital Stock of said corporation as to the payment of dividends or the distribution of assets on any voluntary or involuntary liquidation.

"Prime Rate" shall mean the rate of interest from time to time announced by LTCB at its New York Branch as its prime commercial lending rate for extensions of credit in Dollars, which rate is not necessarily the lowest rate of interest charged by LTCB. Each change in any interest rate provided for herein or in the Notes based upon the Prime Rate resulting from a change in the Prime Rate shall take effect at the time of such change in the Prime Rate.

"Principal Property" shall mean any building, structure or other facility, together with the land upon which it is erected and fixtures comprising a part thereof, used primarily for the bottling, canning or packaging of soft drinks or soft drink products or warehousing and distributing of such products, owned or leased by the Company or any Subsidiary of the Com pany, the gross book value (without deduction of any depreciation reserves) of which on the date as of which the determination is being made exceeds 3% of Consolidated Net Tangible Assets, other than any such building, structure or other facility or portion thereof which, in the reasonable opinion of the Board of Directors of the Company, is not of material importance to the total business conducted by the Company and its Subsidiaries as an entirety.

"Reference Banks" shall mean the principal London offices of LTCB, Societe Generale and Credit Lyonnais.

"Regulation D" shall mean Regulation D of the Board of Governors of the Federal Reserve System (or any successor), as the same may be amended or supplemented from time to time.

"Regulatory Change" shall mean (i) any change after the date of this Agreement in Japanese, United States Federal or state, or foreign law or regulations (including, without limitation, Regulation D) or (ii) the adoption or making after such date of any interpretations, directives or requests applying to a class of banks including LTCB or any of the Banks, of or under any Japanese, United States Federal or state, or foreign law or regulations (whether or not having the force of law) by any court or governmental or monetary authority charged with the interpretation or administration thereof.

"Required Banks" shall mean, at any time, Banks then holding more than 50% of the aggregate outstanding principal amount of the Loans, or if no Loans are then outstanding, which hold more than 50% of the aggregate amount of the Commitments, or if no Loans or Commitments are then outstanding, which held more than 50% of the Loans immediately prior to the payment thereof in full.

"Restricted Subsidiary" shall mean a Subsidiary of the Company which (i) owns a Principal Property as of the date hereof, or (ii) acquires a Principal Property after the date hereof from the Company or a Restricted Subsidiary other than for cash equal to such property's fair market value as determined by the Board of Directors of the Company, or (iii) acquires a Principal Property after the date hereof by purchase with funds substantially all of which are provided by the Company or a Restricted Subsidiary or with the proceeds of indebtedness for money borrowed, which indebtedness is guaranteed in whole or in part by the Company or a Restricted Subsidiary, or (iv) is a party to any contract with respect to the bottling, canning, packaging or distribution of soft drinks or soft drink products, other than any such contract which in the reasonable opinion of the Board of Directors of the Company is not of material importance to the total business conducted by the Company and its Subsidiaries as an entirety, and in any event includes each of the Subsidiaries listed in Schedule 1 as of the date hereof.

"SEC" shall mean the Securities and Exchange Commission, or any successor thereto.

"Senior Debt Rating" shall mean the rating assigned by S&P or Moody's, as the case may be, to the Company's senior medium-term debt obligations.

"Subsidiary" shall mean any corporation, partnership or other Person of which at least a majority of the outstanding Voting Shares is at the time directly or indirectly owned or controlled by the Company or one or more of the Subsidiaries or by the Company and one or more of the Subsidiaries.

"Trigger Event" shall mean the occurrence and continuance of any Designated Event and, at any time when any securities of the Company that are rated by either Rating Agency are outstanding, a Rating Decline also has occurred and is continuing.

"Voting Shares" shall mean Capital Stock of the class or classes having general voting power under ordinary circumstances for the election of the board of directors, managers or trustees of a corporation (irrespective of whether at the time stock of any other class or classes shall have or might have voting power by reason of the happening of any contingency).

1.02 Certain Definitions Relating to Trigger Events.

"Designated Event" shall mean any of the following:

(i) a "person" or "group" (within the meaning of Sections 13(d) and 14(d)(2) of the Exchange Act) other than a Permitted Holder (as defined below) becoming the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act) of Voting Shares (as defined below in this definition) of the Company entitled to exercise more than 25% (or, in the case of any person or group consisting solely of one or more Company Employee Benefit Plans (as defined below), 35%) of the total voting power of all outstanding Voting Shares of the Company (calculated in accordance with Rule 13d-3 under the Exchange Act); or

(ii) a change in the Board of Directors of the Company in which the individuals who constituted the Board of Directors of the Company at the beginning of the two-year period immediately preceding such change (together with any other director whose election by the Board of Directors of the Company or whose nomination for election by the shareholders of the Company was approved by a vote of at least two-thirds of the directors then in office who either were directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the directors then in office; or

(iii) any consolidation of the Company with, or merger of the Company into, any other person, any merger of another Person into the Company, or any sale, lease, conveyance or transfer of all or substantially all of the assets of the Company to another Person (other than (x) a merger which does not result in any reclassification, conversion, exchange or cancellation of outstanding shares of Common Stock of the Company, or (y) a merger which is effected solely to change the jurisdiction of incorporation of the Company); or

(iv) the purchase or other acquisition by the Company or any Subsidiary of the Company, directly or indirectly, of beneficial ownership of its Voting Shares if the Voting Shares of the Company acquired in such acquisition and all other such acquisitions effected after the date of the making of the Loans under this Agreement and within the 12-month period ending on the date of such acquisition were entitled to exercise in the aggregate more than 30% of the total voting power of all Voting Shares outstanding on the day before the first such acquisition during such period (taking into account any stock split, stock dividend or similar transaction effected during such period and calculating the voting power of Voting Shares so acquired based on the voting power thereof immediately before being so acquired); or

(v) either (x) the distribution by the Company, directly or indirectly, of cash, securities or other property in respect of its Common Stock (other than a distribution paid solely in its Common Stock or rights to acquire its Common Stock), or (y) the purchase or other acquisition by the Company or any Subsidiary of the Company, directly or indirectly, of any Common Stock of the Company (other than an acquisition of Common Stock of the Company (1) by the Company from any wholly-owned Subsidiary of the Company, (2) by any wholly-owned Subsidiary of the Company from the Company or another wholly-owned Subsidiary of the Company or (3) solely in exchange for or upon conversion of Common Stock of the Company), if the sum of the Applicable Equity Percentages (as defined below) for such distribution or acquisition and all other such distributions and acquisitions effected after the date of the making of the Loans under this Agreement and during the 12-month period ending on the date on which such distribution or acquisition is effected exceeds 30%.

For purposes of this definition: "Applicable Equity Percentage" shall mean, for any distribution or acquisition, the percentage equal to (x) the Fair Market Value (as defined below) on the Valuation Date (as defined below) of the cash, securities and other property distributed in respect of, or paid or otherwise exchanged to acquire, Common Stock of the Company in such distribution or acquisition divided by (y) the Fair Market Value on the Reference Date (as defined below) of the Common Stock of the Company outstanding on such Reference Date; "Valuation Date" shall mean (x) for any distribution, the record date therefor or (y) for any acquisition, the date thereof; and "Reference Date" shall mean (x) for any distribution, the day before the earlier of the record date for such distribution and the first date on which the relevant common stock trades the regular way without the right to receive such distribution, or (y) for any acquisition, the day before the date of such acquisition. "Voting Shares" shall mean (solely for purposes of this Section 1.02) all outstanding shares of any class or classes (however designated) of capital stock entitled to vote generally in the election of members of the Board of Directors of the Company. "Permitted Holder" shall mean (i) J. Frank Harrison, Jr. or J. Frank Harrison, III, (ii) any heir, executor, administrator, testamentary trustee, legatee, beneficiary or distributee of J. Frank Harrison, Jr. or J. Frank Harrison, III, (iii) any trust, the beneficiaries of which include only J. Frank Harrison, Jr., J. Frank Harrison, III or any person described in clause (ii) hereof and (iv) The Coca-Cola Company.

In addition, so long as any Person (a "Holding Company") owns, directly or indirectly, Voting Shares of the Company entitled to exercise 50% or more of the total voting power of all outstanding Voting Shares of the Company, any references to the "Company" in clauses (i) through (v) above and in any related definitions shall be deemed to refer to the Company and such Holding Company (from and after the date on which such Holding Company first became such an owner of Voting Shares of the Company) as one entity.

A "Rating Decline" shall be deemed to exist for any Designated Event if either (i) on any date within the Comparison Period (as defined below) for such Designated Event:

(a) in the event any medium-term notes or other medium-term securities of the Company that are rated by either of the Rating Agencies at such time ("Rated

Medium-Term Notes") are rated Investment Grade (as defined below) by either or both of the Rating Agencies on the Rating Date (as defined below) for such Designated Event, the rating of the Rated Medium-Term Notes by each Rating Agency rating the Rated Medium-Term Notes shall be below Investment Grade; or

(b) in the event that no Rated Medium-Term Notes of the Company are rated Investment Grade by either of the Rating Agencies on the Rating Date for such Desig nated Event, the rating of any outstanding Rated Medium-Term Notes of the Company by each Rating Agency shall be (or be lower than) the Full-Category-Lower Rating (as defined below) for the rating of such Rated Medium-Term Notes of the Company by such Rating Agency on such Rating Date; or

(c) in the event that there are no medium-term notes or medium-term securities of the Company that are rated by either Rating Agency at such time and any short-term notes or other short-term securities of the Company that are rated by either of the Rating Agencies ("Rated Short-Term Notes") (Rated Medium-Term Notes and Rated Short-Term Notes hereafter referred to collectively as "Rated Notes") are rated Investment Grade (as defined below) by either or both of the Rating Agencies on the Rating Date (as defined below) for such Designated Event, the rating of the Rated ShortTerm Notes by each Rating Agency rating the Rated Short-Term Notes shall be below Investment Grade; or

(ii) on the last day of such Comparison Period for such Designated Event either (A) no notes or other securities of the Company are rated by Moody's or S&P, or (B) notes or other securities of the Company are rated by either (but not both) of Moody's and S&P, but are not rated by either Duff's or Fitch's.

"Investment Grade" shall mean, (A) for medium-term securities, a rating of at least Baa3, in the case of a rating by Moody's, a rating of at least BBB-, in the case of a rating by S&P, a rating of at least BBB- in the case of a rating by Duff's, and a rating of at least BBB-, in the case of a rating by Fitch's and (B) for short-term securities, a rating of at least A-3, in the case of a rating by Moody's, a rating of at least P-3, in the case of a rating by S&P, a rating of at least D-3, in the case of a rating by Duff's, and a rating of at least F-3, in the case of a rating by Fitch's.

"Comparison Period" shall mean, for any Designated Event, the period (i) com mencing on the date of the occurrence of such Designated Event and (ii) ending on the 90th day after the first public announcement of such occurrence or, if on such 90th day the rating of the Rated Notes by Moody's shall be listed on the "Watchlist" of Moody's with a designation of "down" or "uncertain" (or on such similar list with such similar designations as may be maintained by Moody's from time to time) or the rating of the Rated Notes by S&P shall be listed on the "Creditwatch" of S&P with a designation of "negative implications" or "developing" (or on such similar list with such similar designations as may be maintained by S&P from time to time), or the rating of the Rated Notes by Duff's shall be listed on the "DP Watchlist" of Duff's with a designation of "down" or "up/down" (or such similar list with such

similar designations as may be maintained by Duff's from time to time) or the rating of the Rated Notes by Fitch's shall be listed on the "FitchAlert" of Fitch's with a designation of "declining" or "uncertain" (or such similar list with such similar designations as may be maintained by Fitch's from time to time) the day 5 days after the first date thereafter on which the rating of the Rated Notes by each Rating Agency rating the Rated Notes shall not be so listed.

"Rating Date", for any Designated Event, shall mean the earlier of:

(i) the date that is either (x) the 90th day prior to the date of the earlier of (a) the first public announcement of an intention to effect such Designated Event and (b) the occurrence of such Designated Event, or (y) if the Rated Notes are not rated by both Rating Agencies on such 90th day, the next preceding day on which the Rated Notes are so rated (or, if such 90th day is before the date of the first issuance of any Rated Note, the date of such first issuance); or

(ii) if during the 180-day period ending on the date referred to in clause (i) an intention to effect any other Designated Event was first publicly announced but such other Designated Event did not occur, the date that is the earliest of the Rating Dates for any such other Designated Events.

"Full-Category-Lower Rating", for any rating of the Rated Notes by any Rating Agency on any Rating Date, shall mean the rating of the next lower Rating Category as compared to such rating by such Rating Agency on such Rating Date, modified by the same gradation (if applicable) within such next lower Rating Category as the gradation within the Rating Category of such rating by such Rating Agency on such Rating Date ("gradation" in the case of medium-term ratings meaning + and - for S&P, Duff's and Fitch's and 1, 2 and 3 for Moody's; and the "Rating Category" of any rating shall mean (from highest to lowest), with respect to a medium-term rating by S&P, BB, B, CCC, CC, C and D, or, with respect to a medium-term rating by Moody's, Ba, B, Caa, Ca and C, or, with respect to a medium-term rating by Duff's, BB, B and CCC, or, with respect to a medium-term rating by Fitch's, BB, B, CCC, CC, C, DDD, DD and D). For example, the Full-Category-Lower Ratings for the S&P medium-term ratings of "BB-" and "CCC-" are "B-" and "CC", respectively.

"Moody's" means Moody's Investors Service, together with its successors.

"S&P" means Standard & Poor's Corporation, together with its successors.

"Duff's" means Duff & Phelps Inc., together with its successors.

"Fitch's" means Fitch's Investors' Service, Inc., together with its successors.

"Rating Agencies" means, at any time, Moody's and S&P; provided that if at such time either (but not both) of Moody's or S&P shall no longer be rating any of the applicable notes or other securities of the Company (medium-term notes and securities in the case of clauses (a) and (b) of the definition of Rating Decline, and short-term notes and securities in the

case of clause (c) thereof), then "Rating Agencies" shall mean the one that is still rating such securities and either (i) Duff's (if it is rating such securities) or (ii) if Duff's is not rating such securities but Fitch's is rating such securities, Fitch's.

"Company Employee Benefit Plan" shall mean any employee benefit plan (as defined in Section 3(3) of ERISA) maintained by the Company or any Subsidiary.

"Fair Market Value" of any item shall mean the fair market value of the subject item as determined in good faith by the Board of Directors of the Company.

1.03 Accounting Terms. All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles in the United States and, except as otherwise herein expressly provided, the term "generally accepted accounting principles" with respect to any computation required or permitted hereunder shall mean such accounting principles as are generally accepted in the United States at the date of such computation.

1.04 Compliance Certificates and Opinions. Except as otherwise expressly provided by this Agreement, upon any application or request by the Company to the Agent and the Banks to take any action under any provision of this Agreement, the Company shall furnish to the Agent an Officers' Certificate stating that all conditions precedent, if any, provided for in this Agreement relating to the proposed action have been complied with and, if reasonably requested by the Agent, an Opinion of Counsel stating that in the opinion of such counsel all such conditions precedent, if any, have been complied with, except that in the case of any such application or request as to which the furnishing of such documents is specifically required by any provision of this Agreement relating to such particular application or request, no additional certificate or opinion need be furnished.

Every certificate or opinion with respect to compliance with a condition or cove nant provided for in this Agreement shall include:

(1) a statement that each individual signing such certificate or opinion has read such covenant or condition and the definitions herein relating thereto;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of each such individual, he has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been complied with; and

(4) a statement as to whether, in the opinion of each such individual, such condition or covenant has been complied with.

Section 2. Commitments and Loans.

2.01 Commitments. Each Bank severally agrees, subject to the terms and conditions of this Agreement, to make one loan to the Company on any Business Day on or prior to November 20, 1995, and to make one additional loan to the Company on any Business Day on or prior to the Commitment Termination Date, which loans collectively shall be in an aggregate principal amount up to but not exceeding the respective Commitment amount specified opposite such Bank's name on the signature pages hereof. Each such borrowing of Loans shall be made by the Banks pro rata in accordance with their respective Commitments.

2.02 Borrowings. The Company shall give the Agent written notice of each requested borrowing of the Loans not later than 10:00 a.m. (New York time) on the date that is not less than five Business Days prior to the date of such requested borrowing. Each such notice of borrowing shall specify the aggregate principal amount of the Loans to be borrowed (which shall not, in the aggregate, exceed $120,000,000 on the occasion of the initial borrowing hereunder, and shall not, in the aggregate, exceed $50,000,000 on the occasion of the second (and final) borrowing hereunder), the date of borrowing (which shall be a Business Day not later than November 20, 1995, in the case of the initial borrowing hereunder, and the Commitment Termination Date in the case of the second (and final) borrowing hereunder) and the initial Interest Period that will apply to the Loans borrowed as part of such borrowing. Each such notice of borrowing shall be irrevocable and shall be effective upon receipt thereof by the Agent. Promptly after the Agent's receipt of any notice of borrowing (and in any event not later than the date three Business Days prior to the date of the requested borrowing), the Agent shall give each Bank notice of the contents thereof and of each Bank's pro rata share of the aggregate principal amount of the requested borrowing.

Not later than 10:00 a.m. New York time on the date of each requested borrowing, each Bank shall make available to the Agent the principal amount of such Bank's Loan to be made as part of such borrowing by paying the same, in Dollars and in immediately available funds, to the Agent's account no. 04 203606 maintained at Bankers Trust Company, New York, New York, ABA no. 021001033, ref: "Coca-Cola Bottling Co. Consolidated". Not later than 3:00 p.m. (New York time), the Agent shall, subject to the terms and conditions of this Agreement, make available to the Company the amounts so received from the Banks by depositing the same, in immediately available funds, in the Company's account no. 001240985 "Coca-Cola Bottling Co. Consolidated" maintained with NationsBank of North Carolina, N.A., One NationsBank Plaza, Charlotte, North Carolina, ABA no. 053000196; provided, that, notwithstanding the foregoing, the Borrower hereby irrevocably authorizes and instructs the Agent to apply the proceeds of the Loans made on the occasion of the initial borrowing hereunder to repay or prepay in full, on the borrowing date of the initial Loans, any outstanding principal amount of the loans under the Existing Term Loan Agreements. The second borrowing of the Loans shall be the final borrowing, and accordingly shall terminate any Commitments that remain unborrowed. Any portion of the Commitments not utilized on December 29, 1995 will terminate on such date.

2.03 Fees. (a) The Company shall pay to the Agent, for the account of each Bank, a commitment fee at a rate of 0.15% per annum on the average daily unutilized amount of the Commitment of such Bank, from and including the date of this Agreement to but not including the Commitment Termination Date; provided, that if the initial borrowing of Loans occurs on or prior to November 20, 1995, no such commitment fee shall be payable with respect to the portion of the Commitments (up to an aggregate Commitment amount of $120,000,000) borrowed on such date, for the period from the signing date of this Agreement to but not including such borrowing date. Accrued commitment fee shall be payable in arrears on the Commitment Termination Date or, if earlier, the date on which the Commitments are borrowed or otherwise are terminated in full.

(b) In the event that any portion of the Commitments remains in effect at any time after 10:00 a.m. (New York time) on the Commitment Termination Date, or in the event that any portion of the Commitments is terminated for any reason on any day prior to the Commitment Termination Date, the Borrower shall pay to the Agent for the account of each Bank a commitment termination fee in an amount equal to 0.125% of the amount of such remaining Commitment of such Bank or the portion so terminated, as the case may be. Such fee shall be payable on the Commitment Termination Date or, in the case of any earlier termination, the date of such termination.

(c) The Company shall pay to the Agent for its own account such fees in such amounts and at the times set forth in the letter dated November 20, 1995 between the Agent and the Company.

2.04 Lending Offices. Each Bank shall make and maintain its Loans at such Bank's Applicable Lending Office or at such other Applicable Lending Office(s) as such Bank may select in accordance with the definition of such term in Section 1.01 hereof.

2.05 Loan Accounts. Each Bank shall record on its internal records the amount of the Loans made by it and each payment of principal, interest, fees and other amounts payable by the Company hereunder and under the Notes, and such records shall be rebuttably presumptive evidence of the Company's obligations in respect of such amounts. The Agent also shall record on its internal records the amount of all Loans of the Banks and each payment of principal, interest, fees and other amounts payable by the Company hereunder and under the Notes, and such records shall be rebuttably presumptive evidence of the Company's obligations in respect of such amounts; provided that in the event of any discrepancy between the records of the Agent and the records of any Bank, the records of such Bank shall prevail.

2.06 Notes.

(a) Without limiting the provisions of Section 2.05 hereof, each Loan made by each Bank shall be further evidenced by a promissory note of the Company in substantially the form of Exhibit A hereto. A separate note shall evidence the Loan made by each Bank on the occasion of each borrowing of Loans. Each Note to the order of a Bank shall be dated the date of the borrowing of the respective Loan hereunder to be evidenced by such Note, shall be

payable to the order of such Bank in a principal amount equal to the amount of such Loan and shall be otherwise duly completed, executed and delivered. Any payments and prepayments made on account of the principal of each Note shall be recorded by the Bank holding such Note on its books and, prior to any transfer of such Note, endorsed by such Bank on the schedule attached to such Note or any continuation thereof; but no failure by such Bank to make, or delay in making, such recording or endorsement shall affect the obligations of the Company under this Agreement or such Note.

(b) Each Bank shall be entitled to have its Notes subdivided, by exchange for promissory notes in minimum denominations of $10,000,000 (in the aggregate amount of all Notes of such Bank).

2.07 Several Obligations and Remedies. The obligations of the Banks under this Agreement are several, and neither the Agent nor any other Bank shall be responsible for the failure of any Bank to make its Loans hereunder. The rights of the Banks also are several, and the amounts payable by the Company at any time under this Agreement and the Notes to each Bank shall be a separate and independent debt. Each Bank shall be entitled separately to protect and enforce its rights arising out of this Agreement and the Notes, and it shall not be necessary for any other Bank or the Agent to consent to, or be joined as an additional party in, any proceedings for such purpose.

Section 3. Payments of Principal and Interest.

3.01 Repayment of Loans. The Company will pay to the Agent for the account of each Bank the unpaid principal amount of each Loan in full in two installments, the first of which shall be in the aggregate principal amount of $85,000,000 for all of the Banks and shall be payable on the Interim Maturity Date, and the second of which shall be in the aggregate principal amount of $85,000,000 for all of the Banks (or such other amount as shall equal the aggregate principal amount of all Loans that are then outstanding) and shall be payable on the Maturity Date. For the avoidance of doubt, (i) assuming that the Commitments are fully drawn, the installment of principal of each Loan made by each Bank that the Company shall be obligated to pay on the Interim Maturity Date shall be one-half of the original principal amount of such Loan, with the full remaining balance of the principal amount of such Loan to be payable on the Maturity Date, and (ii) in the event that less than all of the Commitments are drawn, the aggregate initial installment of the Loans payable on the Interim Maturity Date shall be $85,000,000 for all of the Banks, and the second (and final) aggregate installment of the Loans payable on the Maturity Date shall be the remaining aggregate principal balance of the Loans outstanding on such date.

3.02 Interest.

(a) The Company will pay to the Agent for the account of each Bank interest on the unpaid principal amount of each installment of each Loan and Note for the period commencing on the date of such Loan to but excluding the date on which such installment shall be paid in full, at a rate per annum, for each Interest Period for such Loan equal to the LIBOR

for such Interest Period plus the Applicable Margin in effect from time to time during such Interest Period.

(b) Notwithstanding the foregoing, the Company will pay to Agent for the account of each Bank interest at the Post-Default Rate on any principal of the Loans and (to the fullest extent permitted by law) on interest hereunder or under the Notes, which shall not be paid in full when due (whether at stated maturity, by acceleration or otherwise), for the period commencing on the due date thereof to but excluding the date on which the same is paid in full.

(c) Accrued interest on the Loans and the Notes shall be payable on the last day of each Interest Period and upon the payment or prepayment of the Loans, except that interest payable on any amount at the Post-Default Rate shall be payable from time to time on demand by the Agent or any Bank.

(d) The Company shall select the duration of the initial Interest Period for each Loan in the notice of borrowing for such Loan given pursuant to Section 2.02 hereof. The Company shall select the duration of each subsequent Interest Period for each Loan by giving written notice to the Agent, and such Interest Period shall apply to all Loans then outstanding that were made as part of the same borrowing. Such notice with respect to any Interest Period shall be irrevocable and shall be effective only if received by the Agent not later than 10:00 a.m. New York time on the date three Business Days prior to the first day of such Interest Period. In the event that the Company fails to select the duration of any Interest Period for any Loans within the time period and otherwise as provided in this Section 3.02, such Interest Period shall have a duration of one month. The Agent shall promptly notify the Banks of the duration of each Interest Period.

3.03 Prepayments of the Loans.

(a) The Company shall have the right to prepay the Loans in full or in part at any time or from time to time; provided that: (i) the Company shall give the Agent written notice of each such prepayment, which notice shall be irrevocable, shall specify the aggregate principal amount of the Loans of all the Banks to be prepaid (which, if less than the full unpaid principal amount of the Loans, shall be at least $5,000,000 or, if higher, an integral multiple of $1,000,000), and the date of prepayment, and shall be effective only if received by the Agent not later than 10:00 a.m. New York time on the date 10 days prior to the requested date of such prepayment, (ii) such prepayment shall be accompanied by all amounts that may be required to be paid to each Bank pursuant to Section 5.04 hereof, (iii) except in the case of non-ratable prepayments pursuant to Sections 5.01(b), 5.03 or 5.06 hereof, such prepayment shall be applied ratably to the Loans of all the Banks in accordance with the unpaid principal amount of the respective Loans then held by each of them, and (iv) such prepayment shall be applied to the installments of the Loans in the inverse order of their maturity. The Agent shall promptly notify the Banks of each notice of prepayment.

(b) Any portion of the Loans prepaid, whether pursuant to this Section 3.03, Section 5.03 or otherwise, may not be reborrowed.

(c) No portion of the Commitments may be voluntarily reduced or terminated by the Company.

3.04 Limitation on Interest. Anything in this Agreement or in any Note to the contrary notwithstanding, in no event shall any Bank be entitled to take, charge, collect or receive interest on the Loans or the Notes in excess of the maximum rate permitted under applicable law.

Section 4. Payments and Computations.

4.01 Payments.

(a) All payments of principal of the Loans, interest thereon and all other fees, indemnities and other amounts to be paid by the Company under this Agreement and the Notes shall be made in Dollars, in immediately available funds, to the Agent at its account No. 04 203606 at Bankers Trust Company, New York, New York ABA no. 021001033, ref.: "CocaCola Bottling Co. Consolidated" (or at such other account or at such other place in New York City as the Agent may notify the Company from time to time), for account of each Bank's Applicable Lending Office not later than 10:00 a.m. New York time on the date on which such payment shall become due. Each such payment made after such time on any such due date shall be deemed to have been made on the next succeeding Business Day, and interest shall accrue thereon as provided in Section 3.02(b). Each payment received by the Agent under this Agreement or any Note for account of a Bank shall be paid promptly to such Bank, in immediately available funds, for account of such Bank's Applicable Lending Office.

(b) All payments and prepayments of principal of the Loans shall be accompanied by interest on the Loans accrued to the date of payment or prepayment.

(c) All payments shall be made without set-off, counterclaim or deduction of any kind. Upon the occurrence and during the continuance of a Default, then in addition to any rights that the Agent or any Bank may have under applicable law, the Agent and each Bank may (but shall not be obligated to) debit the amount of any such payment to any ordinary deposit account of the Company with the Agent or such Bank or any affiliate of the Agent or such Bank (with subsequent written notice to the Company).

(d) If the stated due date of any payment under this Agreement or the Notes would otherwise fall on a day which is not a Business Day, such date shall be extended to the next succeeding Business Day and interest shall be payable for any principal so extended for the period of such extension.

(e) Each payment or prepayment of principal of or interest on the Loans or of commitment fee or commitment termination fee shall be made to the Agent for the account of the Banks pro rata in accordance with the respective unpaid principal amounts of their respective Loans.

4.02 Computations. Interest on the Loans and the Notes and on interest thereon and all commitment fees hereunder shall be computed on the basis of a year of 360 days and actual days elapsed (including the first day but excluding the last day) occurring in the period for which payable.

4.03 Non-Receipt of Funds by the Agent. Unless the Agent shall have been notified by a Bank or the Company prior to the date on which such Bank or the Company (as the case may be) is scheduled to make any payment to the Agent of any amount required to be paid under this Agreement or any Note (such payment being herein called a "Required Payment"), which notice shall be effective upon receipt, that it does not intend to make the Required Payment to the Agent, the Agent may assume that the Required Payment has been made and may, in reliance upon that assumption (but shall not be required to), make the amount of such Required Payment available to the intended recipient(s) on such date. If such Bank or the Com pany (as the case may be) has not in fact made the Required Payment to the Agent, the recipient(s) of such payment shall, on demand, repay to the Agent the amount so made available together with interest thereon in respect of each day during the period commencing on the date such amount was so made available by the Agent until the date on which the Agent recovers such amount at a rate per annum equal to the effective federal funds rate for such day (as determined by the Agent).

4.04 Sharing of Payments. If any Bank shall obtain payment of any principal of or interest on any Loan through the exercise of any right of set-off, banker's lien, counterclaim or similar right or otherwise, and, as a result of such payment, such Bank shall have received a greater percentage of the principal or interest then due hereunder to such Bank than the percentage received by any other Banks, it shall promptly purchase from such other Banks participations in the Loans made by such other Banks in such amounts, and make such other adjustments from time to time as shall be equitable, to the end that all the Banks shall share the benefit of such excess payment (net of any expenses which may be incurred by such Bank in obtaining or preserving such excess payment) pro rata in accordance with the unpaid principal of and/or interest on the Loans held by each of the Banks. To such end, all the Banks shall make appropriate adjustments among themselves (by the resale of participations sold or otherwise) if such excess payment is rescinded or must otherwise be restored. The Company agrees that any Bank so purchasing a participation in the Loans made by other Banks may exercise all rights of set-off, banker's lien, counterclaim or similar rights with respect to such participation as fully as if such Bank were a direct holder of the Loans in the amount of such participation. Nothing contained herein shall require any Bank to exercise any such right or shall affect the right of any Bank to exercise, and retain the benefits of exercising, any such right with respect to any other indebtedness or obligation of the Company or any of its Affiliates. If under any applicable bankruptcy, insolvency or other similar law, any Bank receives a secured claim in lieu of a right of set-off to which this Section 4.04 applies, such Bank shall, to the extent practicable, exercise its rights in respect of such secured claim in a manner consistent with the rights of the Banks entitled under this Section 4.04 to share in the benefits of any recovery on such secured claim.

Section 5. Yield Protection and Illegality.

5.01 Additional Costs.

(a) The Company shall pay to the Agent for the account of each Bank from time to time such amounts as such Bank may reasonably determine to be necessary to compensate it for any costs which such Bank determines are attributable to its making or main taining of any of its Loans or its obligation to make such Loans hereunder or any reduction in any amount receivable by such Bank from the Company hereunder or under the Notes in respect of its Loans or such obligation (such increases in costs and reductions in amounts receivable being herein called "Additional Costs"), resulting from any Regulatory Change which: (i) changes the basis of taxation of any amounts payable to the Agent or such Bank by the Company under this Agreement or any Note (other than taxes imposed on the overall net income of such Bank or of its Applicable Lending Office by the jurisdiction in which such Bank has its principal office or such Applicable Lending Office); or (ii) imposes or modifies any reserve, special deposit, minimum capital, capital ratio or similar requirements, or increases the rate of any such requirements, relating to any extensions of credit or other assets of, or any deposits with or other liabilities of, such Bank (including any of such Bank's Loans or any deposits referred to in the definition of "LIBOR" in Section 1.01 hereof), or the Commitments or the Notes; or (iii) imposes any other condition affecting this Agreement or the Notes (or any of such extensions of credit or liabilities) or the Commitments. The relevant Bank will notify the Company (with a copy to the Agent) of any event occurring after the date of this Agreement which will entitle such Bank to compensation pursuant to this Section 5.01(a) as promptly as practicable after it obtains knowledge thereof and determines, in the light of its then prevailing policies, to request such compensation. Notwithstanding the foregoing provisions of this Section 5.01(a), in no event shall any Bank requesting payment of any Additional Costs under this Section 5.01(a) be entitled to payment of such Additional Costs to the extent that such Additional Costs arose with respect to any period prior to the date of the first such request. Further, each Bank will designate a dif ferent Applicable Lending Office for its Loans if such designation will avoid the need for, or reduce the amount of, such compensation and will not, in the opinion of such Bank, be disadvantageous to such Bank in any material respect. Each Bank will furnish the Company (with a copy to the Agent) with a certificate setting forth in reasonable detail the basis and amount of each request for compensation under this Section 5.01(a).

(b) Without limiting the effect of the provisions of Section 5.01(a) hereof (but without duplication), in the event that, by reason of any Regulatory Change, any Bank becomes subject to restrictions on the amount of any category of liabilities or assets (relating to any Loan held by it or its funding), then, if such Bank so elects by notice to the Company (with a copy to the Agent), the following provisions shall apply:

(x) During the 30-day period following the date of any such notice (the "Negotiation Period"), such Bank and the Company will negotiate in good faith (through the Agent) to agree upon a substitute basis (the "Substitute Basis") for determining the rate of interest to be applicable to the Loans held by such Bank (including, if appropriate, alternative periods for such determinations). If so agreed, the Substitute Basis (plus the

Applicable Margin) shall thereafter be the rate at which such Loans bear interest pursuant to Section 3.02 hereof (subject to Section 3.04) and shall be retroactive to, and take effect from, the beginning of the then current Interest Period for each Loan.

(y) If at the expiry of the Negotiation Period a Substitute Basis shall not have been agreed upon, such Bank shall notify the Company from time to time (with a copy to the Agent) of the cost (as reasonably determined by such Bank) of funding its Loans (plus the Applicable Margin) and the interest payable to such Bank on such Loans, and the Company shall be obligated to pay all such costs and interest in the amounts and at the rates specified by such Bank. The failure of the Company and such Bank to agree upon a Substitute Basis at the expiry of the Negotiation Period shall be deemed to be an election by the Company to prepay the Loans of such Bank in accordance with Section 3.03 hereof on the date 30 days after such expiry (or, if earlier, on the last day of the then current Interest Period), subject to Section 5.04 hereof.

(c) Without limiting the effect of the foregoing provisions of this Section 5.01 (but without duplication), the Company shall pay to the Agent for the account of each Bank from time to time on request by such Bank (with a copy to the Agent) such amounts as such Bank may reasonably determine to be necessary to compensate such Bank for any costs which it determines are attributable to the maintenance by such Bank (or any Applicable Lending Office), pursuant to any law or regulation or any interpretation, directive or request (whether or not having the force of law) of any court or governmental or monetary authority, by reason of any Regulatory Change, of capital in respect of the Commitment, the Loans or the Notes held by it (such com pensation to include, without limitation, an amount equal to any reduction of the rate of return on assets or equity of such Bank (or any Applicable Lending Office) to a level below that which such Bank (or any Applicable Lending Office) could have achieved but for such law, regulation, interpretation, directive or request); provided that in no event shall any Bank requesting payment of any compensation under this Section 5.01(c) be entitled to payment of such compensation to the extent that such compensation is for such costs with respect to any period prior to the date of the first such request. Such Bank will notify the Company (with a copy to the Agent) that it is entitled to compensation pursuant to this Section 5.01(c) as promptly as practicable after it determines, in light of its then prevailing policies, to request such compensation. Each Bank will furnish the Company with a certificate setting forth in reasonable detail the basis and amount of each request for compensation under this Section 5.01(c).

(d) Determinations and allocations by each Bank for purposes of this Section 5.01 of the effect of any Regulatory Change pursuant to Section 5.01(a) or (b) hereof, or of the effect of capital maintained pursuant to Section 5.01(c) hereof, on its costs or rate of return of maintaining its Loans or its obligation to make its Loans, or on amounts receivable by it in respect of its Loans, and of the amounts required to compensate such Bank under this Section 5.01, shall be conclusive, provided that such determinations and allocations are reasonable.

5.02 Changes in Circumstances. Anything herein to the contrary notwithstanding, if, on or prior to the determination of the interest rate for any Loan for any Interest Period therefor either (i) the Agent determines (which determination shall be conclusive)

that quotations of interest rates for the deposits referred to in the definition of "LIBOR" in Section 1.01 hereof are not being provided in the relevant amounts or for the relevant maturities for purposes of determining the rate of interest for such Loan as provided herein, then the Agent shall give the Company and the Banks prompt written notice thereof, or (ii) any Bank determines that the LIBOR for such Interest Period will not adequately reflect the cost to such Bank of funding its Loan or Loans for such Interest Period, then such Bank shall give the Agent and the Company prompt written notice thereof; and, if such Loan has not then been made, the obligation of the Banks to make the Loans shall immediately terminate, and if such Loan has been made, the following provisions shall apply:

(a) During the 30-day period following the date of any such notice (the "Negotiation Period"), the Banks and the Company will negotiate in good faith (through the Agent) to agree upon a substitute basis (the "Substitute Basis") for determining the rate of interest to be applicable to the Loans (including, if appropriate, alternative periods for such determinations). If so agreed, the Substitute Basis (plus the Applicable Margin) shall thereafter be the rate at which the Loans bear interest pursuant to Section 3.02 hereof (subject to Section 3.04) and shall be retroactive to, and take effect from, the beginning of the then current Interest Period.

(b) If at the expiry of the Negotiation Period a Substitute Basis shall not have been agreed upon, each Bank shall notify the Company from time to time (with a copy to the Agent) of the cost (as reasonably determined by such Bank) of funding its Loans (plus the Applicable Margin) and the interest payable to such Bank on such Loans, and the Company shall be obligated to pay all such costs and interest in the amounts and at the rates specified by such Bank. The failure of the Company and the Banks to agree upon a Substitute Basis at the expiry of the Negotiation Period shall be deemed to be an election by the Company to prepay the Loans of the Banks in accordance with Section 3.03 hereof on the date 30 days after such expiry (or, if earlier, the last day of the then current Interest Period), subject to Section 5.04 hereof.

5.03 Illegality. Notwithstanding any other provision of this Agreement, in the event that it becomes unlawful for any Bank or its Applicable Lending Office to make or maintain its Loans hereunder, then such Bank shall promptly notify the Company and the Agent and, if the Loans have not then been made, the obligation of such Bank to make its Loans shall immediately terminate, and if the Loans have been made, the Company shall prepay the Loans of such Bank in full on the last day of the then current Interest Period therefor, or on such earlier date as such Bank may reasonably require in light of the applicable legal requirements. Such Bank agrees that it will designate a different Applicable Lending Office for its Loans if such designation will avoid the illegality that is the reason for the required prepayment pursuant to this Section 5.03 and will not, in the opinion of such Bank, be disadvantageous to such Bank in any material respect.

5.04 Compensation. Whether or not any Loan is made, the Company shall pay to the Agent for its own account or for the account of each Bank (as the case may be), immediately upon the request of the Agent or such Bank from time to time, such amount or

amounts as shall be sufficient (in the reasonable opinion of the Agent or such Bank) to com pensate it for any loss, cost or expense which the Agent or such Bank determines are attributable to:

(a) any payment or prepayment of any Loan for any reason (including, without limitation, any prepayment or acceleration of the Loans pursuant to Section 3.03, 5.03 or 9 hereof for any reason) on a date other than the last day of an Interest Period for such Loan or any failure to continue a LIBOR Loan for the designated Interest Period; or

(b) any failure by the Company for any reason (including, without limitation, the failure of any of the conditions precedent specified in Section 6 hereof to be satisfied) to borrow the Loans on any date scheduled for the borrowing thereof.

Without limiting the effect of the first sentence of this Section 5.04, such compensation to any Bank shall not include the amount attributable to the Applicable Margin but shall include an amount equal to the excess, if any, of (i) the amount of interest which otherwise would have ac crued on the principal amount so paid, prepaid or not borrowed for the period from the date of such payment, prepayment or failure to borrow to the last day of the then current Interest Period for the respective Loans (or, in the case of a failure to borrow, the Interest Period for such Loans which would have commenced on the date specified for such borrowing) at the applicable rate of interest for such Loan provided for herein over (ii) the interest component of the amount such Bank would have bid in the London interbank market for Dollar deposits of leading banks in amounts comparable to such principal amount and with maturities comparable to such period (as reasonably determined by such Bank).

5.05 Taxes. All payments of principal, interest, fees and other amounts under this Agreement or the Notes paid or payable to the Agent or any Bank (as used in this Section 5.05, "Payments") shall be made free and clear of, and without deduction by reason of, any and all taxes, duties, assessments, withholdings, retentions or other similar charges whatsoever imposed, levied, collected, withheld or assessed by any jurisdiction or any agency or taxing authority thereof or therein (as used in this Section 5.05, "Taxes"), all of which shall be paid by the Company for its own account not later than the date when due. If the Company is required by law or regulation to deduct or withhold any Taxes from any Payment, the Company shall: (a) make such deduction or withholding; (b) pay the amount so deducted or withheld to the appropriate taxing authority not later than the date when due; (c) deliver to the Agent, promptly and in any event within 15 days after the date on which such Taxes become due, original tax receipts and other evidence satisfactory to the Agent of the payment when due of the full amount of such Taxes; and (d) pay to the Agent for the account of itself or of the respective Bank, forthwith upon any request by the Agent or such Bank therefor from time to time, such addi tional amounts as may be necessary so that the Agent or such Bank receives, free and clear of all Taxes, the full amount of such Payment stated to be due under this Agreement or the Notes as if no such deduction or withholding had been made. The Company hereby indemnifies the Agent and each Bank and holds each of them harmless for any loss, cost, damage, penalty or expense whatsoever arising from any failure of the Company to make, or delay in making, any deduction or withholding of Taxes, or its failure to pay when due the amount so deducted or withheld to the

appropriate taxation authority or its failure otherwise to comply with the terms and conditions of this Section 5.05. Each Bank will designate a different Applicable Lending Office for its Loans if such designation will avoid the need for, or reduce the amount of, any additional amount that the Company is required to pay to such Bank under this Section 5.05 and will not, in the opinion of such Bank, be disadvantageous to such Bank in any material respect.

Each Bank that is organized under the laws of a jurisdiction other than the United States or any state or other political subdivision, district or territory thereof agrees that it will deliver to the Company on the date of its execution of this Agreement and thereafter as may be required from time to time by applicable law or regulation United States Internal Revenue Service Form 4224 or 1001 (or any successor form) or such other form as from time to time may be required to demonstrate that payments made by the Company to such Bank under this Agreement and the Notes either are exempt from United States Federal withholding taxes or are payable at a reduced rate (if any) specified in any applicable tax treaty or convention.

5.06 Prepayments. If the Company becomes obligated to pay any Bank Additional Costs, compensation or additional amounts pursuant to Section 5.01 hereof, the Company may prepay the Loans of such Bank non-ratably in accordance with the terms of Section 3.03 hereof.

Section 6. Conditions Precedent.

6.01 Conditions Precedent to the Initial Borrowing. The obligation of each Bank to make its Loan hereunder on the occasion of the initial borrowing under Section 2.02 hereof is subject to the receipt by the Agent of the following documents, each of which shall be satisfactory to the Agent in form and substance, and with sufficient copies for the Agent and each Bank:

(a) An Officers' Certificate (which shall include the signature thereon of the Secretary of the Company) containing certified copies of the certificate of incorporation and bylaws and all other organizing documents of the Company and all corporate action taken by the Company approving this Agreement, the Notes, the borrowing by the Company of the full amount of the Commitments hereunder and the performance of its obligations hereunder and thereunder (including, without limitation, a certificate setting forth the resolutions of the Board of Directors of the Company adopted in respect of the transactions contemplated hereby and thereby and any shareholder action taken in respect thereof) and good standing certificates for the Company from the States of Delaware, Tennessee, Virginia, North Carolina and South Carolina and good standing certificates for each of the Subsidiaries listed in Schedule 1 hereto from the states of their respective incorporation and from each state in which such Subsidiary is doing business, as set forth in said Schedule 1.

(b) An Officers' Certificate (which shall include the signature thereon of the Secretary of the Company) in respect of each of the officers who is authorized to sign this Agreement and the Notes on its behalf.

(c) An Officers' Certificate to the effect set forth in Section 6.02 hereof.

(d) An opinion of Witt, Gaither & Whitaker, special counsel to the Company, substantially in the form of Exhibit B hereto.

(e) The Notes in respect of the initial Loans, duly executed and delivered by the Company to the order of each Bank and otherwise appropriately completed.

(f) Evidence of the payment of the fee described in Section 2.03(c) hereof.

(g) An Officers' Certificate stating that the Senior Debt Rating of the Company by Moody's is at least Baa3 and by S&P is at least BBB-.

(h) Evidence that all principal of and interest on all loans outstanding under the Existing Term Loan Agreements have been or, simultaneously with the making of the Loans hereunder are being, irrevocably paid in full, together with such broken funding payments and other costs as may be provided for in the Existing Term Loan Agreements.

(i) Such other opinions and other documents as the Agent or any Bank may reasonably request.

6.02 Each Borrowing. The obligation of the Banks to make the Loans to the Company upon the occasion of each borrowing hereunder (including, without limitation, the initial borrowing) is subject to the further condition precedent that, as of the date of the Loans to be made as part of such borrowing and after giving effect thereto: (a) no Default or Rating Decline shall have occurred and be continuing; and (b) the representations and warranties made by the Company in this Agreement shall be true and correct in all material respects on and as of the date of the making of such Loans, with the same force and effect as if made on and as of such date and the Company shall, on the date of each borrowing hereunder (including, without limitation, the date of the second (and final) borrowing), furnish an Officer's Certificate with respect to compliance by the Company with clauses (a) and (b) above; and (c) in the case of the second (and final) borrowing hereunder, the Agent shall have received the Notes in respect of such Loans, duly executed and delivered by the Company to the order of each Bank and otherwise appropriately completed, and evidence of the payment of all fees described in Section 2.03 hereof.

Section 7. Representations and Warranties. The Company represents and warrants to the Agent and each Bank that:

7.01 Corporate Existence. Each of the Company and each of its Subsidiaries: (a) is a corporation duly incorporated and validly existing under the laws of the jurisdiction of its incorporation; (b) has all requisite corporate power, and has all governmental licenses, authorizations, consents and approvals necessary to own its assets and carry on its business as now being conducted; and (c) is qualified to do business in all jurisdictions in which the nature

of the business conducted by it makes such qualification necessary. The Company is qualified to do business in Virginia, Tennessee, North Carolina and South Carolina, and each of the Subsidiaries listed in Schedule 1 is qualified to do business in the states indicated for such Subsidiary in Schedule 1.

7.02 Financial Condition. The audited consolidated balance sheet of the Company and the consolidated Subsidiaries as at January 2, 1995 and the related consolidated statements of operations, cash flows and changes in shareholders' equity of the Company and the consolidated Subsidiaries for the fiscal year ended on said date, with the opinion thereon of Price Waterhouse & Co., and the unaudited consolidated balance sheet of the Company and the consolidated Subsidiaries as at July 2, 1995 and the related consolidated statements of operations, cash flows and changes in Shareholders' equity of the Company and the consolidated Subsidiaries for the six-month period ended on such date, heretofore furnished to the Agent and each Bank, are complete and correct and fairly present the consolidated financial condition of the Company and the consolidated Subsidiaries as at said dates and the consolidated results of their operations for the fiscal year and six-month period ended on said dates, subject, in the case of such financial statements as at July 2, 1995, to normal year-end adjustments all in conformity with generally accepted accounting principles applied on a consistent basis. As at such dates, neither the Company nor any of its Subsidiaries had any material contingent liabilities, liabilities for taxes, unusual forward or long-term commitments or unrealized or anticipated losses from any unfavorable commitments, except as referred to or reflected or provided for in said balance sheets as at said dates and except as are not required by generally accepted accounting principles and practices to be disclosed on the financial statements referred to herein. Since January 2, 1995, there has been no material adverse change in the consolidated financial condition or operations, or the prospects or business taken as a whole, of the Company and its consolidated Subsidiaries from that set forth in said financial statements as at said date.

7.03 Litigation. Except as disclosed in Schedule 2 hereto, there are no legal or arbitral proceedings or any proceedings by or before any governmental or regulatory authority or agency, now pending or (to the best knowledge of the Company) threatened against the Company or any Subsidiary that could reasonably be expected to have a material adverse effect on the consolidated financial condition, business or results of operations taken as a whole, of the Company and its consolidated Subsidiaries or on the Company's ability to perform its obligations hereunder and under the Notes.

7.04 No Breach. None of the execution and delivery of this Agreement or the Notes, the consummation of the transactions herein or therein contemplated and compliance with the terms and provisions hereof and thereof will conflict with or result in a breach of, or require any consent under, (i) the certificate of incorporation or bylaws of the Company, (ii) any applicable law, rule or regulation, or any order, writ, injunction or decree of any court or governmental authority or agency, or (iii) any agreement or other instrument to which the Company or any Subsidiary is a party or by which its respective assets, revenues or other properties may be bound, or constitute a default under any such agreement or instrument, or result in the creation or imposition of any Lien upon any of the assets, revenues or other

properties of the Company or any Subsidiary pursuant to the terms of any such agreement or instrument.

7.05 Corporate Action. The Company has all necessary corporate power and authority to execute, deliver and perform its obligations under this Agreement and the Notes and to borrow the full amount of the Commitments; and the execution, delivery and performance by the Company of this Agreement and the Notes and the borrowing of the full amount of the Commitments have been duly authorized by all necessary corporate action on its part; and this Agreement has been duly and validly executed and delivered by the Company and constitutes, and the Notes when executed and delivered for value will constitute, the Company's legal, valid and binding obligation, enforceable in accordance with their respective terms, except as such enforceability may be limited by (a) applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws of general applicability affecting the enforcement of creditors' rights and (b) the application of general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

7.06 Approvals. No authorizations, approvals or consents of, and no filings or registrations with, any governmental or regulatory authority or agency are necessary for the execution, delivery or performance by the Company of this Agreement or the Notes or for the validity or enforceability thereof.

7.07 Use of Loans. Neither the Company nor any Subsidiary is engaged principally, or as one of its important activities, in the business of extending credit for the purpose, whether immediate, incidental or ultimate, of buying or carrying margin stock (within the meaning of Regulation U or X of the Board of Governors of the Federal Reserve System) and no part of the proceeds of the Loans hereunder will be used to buy or carry any margin stock. Without prejudice to the foregoing, the proceeds of the initial borrowing of the Loans will be used solely to refinance the loans outstanding under the Existing Term Loan Agreements.

7.08 ERISA. Each of the Company and the ERISA Affiliates has fulfilled all obligations under the minimum funding standards of ERISA and the Code with respect to each Plan, has paid, or, in accordance with ERISA and the Code, has accrued a liability for, all contributions requested on behalf of each Multiemployer Plan, is in compliance in all substantial respects with all applicable provisions of ERISA and the Code, and has not incurred any liability to the PBGC in excess of $25,000, except for premiums due, or any Plan or Multiemployer Plan except for claims for benefits or requirements for contributions, in either case made in accordance with the terms of such Plan or Multi-Employer Plan. Except as disclosed in Schedule 3 hereto, there are no disputes relating to ERISA or employee benefits or relations to which the Company or any of its Restricted Subsidiaries is a party and which if adversely determined would subject the Company or any of its Restricted Subsidiaries to any material liability.

7.09 Taxes. United States Federal income tax returns of the Company and the Subsidiaries have been examined and closed through the fiscal year of the Company ended December 31, 1987 (except with respect to Sunbelt Coca-Cola Bottling Company, Inc., which

income tax returns have been examined and closed through the fiscal year ended December 31, 1988 and Coca-Cola Bottling Company Affiliated, Inc., which income tax returns have been examined and closed through the fiscal year ended December 31, 1989). Each of the Company and the Subsidiaries has filed all United States Federal income tax returns and all other material tax returns which are required to be filed by it and has paid all taxes due pursuant to such returns or pursuant to any assessment received by the Company or any Subsidiary. The charges, accruals and reserves on the books of the Company and the Subsidiaries in respect of taxes and other governmental charges are, in the opinion of the Company, adequate.

7.10 Ownership. 29.67% of the shares of the Common Stock of the Company issued and outstanding as of the date hereof are owned, both beneficially and of record and free and clear of all Mortgages, directly by The Coca-Cola Company. All such shares of Common Stock have been legally and validly issued and are fully paid and non-assessable. Except as disclosed in Schedule 4 hereto, there are no outstanding options, warrants, rights, agreements, contracts, calls, commitments or demands of any character obligating or entitling either the Company or The Coca-Cola Company to sell, issue, redeem or repurchase any Capital Stock of the Company.

7.11 Ranking. The obligations of the Company under this Agreement and the Notes rank at least pari passu in right of payment and in all other respects with all other Indebtedness of the Company, except that any Debt of the Company, secured to the extent permitted by clauses (1), (2), (3), (4)(a) or (5) of Section 8.05 hereof, and any renewal of such Debt renewed and secured in accordance with clause (6) of said Section 8.05, may, solely with respect to the collateral securing such Debt, rank senior in right of security to the obligations of the Company under this Agreement and the Notes.

7.12 Investment Company Act. Neither the Company nor any of its Subsidiaries is, nor is any of them "controlled by", an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

7.13 Public Utility Holding Company Act. Neither the Company nor any of its Subsidiaries is a "holding company" nor is any of them a "subsidiary company" of a "holding company" within the meaning of the Public Utility Holding Company Act of 1935, as amended, nor is any of them a public utility under any applicable state law.

7.14 Compliance with Laws. To the best of the Company's knowledge the Company is in compliance with all applicable laws, ordinances and regulations, including, without limitation, all Environmental Laws and Health Laws, the failure to comply with which could have a material adverse effect on the business, operations or financial condition of the Company or any of its Subsidiaries.

7.15 Voting Agreement. Based upon information furnished to the Company by the parties to the Voting Agreement (as defined below in this Section 7.15), pursuant to the terms of a voting agreement among The Coca-Cola Company, J. Frank Harrison, Jr., J. Frank Harrison, III and Reid M. Henson, in his capacity as co-trustee of certain trusts holding shares of the

Company's Class B Common Stock, dated January 27, 1989 (the "Voting Agreement"), The Coca-Cola Company granted an irrevocable proxy with respect to any shares of Class B Common Stock or Common Stock owned by The Coca-Cola Company and any shares of Common Stock into which shares of Class B Common Stock are converted or exchanged to J. Frank Harrison, III, for life, and thereafter to J. Frank Harrison, Jr. Schedule 4 hereto contains a true and complete (in all material respects) description of the Voting Agreement.

7.16 Ownership of Property; Licenses. Each of the Company and each of its Restricted Subsidiaries has good record and marketable title to, or a valid leasehold interest in, all of its respective Principal Properties as shown on the financial statements referred to in Section 7.02 hereof and is licensed to use all relevant patents, trademarks, tradenames, technical information, technology, know-how, licenses, franchises and processes necessary for the normal operation and business of the Company or such Subsidiary.

7.17 Nature of Business. The Company and its Restricted Subsidiaries are engaged primarily in the business of bottling, canning, marketing and distribution of soft drinks, primarily products of The Coca-Cola Company and other beverages and activities related thereto (it being understood that certain Subsidiaries of the Company organized under the laws of the State of Delaware merely hold Bottle Contracts or Allied Bottle Contracts as their principal asset and are not operating Subsidiaries); provided, that notwithstanding the foregoing, the Company has acquired other businesses, assets and properties related or incidental to the foregoing which it may operate on a temporary or permanent basis. Not less than 80% of the annual revenues of the Company and its consolidated Subsidiaries are derived from the bottling, canning, marketing and distribution of products of The Coca-Cola Company and activities related thereto.

7.18 Bottle Contracts and Allied Bottle Contracts. The agreements identified in Schedule 5 are all of the material Bottle Contracts and Allied Bottle Contracts to which the Company or any Restricted Subsidiary is a party as of the date hereof. Each Bottle Contract and Allied Bottle Contract is in full force and effect and the Company and each of its Restricted Subsidiaries are in substantial compliance with the terms and conditions applicable to them contained in such Bottle Contracts and Allied Bottle Contracts.

7.19 Debt Instruments. The agreements identified in Schedule 6 are all of the agreements, bonds, debentures, notes and other instruments evidencing Debt in an original principal amount of greater than or equal to $5,000,000 of the Company or any of its Restricted Subsidiaries and in respect of which any of them is obligated, directly or contingently, as of the date hereof. Each of the Company and each of its Subsidiaries is in full compliance with the terms and conditions applicable to them contained in each such agreement, bond, debenture, note or other instrument.

Section 8. Covenants of the Company. The Company agrees that, so long as any Commitment is in effect and until payment in full of the Loans hereunder, all interest thereon and all other amounts payable by the Company hereunder and under the Notes:

8.01 Financial Statements. The Company shall deliver to the Agent, with a sufficient number of copies for each of the Banks:

(a) as soon as available and in any event within 60 days after the end of each of the first three fiscal quarterly periods of each fiscal year of the Company, unaudited consolidated statements of income, retained earnings and changes in financial position of the Company and the consolidated Subsidiaries for such period and for the period from the beginning of the respective fiscal year to the end of such period, and the related consolidated balance sheet as at the end of such period, setting forth in each case in comparative form the corresponding figures for the corresponding period in the preceding fiscal year, accompanied by an Officers' Certificate (which shall include the signature thereon of the chief financial officer of the Company), which certificate shall state that said financial statements fairly present the consolidated financial condition and results of operations of the Company and the consolidated Subsidiaries in accordance with generally accepted accounting principles, consistently applied (except for changes to which the Company's auditors have agreed), as at the end of, and for, such period (subject to normal year-end audit adjustments).

(b) as soon as available and in any event within 90 days after the end of each fiscal year of the Company, audited consolidated statements of income, retained earnings and changes in financial position of the Company and the consolidated Subsidiaries for such year and the related consolidated balance sheet as at the end of such year, setting forth in each case in comparative form the corresponding figures for the preceding fiscal year, and accompanied by an opinion thereon of Price Waterhouse & Co. or other comparable independent public accountants of recognized national standing, which opinion shall state that said financial statements fairly present the consolidated financial condition and results of operations of the Company and the consolidated Subsidiaries as at the end of, and for, such fiscal year, and a certificate of such accountants stating that, in making the examination necessary for their opinion, they obtained no knowledge, except as specifically stated, of any Default.

(c) at the time the Company furnishes each set of financial statements pursuant to paragraph (a) or (b) above, an Officers' Certificate (which shall include the signature thereon of the chief financial officer of the Company) (i) to the effect that, during the most recent fiscal quarter reported on such financial statement, no Default, Designated Event or Rating Decline has occurred and is continuing (or, if any Default, Designated Event or Rating Decline has occurred and is continuing, describing the same in reasonable detail), (ii) as long as the Revolving Credit Agreement is in effect, stating that the Company has during the most recent fiscal quarter complied with all of the terms of the NationsBank Credit Agreement (including, without limitation, any New Revolving Credit Agreement), (or if the Company has failed to comply in any respect with any of the foregoing, describing such failure to comply in reasonable detail) and (iii) setting forth in reasonable detail the computations necessary to determine whether the Company is in compliance with Sections 8.04, 8.05 and 8.06 hereof as of the end of the respective fiscal quarter or fiscal year.

(d) promptly upon their becoming available, copies of all registration statements and regular periodic reports, if any, which the Company shall have filed with the SEC (or any governmental agency substituted therefor) or any national securities exchange and copies of all press releases material to the Company's operations or financial condition issued by the Company or any of its Subsidiaries.

(e) promptly upon the mailing thereof to the shareholders of the Company generally, copies of all financial statements, reports and proxy statements so mailed.

(f) promptly (and in any event not later than 15 days) after the President or Chief Financial Officer of the Company knows that any Default has occurred, a notice of such Default, Designated Event or Rating Decline, stating that it is a "Notice of Default", "Notice of Designated Event" or "Notice of Rating Decline", as the case may be, and describing the same in reasonable detail.

(g) promptly (and in any event no later than 2 days) after any officer of the Company knows of any change in (or withdrawal or elimination of) the Company's Senior Debt Rating by either S&P or Moody's, notice of such change.

(h) from time to time such other information regarding the business, affairs or financial condition of the Company or any of the Subsidiaries as the Agent, at the request of any Bank, may reasonably request.

8.02 Corporate Existence, Etc. The Company shall, and shall cause each Subsidiary to: (a) preserve and maintain its corporate existence and all of its rights, privileges and franchises, provided that the Company shall not be required to preserve any such right or franchise if the Board of Directors shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Company and its Subsidiaries as a whole, and provided further that the foregoing shall not prevent the Company from engaging in a merger or consolidation permitted by Section 8.04 hereof; (b) comply with the requirements of all applicable laws, rules, regulations and orders of governmental or regulatory authorities (including, without limitation, all Environmental Laws and all Health Laws) the failure to comply with which would have a material adverse effect on the business or financial condition of the Company and its Subsidiaries, taken as a whole; (c) pay and discharge all taxes, assessments and governmental charges or levies imposed on it or on its income or profits or on any of its property prior to the date on which penalties attach thereto, except for any such tax, assessment, charge or levy the payment of which is being contested in good faith and by proper proceedings and against which adequate reserves are being maintained and except that the failure to pay or discharge any such tax, assessment, governmental charge or levy in an amount or amounts which in the aggregate would not have material adverse effect on the business or financial condition of the Company and its Subsidiaries, taken as a whole, shall not be deemed to be a breach of this covenant; (d) maintain all of its Principal Properties used or useful in its business in good working order and condition, ordinary wear and tear excepted and except to the extent that failure to maintain any of such Principal Properties in good working order and condition would not have a material adverse effect on the business or financial condition of the Company and its

Subsidiaries, taken as a whole; (e) maintain proper books and records of account and permit representatives of the Agent and each Bank, during normal business hours, to examine and make extracts from its books and records, to inspect its properties, and to discuss its business and affairs with its officers, all to the extent reasonably requested by the Agent or such Bank with reasonable notice; and (f) keep insured by reputable insurers all property of a character usually insured by corporations of similar size engaged in the same or similar business against loss or damage of the kinds and in the amounts customarily insured against by such corporations and carry such other insurance as is usually carried by such corporations.

8.03 Use of Proceeds. The Company shall use the proceeds of the Loans made as part of the initial borrowing hereunder solely to refinance the entire principal amount of the loans outstanding under the Existing Term Loan Agreements and shall use the proceeds of the Loans made as a part of any subsequent borrowing solely for the Company's general corporate purposes (which shall include, without limitation, the repurchase of debt securities outstanding on the date of this Agreement), and in any event all proceeds of the Loans shall be used solely in compliance with Regulations G, T, U and X of the Board of Governors of the Federal Reserve System.

8.04 Mergers and Consolidations. The Company shall not consolidate with or merge into any other Person or convey or transfer all or substantially all of its assets, revenues and other properties as an entirety to any Person, whether in a single transaction or in a series of related transactions, unless:

(a) the Person formed by such consolidation or into which the Company is merged or the Person which acquires by conveyance or transfer the assets, revenues and other properties of the Company substantially as an entirety (the "Surviving Entity") shall be a corporation organized and existing under the laws of the United States of America, any State thereof or the District of Columbia and shall expressly assume, by an agreement supplemental hereto, executed and delivered to the Agent for the benefit of the Agent and the Banks in form satisfactory to the Agent, the due and punctual payment of the principal of and interest on all the Loans and Notes and all other amounts payable under this Agreement and the Notes and the performance and observance of every covenant of this Agreement on the part of the Company to be performed or observed;

(b) immediately after giving effect to such transaction, no Default or Event of Default shall have occurred and be continuing, nor shall any Rating Decline be likely to occur as an immediate consequence of such transaction (in the reasonable judgment of the Company's Board of Directors) and, without limiting the foregoing, The Coca-Cola Company shall directly own and continue to own, both beneficially and of record and free and clear of all Mortgages, and control at least 20% of the Common Stock of the Surviving Entity; and

(c) the Company has delivered to the Agent for the benefit of the Agent and the Banks an Officers' Certificate and an Opinion of Counsel in form and substance reasonably satisfactory to the Agent, each stating that such consolidation,

merger, conveyance or transfer and such supplemental indenture comply with this Section 8.04 and that all conditions precedent herein provided for relating to such transaction have been complied with.

Anything in this Section 8.04 to the contrary notwithstanding, no such consolidation, merger, conveyance or transfer shall be entered into or made by the Company with or to another corporation which has outstanding any obligations secured by a Mortgage if, as a result of such consolidation, merger, conveyance or transfer, any Principal Property of the Company or any Restricted Subsidiary would be subjected to the lien of such Mortgage and such Mortgage is not expressly excluded from the restrictions or permitted by the provisions of Section 8.05 unless simultaneously therewith or prior thereto effective provision shall be made for the securing of all the Loans and the Notes (together with, if the Company shall so determine, any other Debt of the Company now existing or hereafter created which is not subordinated to the Loans and the Notes), equally and ratably with (or, at the option of the Company, prior to) the obligations secured by such Mortgage by a lien upon such Principal Property.

8.05 Restrictions on Debt. The Company will not itself, and will not permit any Subsidiary to, incur, issue, assume or guarantee any Debt, whether or not evidenced by negotiable instruments or securities, or any notes, bonds, debentures or other similar evidences of indebtedness for money borrowed, secured by any Mortgage on any Principal Property of the Company or any Subsidiary, or on any shares of Capital Stock or Debt of any Subsidiary, without effectively providing that the Loans and the Notes (together with, if the Company shall so determine, any other Debt of the Company or such Subsidiary then existing or thereafter created which is not subordinate to the Loans and the Notes) shall be secured equally and ratably with (or, at the option of the Company, prior to) such secured Debt, so long as such secured Debt shall be so secured, and will not permit any Subsidiary to, incur, issue, assume or guaranty any unsecured Debt or to issue any Preferred Stock, in each instance unless the aggregate amount of (A) all such Debt, (B) the aggregate preferential amount to which such Preferred Stock would be entitled on any involuntary distribution of assets and (C) Attributable Debt of the Company and its Subsidiaries in respect of sale and leaseback transactions (as defined in Section 8.06) would not exceed 10% of Consolidated Net Tangible Assets; provided, however, that this Section 8.05 shall not apply to, and there shall be excluded from Debt in any computation under this Section 8.05:

(1) Debt secured by Mortgages on property of, or on any shares of Capital Stock or Debt of, any corporation, and unsecured Debt of any corporation, existing at the time such corporation becomes a Subsidiary;

(2) Debt secured by Mortgages in favor of the Company or any Subsidiary and unsecured Debt payable to the Company or any Subsidiary;

(3) Debt secured by Mortgages in favor of the United States of America, or any agency, department or other instrumentality thereof, to secure progress, advance or other payments pursuant to any contract or provision of any statute;

(4) (a) Debt secured by Mortgages on property (including, without limitation, shares of Capital Stock or Debt of any Subsidiary held by the Company existing at the time of acquisition thereof (including, without limitation, acquisition through merger or consolidation)) or to secure the payment of all or any part of the purchase price or construction cost thereof or to secure any Debt incurred prior to, at the time of, or within 120 days after, the acquisition of such property (or shares of Capital Stock or Debt) or the completion of any such construction for the purpose of financing all or any part of the purchase price or construction cost thereof, and (b) unsecured Debt incurred to finance the acquisition of any property (or shares of Capital Stock or Debt) other than shares of Capital Stock or Debt of the Company, or to finance construction on property incurred prior to, at the time of, or within 120 days after the later of the acquisi tion of such property or the completion of construction thereon;

(5) Debt secured by Mortgages securing obligations issued by a state, territory or possession of the United States, or any political subdivision of any of the foregoing or the District of Columbia, to finance the acquisition of or construction on property, and on which the interest is not, in the opinion of tax counsel of recognized standing or in accordance with a ruling issued by the Internal Revenue Service, includable in gross income of the holder by reason of Section 103(a)(1) of the Code (or any successor to such provision) as in effect at the time of the issuance of such obligations; and

(6) any extensions, renewal or replacement (or successive extensions, renewals or replacements), as a whole or in part, of any Debt referred to in the foregoing clauses (1) to (5), inclusive; provided, that (i) such extension, renewal or replacement, in the case of Debt secured by a Mortgage, shall be limited to all or a part of the same property, shares of Capital Stock or Debt that secured the Mortgage extended, renewed or replaced (plus improvements on such property), and (ii) the Debt secured by such Mortgage at such time is not increased;

and provided, further, that this Section 8.05 shall not apply to any issuance of Preferred Stock by a Subsidiary to the Company or another Subsidiary, provided that such Preferred Stock shall not thereafter be transferable to any Person other than the Company or a Subsidiary.

8.06 Restrictions on Sales and Leasebacks. The Company will not itself, and will not permit any Restricted Subsidiary to, enter into any transaction after the date hereof with any bank, insurance company, lender or other investor, or to which any such bank, insurance company, lender or investor is a party, providing for the leasing by the Company or a Restricted Subsidiary of any Principal Property which has been or is to be sold or transferred by the Company or such Restricted Subsidiary to such bank, insurance company, lender or investor, or to any person to whom funds have been or are to be advanced by such bank, insurance company, lender or investor on the security of such Principal Property (herein referred to as a "sale and leaseback transaction") unless, after giving effect thereto, the aggregate amount of all Attributable Debt with respect to such transactions plus all Debt to which Section 8.05 is applicable would not exceed 10% of Consolidated Net Tangible Assets. This covenant shall not

apply to, and there shall be excluded from Attributable Debt in any computation under this Section 8.06, Attributable Debt with respect to any sale and leaseback transaction if:

(1) the lease in such sale and leaseback transaction is for a period, including renewal rights, of not in excess of three years, or

(2) the Company or a Restricted Subsidiary, within 180 days after the sale or transfer shall have been made by the Company or by a Restricted Subsidiary, applies an amount not less than the greater of the net proceeds of the sale of the Principal Property leased pursuant to such arrangement or the fair market value of the Principal Property so leased at the time of entering into such arrangement (as determined in any manner approved by the Board of Directors) to (a) the retirement of Funded Debt of the Company ranking on a parity with the Loans or the retirement of Funded Debt of a Restricted Subsidiary; provided, however, that the amount to be applied to the retirement of such Funded Debt of the Company or a Restricted Subsidiary shall be reduced by (x) the principal amount of the Loans or Notes (or other notes or debentures constituting such Funded Debt) that are prepaid in accordance with Section 3.03 hereof or are delivered within such 180-day period to the applicable trustee for retirement and cancellation and (y) the principal amount of such Funded Debt, other than items referred to in the preceding clause (x), voluntarily retired by the Company or a Restricted Subsidiary within 180 days after such sale; and provided, further, that, notwithstanding the foregoing, no retirement referred to in this clause (a) may be effected by payment at maturity or pursuant to any mandatory sinking funds payment or any mandatory prepayment provision, or (b) the purchase of other property which will constitute a Principal Property having a fair market value, in the opinion of the Board of Directors of the Company, at least equal to the fair market value of the Principal Property leased in such sale and leaseback transaction less the amount of any Funded Debt retired pursuant to clause (a) of this subsection, or

(3) such sale and leaseback transaction is entered into prior to, at the time of, or within 180 days after the later of the acquisition of the Principal Property or the completion of construction thereon, or

(4) the lease in such sale and leaseback transaction secures or relates to obligations issued by a state, territory or possession of the United States, or any polit ical subdivision of any of the foregoing, or the District of Columbia, to finance the acquisition of or construction on property, and on which the interest is not, in the opinion of tax counsel of recognized standing or in accordance with a ruling issued by the Internal Revenue Service, includable in gross income of the holder by reason of Section 103(a)(1) of the Code (or any successor to such provision) as in effect at the time of the issuance of such obligations, or

(5) such sale and leaseback transaction is entered into between the Company and a Restricted Subsidiary or between Restricted Subsidiaries.

8.07 Ranking. The Company will ensure that at all times its obligations under this Agreement and the Notes continue to rank at least pari passu in right of payment and in all other respects with all other Indebtedness of the Company, except that any Debt of the Company, secured to the extent permitted by clauses (1), (2), (3), (4)(a) or (5) of Section 8.05 hereof, and any renewal of such Debt renewed and secured in accordance with clause (6) of said Section 8.05, may, solely with respect to the collateral securing such Debt, rank senior in right of security to the obligations of the Company under this Agreement and the Notes.

8.08 Business. The Company will not, and will not permit any of its Restricted Subsidiaries to, engage primarily in any business other than that described in the first sentence of Section 7.17 hereof and the Company shall, and shall cause each of its Restricted Subsidiaries to, maintain in full force and effect each Bottle Contract disclosed in Schedule 5 hereof; provided, however, that the Company may, in the normal course of its business, modify, amend or replace any such Bottle Contract or any term thereof if, in the discretion of the Company's Board of Directors, such modification, amendment or replacement is desirable and in furtherance of the business of the Company and would not have a material adverse effect on the business or financial condition of the Company and its Subsidiaries, taken as a whole; and, provided further, that notwithstanding the terms of this Section 8.08 the Company may, through acquisition, either temporarily or permanently, acquire other businesses, assets and properties, related or incidental to its business described in the first sentence of Section 7.17 hereof.

8.09 New Revolving Credit Agreement. At a reasonable time prior to the execution thereof, the Company shall deliver to the Agent and the Banks a copy of any proposed New Revolving Credit Agreement.

Section 9. Events of Default. If one or more of the following events (herein called "Events of Default") shall occur and be continuing:

(a) The Company shall fail to pay any principal of the Loans or Notes when due; or the Company shall fail to pay any interest or any other amount payable by it under this Agreement or under the Notes and such failure shall not be fully remedied within 30 days after the date when due; or

(b) The Company or any Restricted Subsidiary shall fail to pay when due any principal of or interest on any bond, debenture, note or other Indebtedness (other than under this Agreement) having an aggregate principal amount of $1,000,000 (or its equivalent in other currencies) or more and such failure shall continue after the expiry of any grace period; or any event of default specified in any bond, debenture, note, agreement, indenture or other document evidencing or relating to any such Indebtedness shall occur if the effect of such event is to cause, or to permit the holder or holders of such Indebtedness (or a trustee or agent on behalf of such holder or holders) to cause, such Indebtedness to become due prior to its stated maturity; or any Indebtedness of the Company or any of its Restricted Subsidiaries is declared to be or otherwise becomes due prior to its stated maturity; provided, however, that if such default or acceleration under such evidence of Indebtedness, indenture or other instrument shall be cured by the

Company, or be waived by the holders of such indebtedness, in each case as may be permitted by such evidence of Indebtedness, indenture or other instrument, the Event of Default hereunder by reason of such default shall be deemed likewise to have been thereupon cured or waived ; provided, further, that, for purposes of this Section 9(b), the term "Indebtedness" shall in any event include the NationsBank Revolving Credit Agreement, irrespective of the aggregate outstanding principal amount of loans outstanding thereunder; or

(c) Any representation or warranty made herein by the Company or any officer of the Company or in any certificate furnished to the Agent or any Bank pursuant to the provisions hereof or thereof, shall have been false or misleading as of the time made or furnished in any material respect; or

(d) The Company shall default in the performance of any of its obligations under Section 8.01(f), 8.02(a), 8.03 or 8.04, hereof; or the Company shall default in the performance of any of its other obligations in this Agreement and such default shall continue unremedied for a period of 60 days after written notice (by registered or certified mail) of such default is given to the Company; or

(e) The Company or any Restricted Subsidiary shall (i) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee or li quidator of itself or of all or a substantial part of its property, (ii) make a general assignment for the benefit of its creditors, (iii) commence a voluntary case under any relevant bankruptcy code or similar law (as now or hereafter in effect), (iv) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or readjustment of debts, (v) fail to con trovert in a timely and appropriate manner, or acquiesce in writing to, any petition filed against it in an involuntary case under any relevant bankruptcy code or similar law (as now or hereafter in effect), or (vi) admit in writing its inability to pay its debts generally as they become due, or (vii) take any corporate action for the purpose of effecting any of the foregoing; or

(f) A proceeding or case shall be commenced, without the application or consent of the Company or any Restricted Subsidiary, in any court of competent jurisdiction, seeking (i) its liquidation, reorganization, dissolution or winding-up, or the composition or readjustment of its debts, (ii) the appointment of a trustee, receiver, custodian, liquidator or the like of the Company or such Subsidiary or of all or any substantial part of its assets, or (iii) similar relief in respect of the Company or such Subsidiary under any law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, and such proceeding or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing shall be entered and continue unstayed and in effect, for a period of 60 days; or an order for relief against the Company or any Subsidiary shall be entered in an involuntary case under any relevant bankruptcy code or similar law (as now or hereafter in effect); or

(g) A final judgment or judgments for the payment of money in excess of $10,000,000 in the aggregate shall be rendered by a court or courts against the Company and/or any Restricted Subsidiary and the same shall not be discharged (or bona fide negotiations in good faith shall not be in progress seeking such discharge), or a stay of execution thereof shall not be procured, within 60 days from the date of entry thereof and the Company or the relevant Subsidiary shall not, within said period of 60 days, or such longer period during which execution of the same shall have been stayed, appeal there from and cause the execution thereof to be stayed during such appeal; or

(h) The Coca-Cola Company shall fail to directly own, both beneficially and of record and free and clear of all Mortgages, and control at least 20% of the Common Stock of the Company and such failure shall continue unremedied for a period of 90 days after the date on which such failure occurred; or

(i) Any Trigger Event shall occur and shall continue for a period of 40 days after the occurrence thereof;

THEREUPON: (1) in the case of an Event of Default other than one referred to in clause (e), (f), or (i) of this Section 9, the Agent may, and upon instructions from Banks holding 25% of the aggregate outstanding principal amount of the Loans shall, by written notice to the Company, cancel the Commitments and/or declare the principal amount then outstanding of and the accrued interest on the Loans and the Notes and all other amounts payable by the Company hereunder and under the Notes to be forthwith due and payable, whereupon such amounts shall be immediately due and payable without presentment, demand, protest or other formalities of any kind (other than the notice expressly provided for above in this subclause (1)), all of which are hereby expressly waived by the Company; and (2) in the case of an Event of Default referred to in clause (e) or (f) of this Section 9, the Commitments shall be automatically canceled and the principal amount then outstanding of, and the accrued interest on, the Loans and all other amounts payable by the Company hereunder and under the Notes shall become automatically immediately due and payable without presentment, demand, protest or other formalities of any kind, all of which are hereby expressly waived by the Company; and (3) in the case of an Event of Default referred to in clause (i) of this Section 9, on the date 80 days after notice by the Agent to the Company of the occurrence of such Event of Default, whether or not such Event of Default shall then be continuing, the Commitments shall be automatically cancelled and the principal amount then outstanding of, and accrued interest on, the Loans and all other amounts payable by the Company hereunder and under the Notes shall become automatically due and payable without presentment, demand, protest or other formalities of any kind (other than the notice expressly provided for above in this subclause (3)), all of which are hereby expressly waived by the Company. In the event that the Agent gives notice to the Company of the occurrence of an Event of Default referred to in clause (i) of this Section 9 and, during the 80-day period following the giving of such notice, another Event of Default shall occur under any of the clauses of this Section 9, the Agent and the Banks shall have all remedies available to them in respect of such subsequent Event of Default under subclause (1) or (2) of the preceding sentence, under applicable law or otherwise without regard to such 80-day period.

At any time after such a declaration of acceleration (but not after an acceleration pursuant to clause (2) or (3) of the preceding sentence) has been made and before a judgment or decree for payment of the money due has been obtained by the Agent or any Bank, the Banks, by written notice to the Company and the Agent, may (but shall not be obligated to) rescind and annul such declaration and its consequences if:

(1) the Company has paid

(A) all overdue interest on all Loans and Notes,

(B) to the extent that payment of such interest is lawful, interest upon overdue principal and interest at the rate or rates prescribed therefor in this Agreement, and

(C) all sums paid or advanced by the Agent hereunder and the reasonable compensation, expenses, disbursements and advances of the Agent, its agents and counsel;

and

(2) all Events of Default, other than the non-payment of principal which have become due solely by such declaration of acceleration, have been cured or waived as provided in Section 11.04 hereof.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

Section 10. The Agent.

10.01 Appointment, Powers and Immunities. Each Bank hereby irrevocably appoints and authorizes the Agent to act as its agent hereunder with such powers as are specifi cally delegated to the Agent by the terms of this Agreement, together with such other powers as are reasonably incidental thereto. The Agent (which term as used in this sentence and in Section 10.05 and the first sentence of Section 10.06 hereof shall include reference to its affiliates; and its own and its affiliates' officers, directors, employees and agents): (a) shall have no duties or responsibilities except those expressly set forth in this Agreement, and shall not by reason of this Agreement be a trustee or other fiduciary for any Bank; (b) shall not be responsible to the Banks for any recitals, statements, representations or warranties contained in this Agreement, or in any certificate or other document referred to or provided for in, or received by any of them under, this Agreement, or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement, any Note or any other document referred to or provided for herein or therein or for any failure by the Company or any other Person to perform any of its obligations hereunder or thereunder; (c) shall not be required to initiate or conduct any litigation or collection proceedings hereunder; and (d) shall not be responsible for any action taken or omitted to be taken by it hereunder or under any other document or instrument referred to or provided for herein or in connection herewith, except for its own gross negligence or willful mis-

conduct. The Agent may employ agents and attorneys-in-fact and shall not be responsible for the negligence or misconduct of any such agents or attorneys-in-fact selected by it in good faith. The Agent may deem and treat the payee of any Note as the holder thereof for all purposes hereof unless and until a written notice of the assignment or transfer thereof shall have been filed with the Agent.

10.02 Reliance by Agent. The Agent shall be entitled to rely upon any certification, notice or other communication (including any thereof by telephone, telex, telegram, facsimile or cable) believed by it to be genuine and correct and to have been signed or sent by or on behalf of the proper Person or Persons, and upon advice and statements of legal counsel, independent accountants and other experts selected by the Agent. As to any matters not expressly provided for by this Agreement, the Agent shall in all cases be fully protected in acting, or in refraining from acting, hereunder in accordance with instructions signed by the Required Banks, and such instructions of the Required Banks and any action taken or failure to act pursuant thereto shall be binding on all of the Banks.

10.03 Defaults. The Agent shall not be deemed to have knowledge of the occurrence of a Default (other than the nonpayment of principal of or interest on the Loans) unless the Agent has received notice from a Bank or the Company specifying such Default and stating that such notice is a "Notice of Default". In the event that the Agent receives such a notice of the occurrence of a Default, the Agent shall give prompt notice thereof to the Banks (and shall give each Bank prompt notice of each such nonpayment). The Agent shall (subject to Section 10.07 hereof) take such action with respect to such Default as shall be directed by the Required Banks, provided that, unless and until the Agent shall have received such directions, the Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default as it shall deem advisable in the best interest of the Banks.

10.04 Rights as a Bank. With respect to the Commitment, Loans and Notes held by it, LTCB (and any, successor acting as Agent) in its capacity as a Bank hereunder shall have the same rights and powers hereunder as any, other Bank and may exercise the same as though it (or its affiliates) were not acting as the Agent, and the term "Bank" or "Banks" shall, unless the context otherwise indicates, include the Agent in its individual capacity. LTCB (and any successor acting as Agent) and its affiliates may (without having to account therefor to any Bank) accept deposits from, lend money to and generally engage in any kind of banking, trust or other business with the Company (and any of its affiliates) as if it (or its affiliate) were not acting as the Agent, and LTCB and its affiliates may accept fees and other consideration from the Com pany for services in connection with this Agreement or otherwise without having to account for the same to the Banks.

10.05 Indemnification. The Banks agree to indemnify the Agent (to the extent not reimbursed under Section 11.03 hereof, but without limiting the obligations of the Company under said Section 11.03), ratably in accordance with the aggregate principal amount of the Loans held by the Banks (or, if no Loans are at the time outstanding, ratably in accordance with their respective Commitments, or, if no Loans or Commitments are then outstanding, ratably in accordance with the principal amount of the Loans held by each of them immediately prior to the

payment thereof in full), for any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind and nature whatsoever which may be imposed on, incurred by or asserted against the Agent in any way relating to or arising out of this Agreement or any other documents contemplated by or referred to herein or the transactions contemplated hereby (including, without limitation, the costs and expenses which the Company is obligated to pay under Section 11.03 hereof) or the enforcement of any of the terms hereof or of any such other documents, provided that no Bank shall be liable for any of the foregoing to the extent they arise from the gross negligence or willful misconduct of the party to be indemnified.

10.06 Non-Reliance on Agent and other Banks. Each Bank agrees that it has, independently and without reliance on the Agent or any other Bank, and based on such documents and information as it has deemed appropriate, made its own credit analysis of the Company and its Affiliates and decision to enter into this Agreement and that it will, independently and without reliance upon the Agent or any other Bank, and based on such documents and information as it shall deem appropriate at the time, continue to make its own analysis and decisions in taking or not taking action under this Agreement. The Agent shall not be required to keep itself informed as to the performance or observance by the Company of this Agreement or any other document referred to or provided for herein or to inspect the properties or books of the Company or any of its Affiliates. Except for notices, reports and other documents and information expressly required to be furnished to the Banks by the Agent hereunder, the Agent shall not have any duty or responsibility to provide any Bank with any credit or other information concerning the affairs, financial condition or business of the Company or any of its Affiliates which may come into the possession of the Agent or any of its affiliates.

10.07 Failure to Act. Except for action expressly required of the Agent hereunder, the Agent shall in all cases be fully justified in failing or refusing to act hereunder unless it shall be indemnified to its satisfaction by the Banks against any and all liabilities and expenses which may be incurred by it by reason of taking or continuing to take any such action.

10.08 Resignation or Removal of Agent. Subject to the appointment and acceptance of a successor Agent as provided below, the Agent may resign at any time by giving notice thereof to the Banks and the Company and the Agent may be removed at any time with or without cause by the Required Banks. Upon any such resignation or removal, the Required Banks shall have the right, with the consent of the Company (which consent shall not be unreasonably withheld), to appoint a successor Agent. If no successor Agent shall have been so appointed by the Required Banks and shall have accepted such appointment within 30 days after the retiring Agent's giving of notice of resignation or the Required Banks' removal of the retiring Agent, then the retiring Agent may, on behalf of the Banks, appoint a successor Agent, which shall be a bank which has an office in New York, New York and which has 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, privileges and duties of the retiring Agent, and the retiring Agent shall be discharged from its duties and obligations hereunder. After any retiring Agent's

resignation or removal hereunder as Agent, the provisions of this Section 10 shall continue in effect for its benefit in respect of any actions taken or omitted to be taken by it while it was acting as the Agent.

10.09 Agent's Office. The Agent acts initially through the New York office of LTCB Trust Company, but may hereafter change the office at which it performs its functions as Agent to any other office of itself or any of its affiliates (including, without limitation, to any office of LTCB) by giving prompt subsequent notice to the Company and the Banks.

Section 11. Miscellaneous.

11.01 Waiver. No failure on the part of the Agent or any Bank to exercise and no delay in exercising, and no course of dealing with respect to, any right, power or privilege under this Agreement or the Notes shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege under this Agreement or the Notes preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The remedies provided herein are cumulative and not exclusive of any remedies provided by law.

11.02 Notices. All notices and other communications provided for herein (including, without limitation, any modifications of, or waivers or consents under, this Agreement or the Notes) shall be given or made by telex, telecopy, telegraph, cable or in writing and telexed, telecopied, telegraphed, cabled, mailed or delivered to the intended recipient at the "Address for Notices" specified below its name on the signature pages hereof; or, as to any party, at such other address as shall be designated by such party in a notice to the other parties. Except as otherwise provided in this Agreement, all such communications shall be deemed to have been duly given when transmitted by telex or telecopier, delivered to the telegraph or cable office or personally delivered or, in the case of a mailed notice, upon receipt, in each case given or addressed as aforesaid; provided that any such communication which is not received during normal business hours of the recipient shall be deemed to be duly given at the opening of business on its next business day.

11.03 Expenses. Whether or not any Loan is made hereunder, the Company agrees, promptly upon request by the Agent or any Bank therefor from time to time, to pay or reimburse the Agent and each Bank for paying: (a) all reasonable out-of-pocket costs and expenses of the Agent (including, without limitation, the reasonable fees and expenses of Christy & Viener, special New York counsel to the Agent and the Banks, and of all other outside counsels to the Agent and the Banks) in connection with (i) the preparation, execution and delivery of this Agreement and the Notes and the making of the Loans hereunder and the consummation of the transactions contemplated hereby and thereby, and any costs or expenses of the Agent in connection with the syndication of this Agreement (whether before or after the date of the initial borrowing hereunder) and (ii) any amendment, modification or waiver of any of the terms of this Agreement or the Notes; (b) all reasonable out-of-pocket costs and expenses of the Agent and each Bank (including, without limitation, the reasonable fees and expenses of all outside counsels to the Agent or such Bank and all court costs) in connection with the enforcement of or exercise or preservation of any rights of the Agent or such Bank under this

Agreement or the Notes; (c) all transfer, stamp, documentary or other similar taxes, assessments or charges levied by any governmental or revenue authority in any jurisdiction in respect of this Agreement or the Notes or any other document referred to herein; (d) all normal administrative costs and expenses of the Agent incident to the performance of its agency duties hereunder; and (e) all reasonable fees and expenses of counsel to the Agent and the Banks in connection with the syndication (whether by assignment or participation), after the date on which the Loans are made, of its Commitment and Loans under this Agreement. The Company hereby agrees to indemnify the Agent and each Bank and its respective directors, officers, employees, counsels and agents from, and hold each of them harmless against, any and all losses, liabilities, claims, damages or expenses incurred by any of them arising out of or by reason of any investigation or litigation or other proceedings (including any threatened investigation or litigation or other proceedings) relating to any actual or proposed use by the Company or any of its Affiliates of the proceeds of the Loans, including, without limitation, the reasonable fees and expenses of counsel incurred in connection with any such investigation or litigation or other proceedings (but excluding any such losses, liabilities, claims, damages or expenses incurred solely by reason of the gross negligence or willful misconduct of the Person to be indemnified).

11.04 Amendments. Any provision of this Agreement may be modified, amended or (unless 25% of the Banks shall theretofore have given notice to the Agent of their instructions to cancel the Commitments and/or declare all amounts due hereunder immediately due and payable pursuant to Section 9 hereof) waived, but only in writing signed by the Company, the Agent and the Required Banks; provided that any modification, amendment or waiver that would (a) extend the date fixed for the payment of principal of or interest on any of the Loans or any other amounts payable hereunder or under the Notes, (b) reduce any payment of principal of or interest on any of the Loans or any other amounts payable hereunder or under the Notes, (c) reduce the rate at which interest is payable hereunder or under the Notes, or (d) change this Section 11.04 or the definition of "Required Banks" in Section 1.01 hereof or otherwise change the number of parties hereto whose approval or consent is necessary for any modification, amendment or waiver of any of the terms of, or any other action under, this Agreement or the Notes, shall be in writing signed by the Company, the Agent and all of the Banks. The Agent or any Bank may grant or withhold its consent to any requested modification, amendment or waiver at its sole discretion.

11.05 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

11.06 Assignments and Participations.

(a) The Company may not assign its rights or obligations hereunder or under the Notes without the prior written consent of the Agent and all of the Banks.

(b) Any Bank may assign to any bank or other financial institution all or any portion of its Commitment, Loans or Notes without the consent of the Company or the Agent; provided that any assignment of less than the full Commitment, Loans or Notes held by a Bank shall be in an aggregate principal amount of not less than $10,000,000. Prior and as a condition

precedent to the effectiveness of any such assignment, the Bank that is the assignor of such assignment shall pay to the Agent for its own account a non-refundable recordation fee of $3,000. Each assignee shall have, to the extent of such assignment (unless otherwise provided in such assignment), the obligations, rights and benefits of a "Bank" hereunder holding the Commitment and Loans (or portions thereof) assigned to it.

(c) Any Bank may sell to one or more other banks or financial institutions a participation in all or any part of its Commitment, Loans and Notes. Such Bank shall remain responsible for its performance under this Agreement, shall remain the holder of its Note for all purposes under this Agreement, and the Agent and the Company shall continue to deal solely and directly with such Bank, in connection with such Bank's rights and obligations under this Agreement. No participant shall be entitled to receive any greater payment pursuant to Section 5.01 or 5.05 hereof than the Bank selling such participant's participation would have been entitled to receive with respect to the rights subject to the relevant participation. The participant's rights against the Bank selling such participant's participation in respect of such participation shall be those set forth in the agreement (the "Participation Agreement") executed by such Bank in favor of such participant. In no event shall a Bank grant a participation that conveys to the participant the right to vote under this Agreement, except that a Bank may agree in the Participation Agreement that it will not, without the consent of the participant, agree to (i) the extension of any date fixed for the payment of principal of or interest on the Loan or other amounts payable hereunder or under the Notes held by such Bank, (ii) the reduction of any payment of principal thereof or other amounts payable hereunder or under the Notes held by such Bank, or (iii) the reduction of the rate at which interest is payable thereon to a level below the rate at which the participant is entitled to receive interest or fee (as the case may be) in respect of such participation.

(d) Any Bank may furnish any information concerning the Company or any of its Subsidiaries or other Affiliates in the possession of such Bank (other than, without the prior written consent of the Company, any information with respect to Piedmont Coca-Cola Bottling Partnership) from time to time to assignees and participants (including prospective assignees and participants).

(e) In addition to the assignments and participations permitted under the foregoing provisions of this Section 11.06, any Bank may assign or pledge all or any portion of its Loans and its Notes to any Federal Reserve Bank as collateral security pursuant to Regulation A of the Board of Governors of the Federal Reserve System or any operating circular issued by such Federal Reserve Bank.

11.07 Survival. Without limiting the survival of any other provisions of this Agreement or the Notes, the obligations of the Company under Sections 5.01, 5.04, 5.05 and 11.03 hereof and of the Banks under Section 10.05 hereof shall survive the repayment of the Loans and the termination of the Commitments.

11.08 Captions. Captions and section headings appearing herein are included solely for convenience of reference and are not intended to affect the interpretation of any provision of this Agreement.

11.09 Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Agreement by signing any such counterpart.

11.10 GOVERNING LAW. THIS AGREEMENT AND THE NOTES SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

11.11 JURISDICTION AND SERVICE OF PROCESS. (A) ANY SUIT, ACTION OR PROCEEDING AGAINST THE COMPANY WITH RESPECT TO THIS AGREEMENT, THE LOANS OR THE NOTES OR ANY JUDGMENT ENTERED BY ANY COURT IN RESPECT THEREOF MAY BE BROUGHT IN THE SUPREME COURT OF THE STATE OF NEW YORK, COUNTY OF NEW YORK, IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK, OR IN ANY STATE OR FEDERAL COURT SITTING IN NORTH CAROLINA (COLLECTIVELY, THE "SUBJECT COURTS"), AS THE AGENT OR ANY BANK MAY ELECT IN ITS SOLE DISCRETION AND THE COMPANY HEREBY IRREVOCABLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF EACH OF THE SUBJECT COURTS FOR THE PURPOSE OF ANY SUCH SUIT, ACTION, PROCEEDING OR JUDGMENT. THE COMPANY HEREBY AGREES THAT SERVICE OF ALL WRITS, PROCESS AND SUMMONSES IN ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN THE STATE OF NEW YORK MAY BE MADE UPON CT CORPORATION SYSTEM (THE "NEW YORK PROCESS AGENT"), CURRENTLY LOCATED AT 1633 BROADWAY, NEW YORK, NEW YORK 10019. THE COMPANY HEREBY IRREVOCABLY APPOINTS THE NEW YORK PROCESS AGENT AS ITS AGENT TO ACCEPT SERVICE OF ANY AND ALL SUCH WRITS, PROCESS OR SUMMONSES, AND AGREES THAT THE FAILURE OF SUCH PROCESS AGENT TO GIVE NOTICE OF ANY SUCH SERVICE TO THE COMPANY SHALL NOT IMPAIR OR AFFECT THE VALIDITY OF SUCH SERVICE OR OF ANY JUDGMENT BASED THEREON. THE COMPANY HEREBY FURTHER IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS IN ANY SUIT, ACTION OR PROCEEDING IN ANY OF THE SUBJECT COURTS BY THE MAILING THEREOF BY THE AGENT OR ANY BANK BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, TO THE COMPANY ADDRESSED AS PROVIDED IN SECTION 11.02 HEREOF. NOTHING HEREIN SHALL IN ANY WAY BE DEEMED TO LIMIT THE ABILITY OF THE AGENT OR ANY BANK TO SERVE ANY WRITS, PROCESS OR SUMMONSES IN ANY OTHER MANNER PERMITTED BY APPLICABLE

LAW OR TO BRING PROCEEDINGS AGAINST THE COMPANY IN ANY COMPETENT COURT OF ANY OTHER JURISDICTION OR JURISDICTIONS, AND IN SUCH MANNER, AS MAY BE PERMITTED BY APPLICABLE LAW.

(B) THE COMPANY HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT IT MAY NOW OR HEREAFTER HAVE TO TRIAL BY JURY IN, AND ANY OBJECTION WHICH IT NOW OR HEREAFTER MAY HAVE TO THE LAYING OF VENUE OF, ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF THIS AGREEMENT OR ANY NOTE BROUGHT IN ANY OF THE SUBJECT COURTS, AND HEREBY FURTHER IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY CLAIM THAT ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN ANY OF THE SUBJECT COURTS HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

11.12 Severability. Any provision of this Agreement or the Notes that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or thereof or affecting the validity or enforceability of such provision in any other jurisdiction.

11.13 Waiver of Stay or Extension Law. The Company covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants or the perfor mance of this Agreement or the Notes; and the Company (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Agent or any Bank,

but will suffer and permit the execution of every such power as though no such law had been enacted.

The parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

COCA-COLA BOTTLING CO. CONSOLIDATED

By
Title:

Address for Notices:

1900 Rexford Road
Charlotte, North Carolina 28211

Telecopier No.: (704) 551-4451

Telephone No.: (704) 551-4565

Attention: Ms. Brenda B. Jackson

with a copy to:

Witt, Gaither & Whitaker
1100 American National Bank Building
Chattanooga, Tennessee 37402-2606
Attention: Geoffrey G. Young, Esq.

LTCB TRUST COMPANY, as Agent

By
  Title:

Address for Notices:

    165 Broadway
    New York, New York 10006

Telex No.: 425722 LTCB UI

Telecopier No.: (212) 608-3081

Telephone No.: (212) 355-4854

Attention: Winston Brown

with a copy to:

The Long-Term Credit Bank of Japan, Ltd.
245 Peachtree Center Avenue, N.E.
Suite 2801
Atlanta, Georgia 30303

Telecopier No.: (404) 658-9751

Telephone No.: (404) 659-7210

Attention: Mr. Philip Marsden

$ 40,000,000.00

LTCB TRUST COMPANY, as lender

By
Title:

Lending Office:

165 Broadway
New York, New York 10006

Address for Notices:

165 Broadway
New York, New York 10006

Telex No.: 425722 LTCB UI

Telecopier No.: (212) 608-3081

Telephone No.: (212) 335-4854

Attention: Winston Brown

with a copy to:

The Long-Term Credit Bank of Japan, Ltd.
245 Peachtree Center Avenue, N.E.
Suite 2801
Atlanta, Georgia 30303

Telecopier No.: (404) 658-9751

Telephone No.: (404) 659-7210

Attention: Mr. Philip Marsden

$ 33,000,000.00

SUNTRUST BANK, as lender

By
  Title:

By
  Title:

Lending Office:

25 Park Place
24th Floor
Atlanta, Georgia 30303

Address for Notices:

P.O. Box 4418
Mail Code 120
Atlanta, Georgia 30302

Telex No.: 544210 TRUSCO INT ATL

Telecopier No.: (404) 827-6270

Telephone No.: (404) 230-5162

Attention: Mr. Raymond King
Vice President

$ 18,000,000.00

THE SAKURA BANK, LIMITED, as lender

By
Title:

Lending Office:

245 Peachtree Center Avenue, N.E.
Suite 2703
Atlanta, GA 30303

Address for Notices:

245 Peachtree Center Avenue, N.E.
Suite 2703
Atlanta, GA 30303

Telecopier No.: (404) 521-1133

Telephone No.: (404) 521-3111

Attention: Mr. J. Hutchins Corbett
Assistant Vice President

$ 15,000,000.00

COMMERZBANK AG, as lender

By
  Title:

By
  Title:

Lending Office:

1230 Peachtree Street, N.E.
Suite 3500
Atlanta, Georgia 30309

Address for Notices:

1230 Peachtree Street, N.E.
Suite 3500
Atlanta, Georgia 30309

Telecopier No.: (404) 888 6539

Telephone No.: (404) 888 6517

Attention: Mr. Eric Kagerer

$ 14,000,000.00

DG BANK, as lender

By
Title:

By
Title:

Lending Office:

DG Bank Building
609 Fifth Avenue
New York, New York 10017-1021

Address for Notices:

DG Bank Building
609 Fifth Avenue
New York, New York 10017-1021

Telecopier No.: (212) 745-1556

Telephone No.: (404) 745-1564

Attention: Mr. Trevor Brookes
Assistant Vice President

$ 10,000,000.00

THE CHUO TRUST & BANKING CO., LTD., as lender

By
  Title:

Lending Office:

2 World Trade Center
Suite 8322
New York, New York 10048

Address for Notices:

2 World Trade Center
Suite 8322
New York, New York 10048

Telecopier No.: (212) 466-1140

Telephone No.: (212) 938-2715

Attention: Mr. Eric Seely
            Vice President

$ 10,000,000.00

CREDIT LYONNAIS, as lender

By
Title:

Lending Office:

One Peachtree Center
Suite 4400
303 Peachtree Street, N.E.
Atlanta, GA 30308

Address for Notices:

One Peachtree Center
Suite 4400
303 Peachtree Street, N.E.
Atlanta, GA 30308

Telecopier No.: (404) 584-5249

Telephone No.: (404) 524-3700

Attention: Mr. David Edge
Vice President

$ 10,000,000.00

SOCIETE GENERALE, as lender

By
  Title:

Lending Office:

4800 Trammell Crow Center
2001 Ross Avenue
Dallas, Texas 75201

Address for Notices:

4800 Trammell Crow Center
2001 Ross Avenue
Dallas, Texas 75201

Telecopier No.: (214) 979-1104

Telephone No.: (214) 979-2777

Attention: Mr. Ralph Saheb

$ 10,000,000.00

THE CHIBA BANK, LTD., as lender

By
Title:

Lending Office:

1133 Avenue of the Americas
15th Floor
New York, New York 10036

Address for Notices:

1133 Avenue of the Americas
15th Floor
New York, New York 10036

Telecopier No.: (212) 354-8575

Telephone No.: (212) 354-8390

Attention: Mr. Carmen Augustino
Vice President

$ 10,000,000.00

THE INDUSTRIAL BANK OF JAPAN, LIMITED,
ATLANTA AGENCY, as lender

By
Title:

Lending Office:

One Ninety One Peachtree Tower
Suite 3600
191 Peachtree Street, N.E.
Atlanta, Georgia 30303-1757

Address for Notices:

One Ninety One Peachtree Tower
Suite 3600
191 Peachtree Street, N.E.
Atlanta, Georgia 30303-1757

Telecopier No.: (404) 577-6818

Telephone No.: (404) 524-8770

Attention: Business Operations Department

EXHIBIT A

PROMISSORY NOTE

$_____ _____, 1995
New York, New York

FOR VALUE RECEIVED, Coca-Cola Bottling Co. Consolidated, a Delaware corporation (the "Company"), hereby promises to pay to the order of [Name of Bank] (the "Bank"), for account of its Applicable Lending Office provided for in the Loan Agreement referred to below, at account no. 04 203606 of LTCB Trust Company, as agent for the Bank (in such capacity, the "Agent") at Bankers Trust Company, New York, New York, ABA No. 021001033, ref.: "Coca-Cola Bottling Co. Consolidated" (or at such other account or at such other place in New York City as the Agent may notify the Company from time to time), the principal sum of _____ Dollars, in lawful money of the United States of America and in immediately available funds, without set-off, counterclaim or deduction of any kind, in two equal, consecutive installments, the first of which shall be in the amount of _____ ($_____) (or such lesser amount as shall equal the full remaining principal amount of the Loans of the Bank outstanding under the Loan Agreement) and shall be payable on _____, 2002 (or if such day is not a Business Day, as defined in the Loan Agreement, on the next succeeding Business Day, unless such next succeeding Business Day falls in a different calendar month, in which case the next preceding Business Day), and the second of which shall be in the amount of _____ ($_____)(or such other amounts as shall equal the full remaining principal amount of the Loans of the Bank outstanding under the Loan Agreement) and shall be payable on _____, 2003 (or if such day is not a Business Day, as defined in the Loan Agreement, on the next succeeding Business Day, unless such next succeeding Business Day falls in a different calendar month, in which case the next preceding Business Day), and to pay interest on the unpaid principal amount of this Note, at such office, in like money, manner and funds, for the period commencing on the date of this Note until this Note shall be paid in full, at the rates per annum and on the dates provided in the Loan Agreement.

The duration of each Interest Period for the Loan evidenced hereby and the amount of each payment or prepayment made on account of the principal thereof shall be recorded by the Bank on its books and, prior to any transfer of this Note, endorsed by the Bank on the schedule attached hereto or any continuation thereof; provided that no failure by the Bank to make, or delay in making, such recording or endorsement shall affect the obligations of the Company under this Note.

This Note is one of the Notes referred to in the Loan Agreement dated as of November __, 1995 (as amended and in effect from time to time, the "Loan Agreement") among the Company, the banks named therein (including the Bank), and LTCB Trust Company, as Agent, providing for Loans to the Company in Dollars, and evidences a Loan made by the Bank thereunder. Except as otherwise expressly defined in this Note, capitalized terms used in this Note have the respective meanings assigned to them in the Loan Agreement.

The Loan Agreement provides for the acceleration of the maturity of this Note upon the occurrence of certain events and for prepayments of the Loans upon the terms and conditions specified therein.

The Company agrees to pay all costs of collection in case default is made in any payment under this Note.

The Company hereby waives diligence, presentment, protest and all notices and demands whatsoever in respect of this Note.

THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

COCA-COLA BOTTLING CO.
CONSOLIDATED

By
Title:

LOAN

Amount Paid or Prepaid	Unpaid Interest Period	Principal Amount	Notation Made By

EXHIBIT B

[Form of Opinion of Counsel to the Company]

_____, 19__

To the Agent and Banks
parties to the Loan
Agreement referred
to below

Gentlemen:

We have acted as counsel to Coca-Cola Bottling Co. Consolidated, a Delaware corporation (the "Company"), in connection with the Loan Agreement dated as of November ___, 1995 (the "Loan Agreement") among the Company, the banks named therein (the "Banks") and LTCB Trust Company as agent for the Banks (in such capacity, the "Agent"), which provides, among other things, for loans to be made to the Company in the aggregate principal amount of up to $170,000,000. Capitalized terms used herein and not defined herein have the meanings assigned to them by or pursuant to the terms of the Loan Agreement.

In rendering the opinion hereinafter set forth, we have examined executed copies of the Loan Agreement and the Notes and we have examined and relied upon originals or photo static or certified copies of such corporate records, certificates of officers of the Company, certificates or telexes of public officials, and such other agreements, documents and instruments as we have deemed relevant and necessary as the basis for the opinions hereinafter expressed. In such examination, we have assumed the genuineness of all signatures of all parties (other than those on behalf of the Company to the extent we have witnessed them), the conformity to original documents of all copies submitted to us as certified, conformed or photostatic copies and the legal competence of each individual (other than officers of the Company) executing any document. As to any opinion below relating to the existence, qualification or good standing of any corporation in any jurisdiction, our opinion relies entirely upon and is limited by those certificates of public or governmental officials obtained in connection therewith and delivered to you and assumes that such certificates were accurate and properly given.

We have relied, in whole or in part, upon representations of the management of the Company and have assumed, without independent inquiry, the completeness and accuracy of those representations as to all matters of fact (including factual conclusions and characterizations and descriptions of purpose, intention or other state of mind) regarding the Company relevant to:

the opinion as to breach, default or creation of any Mortgage expressed in paragraph 2; the opinion as to the execution and delivery of the Loan Agreement and the Notes (only insofar as we have not witnessed the same, and not as to the capacity of the signing officers) expressed in paragraph 3; the opinion expressed in paragraph 4, other than as to proceedings of which we are aware; and the facts supporting the legal conclusions in paragraphs 6 and 7.

The opinions herein are limited to the federal laws of the United States, the laws of the States of Tennessee and North Carolina and the corporate laws of the State of Delaware, and without limiting the foregoing, no opinion is expressed herein with respect to the laws of any other jurisdiction or with respect to the effect of any such laws on the matters with respect to which opinions are given herein. We are opining solely on those items expressly stated herein and no opinion should otherwise be implied from the text hereof. Except as otherwise expressly provided herein, we are relying solely on the written documents effectuating the transaction and are neither considering nor expressing an opinion regarding the effects, if any, of any parol evidence, oral or written, that a court might consider. When the opinions expressed herein are subject to a knowledge standard, this means the actual knowledge of our attorneys.

Each opinion set forth below relating to the enforceability of any agreement or instrument against the Company is subject to the following general qualifications:

(i) as to any instrument delivered by the Company, we assume that the Company has received the agreed upon consideration therefor;

(ii) as to any agreement to which the Company is a party, we assume that such agreement has been duly executed by and is the binding obligation of each other party thereto;

(iii) the validity, binding nature or enforceability of any obligation of the Company may be limited by bankruptcy, insolvency, reorganization, moratorium, marshalling or other laws affecting the enforcement generally of creditors' rights and remedies (including such as may deny giving effect to waivers of debtors' or guarantors' rights);

(iv) the validity, binding nature or enforceability of any obligation or term of the Loan Agreement or the Notes may be subject to general principles of equity, whether at law or in equity; and

(v) the acceptance by the North Carolina courts of the jurisdiction of the courts of New York and the waiver of the right to jury trial, and the necessity of the Agent or the Banks to qualify to do business in North Carolina in order to enforce the Loan Agreement or the Notes may be subject to the discretion of the court before which any proceeding raising such issues may be brought.

Based upon the foregoing, we are of the opinion that:

1. The Company is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware, is duly qualified to transact business in the States of Delaware, Tennessee, Virginia, North Carolina and South Carolina and has the

necessary corporate power to make and perform the Loan Agreement and the Notes and to borrow under the Loan Agreement.

2. The making and performance by the Company of the Loan Agreement and the Notes, the borrowing of the full amount of the Commitments under the Loan Agreement and the consummation of the other transactions contemplated by each of the foregoing have been duly authorized by all necessary corporate action (including, without limitation, any necessary shareholder action); do not and will not violate any provision of its certificate of incorporation or bylaws; do not violate any provision of law or regulation applicable to the Company or any of its assets, revenues or other properties; and do not and will not result in the breach of, or constitute a default or require any consent under, or result in the creation of any Mortgage upon any of the assets, revenues or other properties of the Company or any of its Subsidiaries pursuant to, any indenture, loan or credit agreement, guaranty, mortgage, security agreement, bond, note or other agreement or instrument to which the Company or any Subsidiary is a party or by which the Company or any Subsidiary or its respective assets, revenues or other properties may be bound where the occurrence of which either individually or in the aggregate could reasonably be expected to have a material adverse effect on the business, operations, properties, assets or financial condition of the Company.

3. Each of the Loan Agreement and the Notes has been duly executed and delivered by the Company and, if North Carolina law were to be applied to the Loan Agreement and the Notes notwithstanding the choice of New York law to apply thereto, constitutes the legal, valid and binding obligation of the Company enforceable in accordance with its respective terms.

4. Except as disclosed in Schedule 2 to the Loan Agreement, there are no legal or arbitral proceedings, and no proceedings by or before any governmental or regulatory authority or agency, pending or (to the best of our knowledge) threatened against or affecting the Company or any Subsidiary, or any properties or rights of the Company or any Subsidiary, which could reasonably be expected to have a material adverse effect on the ability of the Company to perform its obligations under the Loan Agreement or the Notes.

5. No authorizations, consents, approvals or licenses of, or filings or registrations with, any governmental or regulatory authority or agency are required in connection with the execution, delivery or performance by the Company of the Loan Agreement or the Notes.

6. Neither the Company nor any of its Subsidiaries is, nor is any of them "controlled by", an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

7. Neither the Company nor any of its Subsidiaries is a "holding company", nor is any of them a "subsidiary company" of a "holding company", within the meaning of the

Public Utility Holding Company Act of 1935, as amended, nor is any of them a public utility under any North Carolina law.

8. In accordance with current interpretations of applicable North Carolina law and assuming that the Agent and each Bank only have executed, delivered and performed under the Loan Agreement and the Notes and have taken no other actions pursuant to the transactions herein discussed or otherwise which would require them to qualify to do business in the State of North Carolina, in order for the Agent or any Bank to enforce its rights under the Loan Agreement and the Notes in the North Carolina courts, it is not necessary for the Agent or any Bank to qualify to do business, as a foreign bank or otherwise, in the State of North Carolina, nor will any of them be deemed to be doing business in North Carolina solely by reason of the execution, delivery or performance by any party of the Loan Agreement or the Notes.

9. In accordance with current interpretations of applicable North Carolina law, the choice of New York law to govern the Loan Agreement and the Notes is a valid choice of law and should be given effect by the courts of North Carolina.

We point out the enforceability of the indemnity provisions contained in the Loan Agreement may be limited by applicable securities laws or public policy.

The opinion set forth above is solely for the benefit of the Agent and the Banks and that of their respective counsels, successors and assigns, may not be quoted, circulated or published, in whole or in part, or furnished to or relied upon in any manner by any other Person without our prior written authorization. Furthermore, this opinion is given to you as of the date hereof and we assume no obligation to advise you of changes that may hereafter be brought to our attention.

Very truly yours,

AMENDED AND RESTATED
CREDIT AGREEMENT

Dated as of December 21, 1995

among

COCA-COLA BOTTLING CO. CONSOLIDATED,

THE BANKS NAMED ON THE SIGNATURE PAGES HERETO

and

NATIONSBANK, N.A.,
as Administrative and Syndication Agent

and

BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION,
as Documentation Agent

AMENDED AND RESTATED CREDIT AGREEMENT

COCA-COLA BOTTLING CO. CONSOLIDATED

Table of Contents

AMENDED AND RESTATED
CREDIT AGREEMENT

THIS AMENDED AND RESTATED CREDIT AGREEMENT, dated as of December 21, 1995, by and among COCA-COLA BOTTLING CO. CONSOLIDATED, a Delaware corporation (hereinafter called the "Company"), the banks named on the signature pages hereto and each other bank which may hereafter execute and deliver an instrument of assignment with respect to this Agreement pursuant to Section 9.13 hereof (hereinafter each called a "Bank" and collectively the "Banks"), and NATIONSBANK, N.A. (formerly known as NationsBank of North Carolina, National Association), as Administrative and Syndication Agent for the Banks under this Agreement and related documentation (hereinafter in such capacity called the "Agent") and BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, as Documentation Agent;

W I T N E S S E T H T H A T :

WHEREAS, the Company, the Banks signatories thereto, and NationsBank, N.A., acting as agent, entered into a Credit Agreement dated as of March 17, 1992, as amended (the "Prior Agreement") pursuant to which the banks party thereto (the "Prior Lenders") have agreed to make from time to time and have made loans to the Company of up to $170,000,000; and

WHEREAS, the Company has requested that the Banks agree to amend and restate the Prior Agreement in its entirety as provided herein;

NOW, THEREFORE, the parties hereto, in consideration of their mutual covenants and agreements hereinafter set forth and intending to be legally bound hereby, covenant and agree as follows:

AMENDMENT AND RESTATEMENT

The Company, the Agent and the Banks hereby agree that upon the effectiveness of this Agreement, the terms and provisions of the Prior Agreement shall be and hereby are amended and restated in their entirety by the terms and conditions of this Agreement and the terms and provisions of the Prior Agreement, except as otherwise provided herein, shall be superseded by this Agreement.

Notwithstanding the amendment and restatement of the Prior Agreement by this Agreement, the Company shall continue to be liable to the Prior Lenders with respect to agreements on the part of the Company under the Prior Agreement to indemnify and hold harmless the Banks from and against all claims, demands, liabilities, damages, losses, costs, charges and expenses to which the Prior Lenders may be subject arising in connection with the Prior Agreement. This Agreement is given as a substitution of, and not as a payment of, the obligations of Borrower under the Prior Agreement and is not intended to constitute a novation of the Prior Agreement. Upon the effectiveness of this Agreement, all amounts outstanding and owing by Company under the Prior Agreement as of the Closing Date, as determined by the Banks, shall constitute Loans hereunder.

SECTION 1. DEFINITIONS

1.01. Certain Definitions. In addition to other words and terms defined elsewhere in this Agreement, the following words and terms shall have the following meanings, respectively, unless the context hereof clearly requires otherwise:

"Absolute Rate" shall have the meaning assigned to such term in Section 2.02(d)(ii)(D) hereof.

"Absolute Rate Auction" shall mean a solicitation of Competitive Bid Quotes setting forth Absolute Rates pursuant to Section 2.02 hereof.

"Absolute Rate Loan" or "Absolute Rate Loans" shall mean any or all Competitive Bid Loans the interest rates of which are determined on the basis of Absolute Rates pursuant to an Absolute Rate Auction.

"Agreement" shall mean this Amended and Restated Credit Agreement dated as of December 21, 1995 as it may be hereafter further amended in accordance with its terms.

"Applicable Commitment Percentage" shall mean, for each Bank, with respect to the Loans hereunder, a fraction, the numerator of which shall be the then amount of such Bank's Commitment and the denominator of which shall be the Total Commitment, which Applicable Commitment Percentage for each Bank as of the Effective Date is as set forth in Exhibit A attached hereto and incorporated herein by this reference; provided, that the Applicable Commitment Percentage of each Bank shall be increased or decreased to reflect any assignments to or by such Bank effected in accordance with Section 9.13 hereof.

"Applicable Margin" means for each LIBOR-Rate Loan the interest on which is computed by reference to the LIBOR-Rate and the Facility Fee, as the case may be, (i) for the period from the Effective Date through the fifth day following the date of receipt by the Agent of a Compliance Certificate in respect of the fiscal period of the Borrower and its Subsidiaries ending December 31, 1995, 22.5 basis points per annum in the case of a LIBOR-Rate Loan and 12.5 basis points in the case of the Facility Fee, and (ii) thereafter that number of basis points per annum set forth below, which shall be (a) determined as of the end of each fiscal quarter of the Company (each a "Determination Date") and furnished to the Agent not later than the time set forth in Section 5.01 hereof (the "Calculation Date") and (c) applicable from the fifth day following the receipt of a Compliance Certificate until the fifth day following receipt of a Compliance Certificate in respect of a subsequent fiscal quarter, based upon the lower Applicable Margin as determined by either (X) Consolidated Funded Indebtedness/Cash Flow Ratio as at the Determination Date for the four-quarter period

of the Company ended at the Determination Date or (Y) the highest Debt Rating, as specified below:

	Funded Indebtedness/ Cash Flow Ratio	or	Debt Rating S&P/Moody's	Applicable Margin LIBOR-Rate	Applicable Margin Facility Fee
a)	Greater than or Equal to 5.00 to 1.00	a)	--	37.5 basis points	25 basis points
b)	Less than 5.00 to 1.00 but Greater than or Equal to 4.00 to 1.00	b)	BBB-/Baa3	25	15
c)	Less than 4.00 to 1.00 but Greater than or Equal to 3.00 to 1.00	c)	BBB/Baa2	22.5	12.5
d)	Less than 3.00 to 1.00 but Greater than or Equal to 2.00 to 1.00	d)	BBB+/Baa1	20	10
e)	Less than 2.00 to 1.00	e)	A/A2 or better	17	8

"Agreement" shall mean this Amended and Restated Credit Agreement as the same may be further amended, modified or supplemented from time to time.

"Assignment and Acceptance" shall mean an Assignment and Acceptance in the form of Exhibit B (with blanks appropriately filled in) delivered in connection with an assignment of a portion of a Bank's interest under this Agreement pursuant to Section 9.13.

"Business Day" shall mean (i) with respect to the selection of the LIBOR-Rate Option, prepayment of any part of a Set of LIBORRate Loans, determining the first or last day of any LIBOR-Rate Maturity Period, the giving of notices or quotes in connection with a Euro Auction or a payment of principal of or interest on, or the Interest Period for, a Euro-based Loan, a day for dealings in deposits in Dollars by and among banks in the London interbank market and on which commercial banks are open for domestic and international business in Charlotte, North Carolina and New York, New York and (ii) with respect to selection of any other interest rate Option, prepayment of any part of any other Set of Revolving Loans, determining the first or last day of any other Maturity Period, the giving of notices or quotes in connection with a Euro Auction, or a payment of principal of or interest on, or the Interest Period for, a Competitive Bid Loan and in every other context, any day other than a Saturday, Sunday or other day on which banking institutions are authorized or obligated to close in Charlotte, North Carolina or New York, New York.

"Capitalized Lease" shall mean any lease which, in accordance with GAAP, is required to be capitalized on the balance sheet of the lessee, and "Capitalized Lease Obligations" of any person shall mean the aggregate amount which, in accordance with GAAP, is required to be reported as a liability on the balance sheet of such person as lessee under a Capitalized Lease.

"Cash Flow/Fixed Charges Ratio" shall mean, in respect of any period, the ratio of the amount of Consolidated Cash Flow for the four most recent fiscal quarters of the Company to Consolidated Fixed Charges for the same period.

"Code" means the Internal Revenue Code of 1986, as amended, and any successor statute of similar import, and regulations thereunder, in each case as in effect from time to time. References to sections of the Code shall be construed to also refer to any successor sections.

"Commitment" shall have the meaning assigned to that term in Section 2.01 hereof.

"Competitive Bid Borrowing" has the meaning assigned to such term in Section 2.02(b) hereof.

"Competitive Bid Loan" or "Competitive Bid Loans" means any or all of the Loans described in Section 2.02 hereof.

"Competitive Bid Maturity Date" shall have the meaning assigned to such term in Section 2.02(j) hereof.

"Competitive Bid Notes" means, collectively, the promissory notes of the Company with respect to Competitive Bid Loans provided for by Section 2.02 hereof executed and delivered to the Banks as provided in Section 2.04(c) substantially in the form attached hereto as Exhibit C and incorporated herein by reference, with appropriate insertions as to dates and names of Banks, and all promissory notes delivered in substitution or exchange therefor, in each case as the same shall be amended, modified or supplemented and in effect from time to time.

"Competitive Bid Quote" means an offer in accordance with Section 2.02(d) hereof by a Bank to make a Competitive Bid Loan with one single specified interest rate.

"Competitive Bid Quote Request" has the meaning assigned to such term in Section 2.02(b) hereof.

"Compliance Certificate" means a certificate in the form of Exhibit H attached hereto.

"Consolidated Cash Flow" shall mean Consolidated Operating Income for the applicable period plus any amounts deducted for depreciation, amortization, operating lease expense, and discounts

in time drafts or commercial paper created under the accounts receivable sales program in determining Consolidated Operating Income.

"Consolidated Fixed Charges" shall mean, in respect of any period, the sum of (i) Consolidated Net Interest Expense for such period, (ii) the amount of obligations of the Company and its Consolidated Subsidiaries as Lessees, on leases other than Capitalized Leases, accrued during such period, (iii) payments made or required to be made by the Company and its Consolidated Subsidiaries during such period under agreements providing for or containing covenants not to compete and (iv) the amount of discount on time drafts or commercial paper created under the accounts receivable sales program accrued during such period.

"Consolidated Funded Indebtedness" shall mean all Funded Indebtedness of the Company and its Consolidated Subsidiaries, determined and consolidated in accordance with GAAP.

"Consolidated Funded Indebtedness/Cash Flow Ratio" shall mean, in respect of any period, the ratio of (a) the aggregate amount of (i) Consolidated Funded Indebtedness and (ii) fifty percent (50%) of every Contingent Obligation of the Company and its Consolidated Subsidiaries, determined and consolidated in accordance with GAAP and (iii) 50% of the greater of (x) the amount on the books of the Company and its Consolidated Subsidiaries reflecting NonConvertible Preferred Stock, Series A, $100 par value, of the Company and its Consolidated Subsidiaries and (y) the maximum aggregate amount of obligations of the Company and its Consolidated Subsidiaries, whether contingent or otherwise, to repurchase, redeem or otherwise acquire, at the time of calculation or thereafter, such Non-Convertible Preferred Stock Series A of the Company or a Consolidated Subsidiary, in the case of (i), (ii) and (iii), as of the last day of said period to (b) the aggregate amount of (i) the Consolidated Cash Flow and (ii) Acquisition Cash Flow for said period. For all purposes hereof, the Funded Indebtedness/Cash Flow Ratio shall be calculated for a period of four consecutive fiscal quarters of the Company ending with the fiscal quarter which was at the time in question most recently completed.

"Consolidated Net Income" shall mean, in respect of any period, the net income of the Company and its Consolidated Subsidiaries (after taxes) for such period, determined and consolidated in accordance with GAAP.

"Consolidated Net Interest Expense" shall mean the aggregate net obligations for interest payments of the Company and its Consolidated Subsidiaries, determined and consolidated in accordance with GAAP, excluding, however, such amounts as arise from the amortization of capitalized interest, discount and fees reflected as an asset on the Company's books and records on the Effective Date.

"Consolidated Net Sales" shall mean, in respect of any period, the net sales of the Company and its Consolidated Subsidiaries for such period, determined and consolidated in accordance with GAAP.

"Consolidated Operating Income" shall mean the net income of the Company and its Consolidated Subsidiaries, before any deduction in respect of interest or taxes, determined and consolidated in accordance with GAAP, excluding, however, extraordinary items in accordance with GAAP (which shall include without limitation, in any event, any income, net of expenses, or loss realized by the Company or any Consolidated Subsidiary from any sale of assets outside the ordinary course of business, whether tangible or intangible, including franchise territories and securities).

"Consolidated Subsidiaries" at any particular time shall mean those Subsidiaries whose accounts are or should be consolidated with those of the Company at such time in accordance with GAAP.

"Contingent Obligation" shall mean, as to any person, any obligation of such person guaranteeing, assuming or endorsing any Indebtedness, leases, dividends or other obligations ("primary obligations") of any other person (the "primary obligor") in any manner, whether directly or indirectly, including without limitation any obligation of such person, whether or not contingent, to advance funds for the purchase or payment of any such primary obligation or to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor and including 50% of any take or pay contract; provided, however, that the term Contingent Obligation shall not include endorsements of instruments for deposit or collection in the ordinary course of business. The amount of any Contingent Obligation shall be deemed to be an amount equal to the stated or determinable amount of the primary obligation in respect of which such Contingent Obligation is made (or a percentage thereof, if applicable) or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the Company in good faith.

"Contractual Obligation" shall mean, as to any person, any provision of any security issued by such person or of any agreement, instrument or undertaking to which such person is a party or by which it or any of its property is bound.

"Controlled Group Member" means each trade or business (whether or not incorporated) which together with the Company is treated as a single employer under Section 4001(b)(1) of ERISA.

"Corresponding Source of Funds" shall mean in the case of any LIBOR-Rate Loan, the proceeds of hypothetical receipts by a Notional LIBOR-Rate Funding Office or by a Bank through a Notional LIBOR-Rate Funding Office of one or more Dollar deposits in the interbank eurodollar market at the beginning of the LIBOR-Rate Maturity Period corresponding to such LIBOR-Rate Loan, having

maturities approximately equal to such LIBOR-Rate Maturity Period and in an aggregate amount approximately equal to the principal amount of such LIBOR-Rate Loan.

"Debt Rating" means the rating assigned from time to time by either S&P or Moody's with respect to Funded Indebtedness of the Company.

"Dollar", "Dollars" and the symbol "$" shall mean lawful money of the United States of America.

"Effective Date" shall mean the earliest date on which this Agreement shall have been executed and delivered by the Company and the Agent and the Agent shall have been notified by each Bank that such Bank has executed and delivered this Agreement.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute of similar import, and regulations thereunder, in each case as in effect from time to time. References to sections of ERISA shall be construed to also refer to any successor sections.

"EURO Auction" shall mean a solicitation of Competitive Bid Quotes setting forth EURO-based Margins based on the EURO-Rate pursuant to Section 2.02 hereof.

"EURO-based Loans" shall mean Competitive Bid Loans the interest rates of which are determined on the basis of the EURORate pursuant to a EURO Auction.

"EURO-based Margin" shall have the meaning assigned to such term in Section 2.02(d)(ii)(C) hereof.

"EURO-Rate" for any date, as used herein, shall mean with respect to each proposed EURO-based Loan a rate of interest (which shall be the same for each day in the applicable Interest Period) equal to a rate determined on the basis of the offered rates for deposits in Dollars, for a period equal to such Interest Period, commencing on the first day thereof, which determination shall be based on the British Bankers Association interest settlement rates as generally found on page 3750 of the Telerate News Service as of 11:00 a.m., London time, two Business Days prior to the first day of such Interest Period.

"Event of Default" shall mean any of the Events of Default described in Section 7.01 hereof.

"Facility Fee" shall have the meaning assigned to such term in Section 2.07(a) hereof.

"Federal Funds Effective Rate" for any day, as used herein, shall mean the rate per annum (rounded upward to the nearest 1/100 of 1%) announced by the Federal Reserve Bank of New York (or any

successor) on such day as being the weighted average of the rates on overnight Federal funds transactions arranged by Federal funds brokers on the previous trading day, as computed and announced by such Federal Reserve Bank (or any successor) in substantially the same manner as such Federal Reserve Bank computes and announces the weighted average it refers to as the "Federal Funds Effective Rate" as of the date of this Agreement; provided, if such Federal Reserve Bank (or its successor) does not announce such rate on any day, the "Federal Funds Effective Rate" for such day shall be the Federal Funds Effective Rate for the last day on which such rate was announced.

"Financial Provisions" shall have the meaning assigned to such term in Section 1.03(c) hereof.

"Funded Indebtedness" of a person shall mean all liabilities of such person incurred in respect of borrowed money or commercial paper, of any maturity, plus other Indebtedness (including the current portion thereof) of such person which would be classified in whole or part as a long-term liability of such person in accordance with GAAP, and shall in any event include (i) any Indebtedness having a final maturity more than one year from the date of creation of such Indebtedness and (ii) any Indebtedness, regardless of its term, which is renewable or extendable by such person (pursuant to the terms thereof or pursuant to a revolving credit or similar agreement or otherwise) to a date more than one year from the date of creation of such Indebtedness or any date of determination of Funded Indebtedness.

"GAAP" shall mean generally accepted accounting principles in the United States of America as such principles shall be in effect at the time of the computation or determination or as of the date of the relevant financial statements (the "Relevant Date"), subject to Section 1.03 hereof, applied both to classification of items and amounts.

"Indebtedness" of a person shall mean:

(i) all indebtedness or liability for or on account of money borrowed by, or credit extended to or on behalf of, or for or on account of deposits with or advances to, such person;

(ii) all obligations of such person evidenced by bonds, debentures, notes or similar instruments;

(iii) any amount secured by a Lien on property owned by such person and Capitalized Lease Obligations of such person (without regard to any limitation of the rights and remedies of the holder of such Lien or the lessor under such Capitalized Lease to repossession or sale of such property); and

(iv) the aggregate amount which, in accordance with GAAP, is required to be reported as a liability on the balance sheet of such person under a product financing or similar arrangement pursuant to paragraph 8 of AICPA Statement of Accounting Standards No. 49 or any similar requirement of GAAP.

"Indebtedness/Cash Flow Ratio" shall mean in respect of any period, the ratio of the amount of the Consolidated Indebtedness as of the last day of said period to the amount of the Consolidated Cash Flow for said period. For all purposes hereof the Indebtedness/Cash Flow Ratio shall be calculated for a period of four consecutive fiscal quarters of the Company ending with the fiscal quarter which was at the time in question most recently completed.

"Interest Period" shall mean with respect to any Competitive Bid Loan, the period commencing on the date such Competitive Bid Loan is made and ending 7, 14, 30, 60, 90 or 180 days thereafter, as the Company may specify in the related Competitive Bid Loan Quote Request as provided in Section 2.02(b) hereof, provided that:

(i) no Interest Period may end after the Revolving Expiration Date;

(ii) each Interest Period that would otherwise end on a day that is not a Business Day shall end on the next succeeding Business Day or, in the case of an Interest Period for a EURO-based Loan, if such next succeeding Business Day falls in the next succeeding calendar month, then such Interest Period shall end on the next preceding Business Day; and

(iii) notwithstanding clauses (i) and (ii) above, no Interest Period for any Competitive Bid Loan shall have a duration of less than 7 days and, if the Interest Period for any Competitive Bid Loan would otherwise be a shorter period, such Competitive Bid Loan shall not be available hereunder.

"Law" shall mean any law (including common law), constitution, statute, treaty, regulation, rule, ordinance, order, injunction, writ, decree or award of any Official Body.

"LIBOR-Rate" and "LIBOR-Rate Option" shall have the meanings assigned to those terms in subsection 2.09(a)(iii) hereof.

"LIBOR-Rate Loan" shall mean a Loan bearing interest under or by reference to the LIBOR-Rate Option.

"LIBOR-Rate Maturity Period" shall have the meaning assigned to that term in Section 2.09(b) hereof.

"Lien" shall mean any mortgage, deed of trust, pledge, lien, security interest, charge or other encumbrance or security arrangement of any nature whatsoever, including but not limited to any conditional sale or title retention arrangement, any assignment, deposit arrangement or lease intended as, or having the effect of, security.

"Loan" or "Loans" shall mean any or all Revolving Loans or Competitive Bid Loans made by one or more of the Banks to the Company under this Agreement, as required by the context.

"Material Agreements" shall have the meaning assigned to that term in Section 3.10 hereof.

"Material Subsidiary" shall mean a Subsidiary of the Company which (i) owns, leases or occupies any building, structure or other facility used primarily for the bottling, canning or packaging of soft drinks or soft drink products or warehousing and distributing of such products, other than any such building, structure or other facility or portion thereof, which, in the reasonable opinion of the Board of Directors of the Company, is not of material importance to the total business conducted by the Company and its Subsidiaries as an entirety, or (ii) is a party to any contract with respect to the bottling, canning, packaging or distribution of soft drinks or soft drink products, other than any such contract which in the reasonable opinion of the Board of Directors of the Company is not of material importance to the total business conducted by the Company and its Subsidiaries as an entirety, and in any event includes each of the Subsidiaries indicated as Material Subsidiaries listed in Schedule 2 as of the date hereof.

"Maturity Date" shall mean any of the Revolving Loan Maturity Date and the Competitive Bid Maturity Date.

"Month", with respect to a LIBOR-Rate Maturity Period, means the interval between the days in consecutive calendar months numerically corresponding to the first day of such Maturity Period. The last Business Day of a calendar month shall be deemed to be such numerically corresponding day for such calendar month if there is no such numerically corresponding day in such calendar month or if the first day of such LIBOR-Rate Maturity Period is the last Business Day of a calendar month.

"Moody's" means Moody's Investors Service, Inc., a Delaware corporation.

"Multiemployer Plan" means any employee benefit plan which is a "multiemployer plan" within the meaning of Section 4001(a)(3) of ERISA and to which the Company or any Controlled Group Member has or had an obligation to contribute.

"Note" or "Notes" shall mean a Revolving Note, a Competitive Bid Note, or all of the Revolving Notes and Competitive Bid Notes,

as the case may be, of the Company executed and delivered under this Agreement as required by Section 2.04 hereof, or any promissory note executed and delivered pursuant to Section 2.15 or Section 9.13 hereof, together with all extensions, renewals, refinancings or refundings of any thereof in whole or in part.

"Notional LIBOR-Rate Funding Office" shall have the meaning given to that term in Section 2.15(a) hereof.

"Office", when used in reference to the Agent, shall mean its office located at NationsBank Plaza, Charlotte, North Carolina 28255, or such other office or offices of the Agent as may be designated in writing from time to time by the Agent to the
Company.

"Official Body" shall mean any government or political subdivision or any agency, authority, bureau, central bank, commission, department or instrumentality of either, or any court, tribunal, grand jury or arbitrator, in each case whether foreign or domestic.

"Option" shall mean the Prime Rate Option or the LIBOR-Rate Option, as the case may be.

"PBGC" means the Pension Benefit Guaranty Corporation established under Title IV of ERISA or any other governmental agency, department or instrumentality succeeding to the functions of said corporation.

"Person" shall mean an individual, corporation, partnership, trust, unincorporated association, joint venture, joint-stock company, government (including political subdivisions), governmental authority or agency, or any other entity.

"Plan" means any employee pension benefit plan (other than a Multiemployer Plan) to which Section 4021 of ERISA applies and (i) which is maintained for employees of the Company or any Controlled Group Member or (ii) to which the Company or any Controlled Group Member made, or was required to make, contributions at any time within the preceding five years.

"Potential Default" shall mean any event or condition which with notice, passage of time or a determination by the Required Banks, or any combination of the foregoing, would constitute an Event of Default.

"Prime Rate" and "Prime Rate Option" shall have the meanings assigned to those terms in subsection 2.09(a)(i) hereof.

"Prime Rate Maturity Period" shall have the meaning assigned to that term in Section 2.09(b) hereof.

"Prime Rate Loan" shall mean a Revolving Loan bearing interest under or by reference to the Prime Rate Option.

"Relevant Date" shall have the meaning assigned to such term in the definition of GAAP.

"Reportable Event" means (i) a reportable event described in Section 4043 of ERISA and regulations thereunder, (ii) a withdrawal by a substantial employer from a Plan to which more than one employer contributes, as referred to in Section 4063(b) of ERISA, or (iii) a cessation of operations at a facility causing more than twenty percent (20%) of Plan participants to be separated from employment, as referred to in Section 4068(f) of ERISA.

"Required Banks" shall mean, at any particular date, the holders of at least 51% of the aggregate unpaid principal amount of the Revolving Notes at such date (or if no such amount is outstanding, Banks whose Commitments aggregate at least 51% of the Total Commitments at such date).

"Responsible Officer" shall mean the President, the Controller, the Treasurer or the Chief Financial Officer of the Company.

"Revolving Expiration Date" shall mean December 31, 2000 or such later date as may be established as the Revolving Expiration Date pursuant to Section 2.16 hereof.

"Revolving Loan" or "Revolving Loans" shall mean any or all Loans provided for in Section 2.01 hereof.

"Revolving Loan Maturity Date" shall have the meaning assigned to such terms in Section 2.09(b) hereof.

"Revolving Maturity Period" shall have the meaning assigned to that term in Section 2.09(b) hereof.

"Revolving Notes" means, collectively, the promissory notes of the Company with respect to Revolving Loans provided for in Section 2.01 hereof executed and delivered to the Banks as provided in Section 2.04(a) substantially in the form attached hereto as Exhibit D and incorporated herein by reference, with appropriate insertions as to dates and names of Banks, and all promissory notes delivered in substitution or exchange therefor, in each case as the same shall be amended, modified or supplemented and in effect from time to time.

"Rollover Loan" shall mean a Loan made on the Maturity Date of a preceding Loan to refund in whole or in part the principal amount of such preceding Loan then outstanding.

"S&P" means Standard & Poor's Ratings Group, a division of McGraw-Hill, Inc. or any successor to the rating business thereof.

"Set" of Revolving Loans shall mean all of the Revolving Loans made hereunder by the Banks at any one time. All Revolving Loans included in each Set of Revolving Loans shall bear interest by reference to the same Option and shall mature on the same Revolving Loan Maturity Date.

"Standard Notice" shall mean an irrevocable notice provided to the Agent in accordance with Section 9.05 hereof on a Business Day which is

(i) not later than the Business Day on which funds are to be disbursed or a prepayment made in the case of the selection of the Prime Rate Option or the prepayment of any part of any Prime Rate Loan; and

(ii) at least three Business Days in advance in the case of the selection of the LIBOR-Rate Option or the prepayment of any LIBOR-Rate Loan.

Standard Notice must be provided no later than 9:30 o'clock a.m., Charlotte, North Carolina time, on the last day permitted for such notice.

"Subsidiary" of the Company shall mean (i) any corporation of which a majority (by number of shares or number of votes) of any class of outstanding capital stock normally entitled to vote for the election of one or more directors (regardless of any contingency which may suspend or dilute the voting rights of such class) is owned directly or indirectly by the Company or one or more Subsidiaries and (ii) any limited liability company of which the members consist solely of the Company or Subsidiaries.

"Total Commitment" means the sum of the Commitments of all Banks, which sum shall not exceed $170,000,000 and may be (i) increased as provided in 2.07(b) and (ii) reduced from time to time pursuant to 2.07(c) hereof.

1.02. Construction.

(a) Unless the context of this Agreement otherwise clearly requires, references to the plural include the singular, the singular the plural and the part the whole and "or" has the inclusive meaning represented by the phrase "and/or". References in this Agreement to "determination" by a person include good faith estimates by such person (in the case of quantitative determinations) and good faith beliefs by such person (in the case of qualitative determinations). The words "hereof", "herein", "hereunder" and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement. The section and other headings contained in this Agreement and the Table of Contents preceding this Agreement are for reference only and shall not control or affect the construction of this Agreement

or the interpretation hereof in any respect. Section, subsection and exhibit references are to this Agreement unless otherwise specified.

(b) As used herein and in the Notes or any certificate or other document made or delivered pursuant hereto, accounting terms relating to the Company and its Subsidiaries not defined in Section 1.01 (or if partly defined in Section 1.01, to the extent not defined) shall have the respective meanings given to them under GAAP.

1.03. Accounting Principles.

(a) Except as otherwise provided in this Agreement, all computations and determinations as to accounting or financial matters and all financial statements to be delivered pursuant to this Agreement shall be made and prepared in accordance with GAAP (including principles of consolidation where appropriate), and all accounting or financial terms shall have the meanings ascribed to such terms by GAAP.

(b) If any change in GAAP after the date of this Agreement is or shall be required to be applied to transactions then or thereafter in existence, and a violation of one or more provisions of this Agreement shall have occurred or in the opinion of the Company would likely occur which would not have occurred or be likely to occur if no change in accounting principles had taken place,

(i) The parties agree that such violation shall not be considered to constitute an Event of Default or a Potential Default for a period of 30 days from the date the Company notifies the Banks of the application of this subsection 1.03(b);

(ii) The parties agree in such event to negotiate in good faith to attempt to draft an amendment of this Agreement which shall approximate to the extent possible the economic effect of the original financial covenants after taking into account such change in GAAP; and

(iii) If the parties are unable to negotiate such an amendment within 30 days of such notice by the Company, the Company shall have the option of submitting the drafting of such an amendment to a firm of independent certified public accountants of nationally recognized standing acceptable to the parties, which shall complete its draft of such amendment within 90 days of submission; if the Company and the Required Banks cannot agree, the firm shall be selected by binding arbitration in the City of Charlotte, North Carolina in accordance with the rules then in effect of the American Arbitration Association. If the Company does not exercise such option within said

period, then as used in this Agreement, "GAAP" shall mean generally accepted accounting principles in effect at the Relevant Date. The parties agree that if the Company elects the option set forth in this paragraph (iii) of subsection 1.03(b), until such firm has been selected and completes drafting such amendment, no such violation shall constitute an Event of Default or a Potential Default.

(c) If any change in GAAP after the date of this Agreement is required to be applied to transactions or conditions then or thereafter in existence, and the Required Banks shall assert that the effect of such change is or shall likely be to distort materially the effect of any of the definitions of financial terms in Section 1.01 hereof or any of the covenants of the Company in Section 6 hereof (the "Financial Provisions"), so that the intended economic effect of any of the Financial Provisions will not in fact be accomplished,

(i) The Agent shall notify the Company of such assertion, specifying the change in GAAP which is objected to, and until otherwise determined as provided below, the specified change in GAAP shall not be made by the Company in its financial statements for the purpose of applying the Financial Provisions; and

(ii) The parties shall follow the procedures set forth in paragraph (ii) and the first sentence of paragraph (iii) of subsection (b) of this Section 1.03. If the parties are unable to agree on an amendment as provided in said paragraph (ii) and if the Company does not exercise the option set forth in the first sentence of said paragraph (iii) within the specified period, then as used in this Agreement "GAAP" shall mean generally accepted accounting principles in effect at the Relevant Date, except that the specified change in GAAP which is objected to by the Required Banks shall not be made in applying the Financial Provisions. The parties agree that if the Company elects the option in the first sentence of said paragraph (iii), until such independent firm has been selected and completes drafting such amendment, the specified change in GAAP shall not be made in applying the Financial Provisions.

(d) All expenses of compliance with this Section 1.03 shall be paid for by the Company.

SECTION 2. THE LOANS

2.01. Revolving Loans. Subject to the terms and conditions and relying upon the representations and warranties herein set forth, each Bank severally agrees (such agreement being herein called such Bank's "Commitment") to make Revolving Loans, some of which may be Rollover Loans, to the Company at any time or from time to time on or after the Effective Date and prior to the Revolving Expiration Date in an aggregate principal amount not exceeding at any time outstanding such Bank's Applicable Commitment Percentage of the Total Commitment. The amount, designated as the "Original Commitment Amount", of each Bank's Commitment as of the Effective Date is set opposite such Bank's signature to this Agreement.

2.02. Competitive Bid Loans.

(a) Making of Competitive Bid Loans. In addition to Revolving Loans, the Company may, as set forth in this Section 2.02, request the Banks to make offers to make one or more Competitive Bid Loans to the Company at any time or from time to time on or after the Effective Date and prior to the Revolving Expiration Date. Each Bank may, but shall have no obligation to, make one or more such offers and the Company may, but shall have no obligation to, accept any such offers in the manner set forth in this Section 2.02. Competitive Bid Loans may be Absolute Rate Loans or EURO-based Loans (each a "type" of Competitive Bid Loan), provided that the aggregate principal amount of all Competitive Bid Loans at any one time outstanding shall not exceed the Total Commitment and shall be in accordance with Section 2.03 hereof.

(b) Competitive Bid Quote Requests. When the Company wishes to request offers to make Competitive Bid Loans under this Section 2.02, it shall transmit to the Agent by telex or telecopy, at its Office, notice (a "Competitive Bid Quote Request") so as to be received no later than 11:00 a.m. Charlotte, North Carolina time on (x) the fourth Business Day prior to the date of borrowing proposed therein, in the case of a LIBOR Auction or (y) the Business Day next preceding the date of borrowing proposed therein, in the case of an Absolute Rate Auction (or, in either case, such other time on such date prior to 3:00 p.m. as the Company and Agent may agree). The Company may request offers to make Competitive Bid Loans for up to three different Interest Periods in a single notice; provided that the request for each separate Interest Period shall be deemed to be a separate Competitive Bid Quote Request for a separate borrowing (a "Competitive Bid Borrowing"). Each such notice shall be substantially in the form of Exhibit E hereto and in any case shall specify as to each Competitive Bid Borrowing:

(i) the proposed date of such Competitive Bid Borrowing, which shall be a Business Day;

(ii) the aggregate amount of such Competitive Bid Borrowing, which shall be at least $10,00,000 (or a higher integral multiple of $1,000,000) but shall not cause the limits specified in Section 2.03 hereof to be violated;

(iii) the duration of the Interest Period applicable thereto, subject to the provisions of the definition of "Interest Period" (including without limitation that no such Interest Period shall end after the Revolving Expiration Date); and

(iv) whether the Competitive Bid Quotes requested are to set forth a EURO-based Margin or an Absolute Rate. No Competitive Bid Quote Request shall be given within four Business Days of any other Competitive Bid Quote Request requesting a EURO Auction or within one Business Day of any other Competitive Bid Quote Request requesting an Absolute Rate Auction (or such other number of days as the Company and Agent may agree).

(c) Invitation for Competitive Bid Quotes. Not later than 3:00 p.m. Charlotte, North Carolina time on the date of receipt of a Competitive Bid Quote Request, the Agent shall transmit to the Banks by telex or telecopy notice of such request, which notice shall constitute an invitation by the Company to each Bank to submit Competitive Bid Quotes offering to make Competitive Bid Loans in accordance with such Competitive Bid Quote Request.

(d) Submission and Contents of Competitive Bid Quotes.

(i) Each Bank may submit one or more Competitive Bid Quotes, each containing an offer to make a Competitive Bid Loan in response to any Competitive Bid Quote Request; provided that, if the Company's request under Section 2.02(b) hereof specifies more than one Interest Period, such Bank may make a single submission containing one or more Competitive Bid Quotes for each such Interest Period. Each Competitive Bid Quote must comply with the requirements of this Section 2.02(d) and must be submitted to the Agent by telex or telecopy at its Office not later than (x) 12:00 Noon Charlotte, North Carolina time on the third Business Day prior to the proposed date of borrowing, in the case of a EURO Auction or (y) 10:00 a.m. Charlotte, North Carolina time on the proposed date of borrowing, in the case of an Absolute Rate Auction (or, in either case upon reasonable notice to the Banks, such other time and date as the Company and the Agent may agree); provided that any Competitive Bid

Quote submitted by the Agent (or an affiliate of the Agent) in the capacity of a Bank may be submitted, and may only be submitted, if the Agent (or such affiliate) notifies the Company of the terms of the offer or offers contained therein not later than (x) 11:30 a.m. Charlotte, North Carolina time on the third Business Day prior to the proposed date of borrowing, in the case of a EURO Auction or (y) 9:30 a.m. Charlotte, North Carolina time on the proposed date of borrowing, in the case of an Absolute Rate Auction. Subject to Sections 2.13, 3, 4.01, 4.03, 6 and 7, any Competitive Bid Quote so made shall be irrevocable except with the written consent of the Agent given on the instructions of the Company.

(ii) Each Competitive Bid Quote shall be substantially in the form of Exhibit F hereto and shall in any case specify:

(A) the proposed date of borrowing and the Interest Period therefor;

(B) the principal amount of the Competitive Bid Loan for which each such offer is being made, which principal amount shall be at least $5,000,000 or a higher integral multiple of $1,000,000; provided that the aggregate principal amount of all Competitive Bid Loans for which a Bank submits Competitive Bid Quotes (x) may be greater than, less than or equal to the Commitment of such Bank but (y) may not exceed the principal amount of the Competitive Bid Borrowing for which offers were requested in the related Competitive Bid Quote Request;

(C) in the case of a EURO Auction, the margin above (or, if a negative margin is offered, below) the applicable LIBOR-Rate (the "EURO-based Margin") offered for each such Competitive Bid Loan, expressed as a percentage (rounded upwards, if necessary, to the nearest 1/10,000th of 1%) to be added to the applicable EURO-Rate;

(D) in the case of an Absolute Rate Auction, the rate of interest per annum, calculated on the basis of a 360-day year (rounded upwards, if necessary, to the nearest 1/10,000th of 1%) (the "Absolute Rate") offered for each such Facility B Loan; and

(E) the identity of the quoting Bank.

(iii) No Competitive Bid Quote shall contain qualifying, conditional or similar language or propose

terms other than or in addition to those set forth in the applicable Competitive Bid Quote Request and, in particular, no Competitive Bid Quote may be conditioned upon acceptance by the Company of all (or some specified minimum) of the principal amount of the Competitive Bid Loan for which such Competitive Bid Quote is being made, and the Agent shall disregard any Competitive Bid Quote that contains such language or terms or conditions or that arrives at the Agent's Office after the time set forth for submission of Competitive Bid Quotes in Section 2.02(d)(i) hereof.

(e) Notice to the Company. The Agent shall (x) in the case of a EURO Auction, by 1:00 p.m. Charlotte, North Carolina time on the day (which shall be a Business Day) a Competitive Bid Quote is submitted or (y) in the case of an Absolute Rate Auction, by 10:30 a.m. Charlotte, North Carolina time on the day (which shall be a Business Day) a Competitive Bid Quote is submitted, notify the Company by telex or telecopy of the terms (i) of any Competitive Bid Quote submitted by a Bank that is in accordance with Section 2.02(d) hereof and (ii) of any Competitive Bid Quote that amends, modifies or is otherwise inconsistent with a previous Competitive Bid Quote submitted by such Bank with respect to the same Competitive Bid Quote Request. Any such subsequent Competitive Bid Quote shall be disregarded by the Agent unless such subsequent Competitive Bid Quote is submitted solely to correct a manifest error in such former Competitive Bid Loan for which offers have been received for each Interest Period specified in the related Competitive Bid Quote Request, (B) the respective principal amounts and LIBOR-Rate Margins or Absolute Rates, as the case may be, so offered by each Bank, identifying the Bank that made each Competitive Bid Quote and (C) if the Agent is notifying the Company of more than one Competitive Bid Quote for a single Interest Period, the Agent shall arrange the Competitive Bid Quotes in ascending yield order.

(f) Acceptance and Notice by the Company. Not later than (x) 1:30 p.m. Charlotte, North Carolina time on the third Business Day prior to the proposed date of the borrowing, in the case of a LIBOR Auction or (y) 10:45 a.m. Charlotte, North Carolina time the proposed date of the borrowing, in the case of an Absolute Rate Auction (or, in either case upon reasonable prior notice to the Banks, such other time and date as the Company and the Agent may agree), the Company shall notify the Agent by telex or telecopy at its Office of its acceptance or nonacceptance of the offers so notified to it pursuant to Section 2.02(e) hereof (and the failure of the Company to give such notice by such time shall constitute nonacceptance) and the Agent shall promptly notify each affected Bank in accordance with Section 2.02(h) hereof. In the case of acceptance, such notice shall specify the

aggregate principal amount of offers for each Interest Period that are accepted. The Company may accept any Competitive Bid Quote in whole or in part (provided that any Competitive Bid Quote accepted in part shall be at least $5,000,000 or a higher integral multiple of $1,000,000); provided that:

(i) the aggregate principal amount of each Competitive Bid Borrowing may not exceed the applicable amount set forth in the related Competitive Bid Quote Request;

(ii) the aggregate principal amount of each Competitive Bid Borrowing shall be at least $10,000,000 (or a higher integral multiple of $1,000,000) but shall not cause the limits specified in Section 2.03 hereof to be violated;

(iii) acceptance of offers may be made only in ascending order of EURO-based Margins or Absolute Rates, as the case may be; and

(iv) the Company may not accept any offer where the Agent has advised the Company that such offer fails to comply with Section 2.02(d)(ii) hereof or otherwise fails to comply with the requirements of this Agreement (including, without limitation, Section 2.03 hereof).

(g) Allocation by Agent. If offers are made by two or more Banks with the same EURO-based Margins or Absolute Rates, as the case may be, for a greater aggregate principal amount than the amount in respect of which offers are accepted for the related Interest Period, the principal amount of Competitive Bid Loans in respect of which such offers are accepted shall be allocated by the Agent among such Banks as nearly as possible (in such multiples, not less than $1,000,000, as the Agent may deem appropriate) in proportion to the aggregate principal amount of such offers. If two or more such offers cannot be allocated evenly within the limits set forth in the immediately preceding sentence, the Agent shall have discretion to allocate a larger share of such Competitive Bid Loans to one or more of the successful Banks and in making such allocation shall use reasonable efforts to take into account previous allocations of unequal shares to one or more of such Banks in connection with other Competitive Bid Loans. Determinations by the Agent of the amounts of Competitive Bid Loans to be allocated to each such Bank shall be conclusive absent manifest error.

(h) Notice to Banks. On the date the Company notifies the Agent of its acceptance of one or more of the offers made by any Bank or Banks pursuant to Section 2.02(f) hereof, the Agent shall (x) not later than 4:00 p.m. Charlotte, North Carolina time on such date, in the case of a EURO Auction or

(y) as promptly as practicable on such date, in the case of an Absolute Rate Auction notify each Bank which has made an offer (i) of the aggregate amount of each Competitive Bid Borrowing with respect to which the Company accepted one or more offers and such Bank's share of such Competitive Bid Borrowing or (ii) that the Company accepted no offers, such notice to be by telex or telecopy.

(i) Funding of Competitive Bid Loans. Any Bank whose offer to make any Competitive Bid Loan has been accepted shall, not later than 1:00 p.m. Charlotte, North Carolina time on the date specified in the related Competitive Bid Quote Request for the making of such Competitive Bid Loan, make the amount of such Competitive Bid Loan available to the Company at the Agent's Office in immediately available funds. If any Bank makes a new Competitive Bid Loan hereunder on a day on which the Company is to repay all or any part of an outstanding Competitive Bid Loan from such Bank, such Bank shall apply the proceeds of its new Competitive Bid Loan to make such repayment and only an amount equal to the difference (if any) between the amount being borrowed and the amount being repaid shall be made available by such Bank to the Company as provided by this Section 2.02(i), or remitted by the Company to the Agent as provided in Section 2.12 hereof, as the case may be.

(j) Competitive Bid Maturity Dates. The principal amount of each Competitive Bid Loan shall be due and payable on the last day of the applicable Interest Period specified in the related Competitive Bid Quote Request (the "Competitive Bid Maturity Date").

(k) Competitive Bid Interest Payment Dates. Interest on each Competitive Bid Loan shall be due and payable on the Competitive Bid Maturity Date thereof and thereafter on demand at the rates provided for in Section 2.02(o).

(l) No Reduction of Commitment. The amount of any Competitive Bid Loan made by any Bank shall neither constitute a utilization of, nor reduce, such Bank's Commitment, except by application of Section 2.03 hereof.

(m) Register. The Agent shall maintain a register for the recordation of the names and addresses of Banks that have made Competitive Bid Loans and the principal amount of the Competitive Bid Loans owing to each Bank from time to time together with the Competitive Bid Maturity Dates and interest rates applicable to each such Competitive Bid Loan, and other terms applicable thereto (the "Register"). The entries in the Register shall be prima facie evidence with respect to the entries therein. The Register shall be available for inspection by the Company or any Bank at any reasonable time and from time to time upon reasonable prior notice.

(n) Interest Rates for Competitive Bid Loans. The outstanding principal amount of each Competitive Bid Loan shall bear interest for each day until due at the following rate or rates per annum:

(i) For each EURO-based Loan, a rate per annum equal to the EURO Rate applicable to the Interest Period therefor plus the EURO-based Margin quoted by the Bank making such Loan in the related Competitive Bid Quote submitted in accordance with Section 2.02(d) hereof; and

(ii) For each Absolute Rate Loan, a rate per annum equal to the Absolute Rate quoted by the Bank making such Loan in the related Competitive Bid Quote submitted in accordance with Section 2.02(d) hereof.

(o) Interest After Maturity for Competitive Bid Loans. After the principal amount of any Competitive Bid Loan shall have become due (by acceleration or otherwise), such Loan shall bear interest for each day until paid (before and after judgment) (i) until the Competitive Bid Maturity Date of the applicable Interest Period of such Loan, at a rate per annum 1% above the rate otherwise applicable to such Loan and (ii) thereafter the greater of (x) 1% above the Prime Rate on the day such Loan became due and (y) 1% above the current Prime Rate from time to time, such interest rate to change automatically from time to time effective as of the effective date of each change in the Prime Rate.

(p) Computation of Interest on Competitive Bid Loans. Interest on Competitive Bid Loans hereunder hall be computed on the basis of a year of 360 days and actual days elapsed.

2.03. Available Amounts of Loans. The aggregate amount of Loans at any one time outstanding shall not exceed the Total Commitment. No Loan shall be made or requested hereunder if the making of such Loan would cause the aggregate principal amount of all Loans outstanding hereunder to exceed the Total Commitment. Reference is made to Section 6.01(c) with respect to available amounts of Loans.

2.04. Borrowing, Repayment and Reborrowing of Revolving Loans; Pro Rata Sharing of Revolving Loans. Within the aforesaid limits of time and amount set forth in Sections 2.01 and 2.03, and subject to Section 2.07(b) hereof (with respect to termination or reduction of the Commitments) and all other applicable provisions of this Agreement, the Company may borrow, repay and reborrow Revolving Loans hereunder on and after the Effective Date and prior to the Revolving Expiration Date. Each Bank shall be obligated to advance its Applicable Commitment Percentage of each Set of Revolving Loans hereunder, but the aggregate principal amount of each Bank's Revolving Loans hereunder shall never exceed the amount of its Applicable Commitment Percentage of the Total Commitment.

2.05. The Notes.

(a) The obligation of the Company to repay the unpaid principal amount of the Revolving Loans made by each Bank and to pay interest thereon shall be evidenced by a single promissory note of the Company (a "Revolving Note") in substantially the form attached hereto as Exhibit D, with the blanks appropriately filled. Each such Revolving Note shall be dated as of the date of this Agreement, shall bear interest as specified pursuant to Section 2.09(a) or as otherwise provided herein, and shall be payable to the order of the Bank named as payee therein in a face amount equal to the Dollar amount of such Bank's Applicable Commitment Percentage as set forth opposite its signature hereto. The Revolving Notes shall be delivered by the Company to the Agent at or prior to the closing of the first Set of Revolving Loans to be made hereunder on or after Effective Date and the Agent shall promptly forward such Revolving Notes to the respective Banks. Each Bank which is a party to the Prior Agreement, upon such receipt of its Revolving Note from the Agent, shall promptly deliver to the Agent the Revolving Note previously delivered by the Company pursuant to the Prior Agreement and the Agent shall promptly forward the same to the Company.

(b) The outstanding principal amount of each Revolving Loan evidenced by each Revolving Note from time to time, the Revolving Loan Maturity Date of such Revolving Loan and the rate of interest and the amount of accrued and unpaid interest payable in respect thereof shall be determined from the records of the Agent, which shall be conclusive absent manifest error. In the event the holder of a Revolving Note shall assign said Revolving Note, it shall attach thereto a schedule, which shall be verified by the Agent, setting forth the then outstanding principal amount of each Revolving Loan evidenced by such Revolving Note and the Revolving Loan Maturity Date thereof.

(c) The obligation of the Company to repay the unpaid principal amount of any Competitive Bid Loans made by any Bank and to pay interest thereon shall be evidenced by a single promissory note of the Company (a "Competitive Bid Note") in substantially the form attached hereto as Exhibit C, with the blanks appropriately filled. The Competitive Bid Loan Note payable to each Bank shall be dated as of the date of this Agreement, shall bear interest as provided in Section 2.02(n) or as otherwise provided herein, and shall be payable to the order of the Bank named as payee therein in a face amount equal to the Total Commitment. The Competitive Bid Loan Note for each Bank shall be delivered by the Company to the Agent at the Effective Date and the Agent shall promptly forward such Competitive Bid Loan Note to such Bank. Each Bank, upon such receipt of its Note from the Agent, shall promptly deliver to the Agent the Note previously delivered by the Company under this Section 2.05(c) and the Agent shall promptly forward the same to the Company.

(d) The outstanding principal amount of each Competitive Bid Loan evidenced by each Competitive Bid Loan Note from time to time, the Competitive Bid Loan Maturity Date of such Competitive Bid Loan and the rate of interest and the amount of accrued and unpaid interest payable in respect thereof shall be determined from the records of the Agent, which shall be conclusive absent clear error. In the event the holder of a Competitive Bid Loan Note shall assign said Competitive Bid Loan Note, it shall attach thereto a schedule, which shall be verified by the Agent, setting forth the then outstanding principal amount of each Competitive Bid Loan evidenced by such Competitive Bid Loan Note and the Competitive Bid Loan Maturity Date thereof.

2.06. Making of Revolving Loans; Standard Notice. (a) Whenever the Company desires that the Banks make a Set of Revolving Loans hereunder, the Company shall provide Standard Notice to the Agent at its Office, setting forth the following information:

(i) The date, which shall be a Business Day, on which such Set of Revolving Loans is to be made;

(ii) The total principal amount of such Set of Revolving Loans, which shall be an integral multiple of $1,000,000 conforming to the provisions of Section 2.09(c) hereof;

(iii) The interest rate Option applicable to such Set of Revolving Loans, selected in accordance with Section 2.09(a) hereof; and

(iv) The Maturity Period for such Set of Revolving Loans selected in accordance with Section 2.09(b) hereof.

Standard Notice having been so provided, the Agent shall promptly notify each Bank of the information contained therein and of such Bank's proportionate share of the aggregate proposed borrowing. On the borrowing date specified in such notice (i) if the Revolving Loans described in such notice are Rollover Loans (or to the extent the same are Rollover Loans), the proceeds thereof shall be applied by the Agent directly against the amounts due and payable on the prior Revolving Loans refunded in whole or in part by such Rollover Loans, pro rata in accordance with the amount due each Bank, or (ii) if the Revolving Loans described in such notice are not Rollover Loans (or to the extent the same are not Rollover Loans), each Bank shall make the proceeds of its Revolving Loan available to the Company at the Agent's Office not later than 11:00 o'clock a.m., Charlotte, North Carolina time, on the specified borrowing date, in immediately available funds.

(b) Absent contrary notice from the Company by 10:00 o'clock a.m., Charlotte, North Carolina time, one Business Day prior to any Revolving Loan Maturity Date (other than the Revolving Expiration Date), and subject to the provisions of Section 2.09(c) hereof so long as no Potential Default or Event of

Default has occurred and is continuing, the Company shall, at the option of the Agent, be deemed to have given the Agent notice at such time pursuant to Section 2.04(a) to the effect that the Company requests that the Banks make a Set of Prime Rate Loans to the Company on such Revolving Loan Maturity Date in aggregate principal amount equal to the aggregate principal amount of the Loans becoming due and payable on such Revolving Loan Maturity Date.

2.07. Facility Fees; Termination or Reduction of Commitments; Increase in Commitment.

(a) Facility Fees. The Company agrees to pay to the Agent for the account of each Bank, as consideration for such Bank's Commitment hereunder, a per annum fee (the "Facility Fee") equal to the Applicable Margin for the Facility Fee times each such Bank's Commitment from the Effective Date to and including the Revolving Expiration Date. Such fees shall be payable quarterly on the first day of each January, April, July and October after the date hereof, commencing April 1, 1996, and on the Revolving Expiration Date or upon the earlier termination of the Commitments, for the preceding period for which such fees have not been paid.

(b) Termination or Reduction of Commitments. (i) From and after the 91st day following the Effective Date the Company may at any time or from time to time terminate in whole the Commitments of the Banks if no Revolving Loans are then outstanding, or reduce ratably in part the respective Commitments to an aggregate amount not less than the total Loans then outstanding, by giving not less than three Business Days' notice (which shall be irrevocable) to such effect to the Agent; provided that any such partial reduction shall be in an aggregate principal amount of $5,000,000 or any higher amount in increments of $1,000,000. The Agent shall promptly advise each Bank of the date of any such termination of the Commitments and of the date and amount of each such reduction of Commitments. Each such reduction shall be permanent and may not be re-instated, and commencing on the date thereof the Facility Fees shall be calculated upon the amount of the Commitments as so reduced.

(ii) From and after the Effective Date the amount of the Total Commitment shall be permanently reduced by the net proceeds from the sale, transfer or other disposition of assets of the Company and its Subsidiaries not otherwise permitted pursuant to Section 6.05 hereof. The Company shall give the Agent written notice of receipt of net proceeds and to the extent that such net proceeds exceed the unused amount of the Total Commitment shall reduce the outstanding loans by such excess. Each such reduction shall be permanent and commencing on the date thereof the Facility Fees shall be calculated upon the amount of the Commitments as so reduced.

(c) Increase in Total Commitment. The Company may request that the Banks increase the Total Commitment to up to $220,000,000 upon the giving at least ninety (90) days prior written notice to the Agent setting forth the amount of such increase (the "Increase Amount"). The Agent shall give each Bank prompt notice of the Increase Amount. Each Bank shall notify the Agent within thirty (30) days of receipt of such notice of the amount, if any, of the Increase Amount which it is willing to agree to lend. The Agent shall give the Company a statement summarizing the portion of the Increase Amount which each Bank has agreed to lend and the Company and the Agent shall determine within thirty (30) days the portion of the Increase Amount to be allocated to each Bank. The Company shall cause there to be executed and delivered to the Agent at or prior to the effective date of the increase in the Total Commitment new Notes representing such increase, together with such resolutions, opinions, certificates and other instruments as the Agent shall reasonably request, including a certificate of a Responsible Officer reaffirming as of the date of such increase all of the representations and warranties set forth in Section 3 hereof. Each Bank in its sole discretion shall determine whether to make available any portion of the Increase Amount, and nothing contained in this Section 2.08(c) shall be construed to require any increase by a Bank. Exhibit A shall be amended at the time of such increase to reflect the new Applicable Commitment Percentage of each Bank. Any fees payable by reason of the increase in the Total Commitment shall be due and payable on the date such increase becomes effective.

2.08. Agent's Fees. In consideration of the Agent's services in administering the credits provided for in this Agreement, the Company agrees to pay the Agent an annual fee and competitive bid administrative fee in the amount and at the times specified in a separate letter agreement between the Company and the Agent.

2.09. Interest Rates; Maturity Periods Etc. for Revolving Loans.

(a) Optional Basis of Borrowing for Revolving Loans. The outstanding principal amount of the Loans included in each Set of Revolving Loans shall bear interest for each day until due on a single basis selected by the Company from the interest rate Options set forth below, it being understood that subject to the provisions of this Agreement the Company may select different Options to apply simultaneously to different Sets of Revolving Loans:

(i) Prime Rate Option: A rate per annum for each day equal to the Prime Rate for such day, such interest rate to change automatically from time to time effective as of the effective date of each change in the Prime Rate. "Prime Rate", as used herein, shall mean the greater of (A) the interest rate per annum announced from time to time by NationsBank, N.A. as its prime rate or (B) the Federal Funds Effective Rate plus 1/2%.

(ii) LIBOR-Rate Option. A rate per annum for each day obtained by dividing (the resulting quotient to be rounded upward to the nearest 100th of 1%) the LIBOR-Rate for such day by a number equal to 1.00 minus the LIBOR-Rate Reserve Percentage and adding to the resulting quotient the Applicable Margin.

"LIBOR-Rate" for any day, as used herein, shall mean with respect to each proposed Set of LIBOR-Rate Loans a rate of interest (expressed as a percentage and rounded upward if necessary to the nearest 1/100 of 1%) (which shall be the same for each day in the applicable LIBOR-Rate Maturity Period) determined in good faith by the Agent in accordance with its usual procedures (which determination shall be conclusive absent manifest error and shall be based on review of the British Bankers Association interest settlement rates as generally found on page 3750 of the Telerate News Service) to be the average of the rates per annum for deposits in Dollars offered to major money center banks in the London interbank market at approximately 11:00 o'clock a.m., London time, two Business Days prior to the first day of such Revolving Loan Maturity Period for delivery on the first day of such Revolving Loan Maturity Period in amounts comparable to the amount of the LIBOR-Rate Loan to be funded and having maturities comparable to such Revolving Loan Maturity Period.

"LIBOR-Rate Reserve Percentage" for any day is the maximum effective percentage (expressed as a decimal fraction, rounded upward to the nearest 1/100 of 1%), as determined in good faith by the Agent (which determination shall be conclusive absent manifest error), which is in effect on such day as prescribed by the Board of Governors of the Federal Reserve System (or any successor) for determining the reserve requirements (including without limitation supplemental, marginal and emergency reserve requirements) for a member bank of such System in respect of Dollar funding in the London interbank market in respect of any LIBOR-Rate Loan.

The Agent shall give prompt notice to the Company of the LIBOR-Rate as so determined.

(b) Revolving Loan Maturity Periods. At any time when the Company shall request the Banks to make a Set of Revolving Loans the Company shall fix the term of such Revolving Loans (the "Revolving Loan Maturity Period" thereof), which Revolving Loan Maturity Period shall be (i) the next Business Day in the case of selection of the Prime Rate Option (a "Prime Rate Maturity Period") or (ii) one month, two months, three months or six months in the case of selection of the LIBOR-Rate Option (a "LIBOR-Rate Maturity Period"); provided, that:

(i) Each Prime Rate Maturity Period which would otherwise end on a day not a Business Day shall be extended to the next succeeding Business Day;

(ii) Each LIBOR-Rate Maturity Period which would otherwise end on a day which is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such Maturity Period shall end on the next preceding Business Day; and

(iii) The Company may not fix a Revolving Loan Maturity Period which would end after the Revolving Expiration Date when any Revolving Loan is outstanding.

The last day of a Revolving Loan Maturity Period is herein sometimes called the "Revolving Loan Maturity Date" thereof.

(c) Transactional Amounts. Every selection of an interest rate Option and every prepayment of the Revolving Loans shall be in a principal amount such that after giving effect thereto the aggregate outstanding principal amount of the Prime Rate Loans and each Set of LIBOR-Rate Loans shall be as set forth in the table below:

Type or Set of Revolving Loans	Allowable Aggregate Principal Amounts
Prime Rate Loans	An integral multiple of $1,000,000
Each Set of LIBOR-Rate Loans	An integral multiple of $1,000,000 but not less than $5,000,000

(d) Interest After Maturity. After the principal amount of any Prime Rate Loan shall have become due (by acceleration or otherwise), such Loan shall bear interest for each day until paid (before and after judgment) at a rate per annum which shall be the greater of (i) 1% above the Prime Rate on the day such Revolving Loan became due and (ii) 1% above the current Prime Rate from time to time, such interest rate to change automatically from time to time effective as of the effective date of each change in the Prime Rate. After the principal amount of any LIBOR-Rate Loan shall have become due (by acceleration or otherwise), such Loan shall bear interest for each day until paid (before and after judgment) (iii) until the Revolving Loan Maturity Date of the currently applicable Revolving Loan Maturity Period of such Revolving Loan, at a rate per annum 1% above the rate otherwise applicable to such Revolving Loan and (iv) thereafter in accordance with the previous sentence.

(e) Computation of Interest and Fees. Interest on Revolving Loans hereunder shall be computed on the basis of a year of 360 days and actual days elapsed and the Facility Fee shall be computed on the basis of a year of 365 or 366 days, as the case may be.

(f) LIBOR-Rate Unascertainable; Impracticability. If

(i) on any date on which a LIBOR-Rate would otherwise be set the Agent shall have in good faith determined (which determination shall be conclusive absent manifest error) that adequate and reasonable means do not exist for ascertaining such LIBOR-Rate; or

(ii) on any date on which a LIBOR-Rate would otherwise be set two or more Banks shall have in good faith determined (which determination shall be conclusive absent manifest error) that the effective cost to each such Bank of funding its Revolving Loan to which such rate would apply, will exceed the interest rate payable by the Company in respect thereof under this Agreement; or

(iii) at any time any Bank shall have determined in good faith (which determination shall be conclusive absent manifest error) that the making, maintenance or funding by such Bank of any LIBOR-Rate Loan has been made impracticable or unlawful by (A) the occurrence of a contingency which materially and adversely affects the secondary market for negotiable certificates of deposit maintained by dealers of recognized standing or the interbank eurodollar market, as the case may be, or (B) compliance by such Bank in good faith with any Law or guideline or interpretation or administration thereof by any Official Body charged with the interpretation or administration thereof or with any request or directive of any such Official Body (whether or not having the force of law);

then, and in any such event, such Bank or Banks, as the case may be, shall forthwith so notify the Agent, and the Agent shall forthwith advise the other Banks and the Company thereof. A certificate as to the specific circumstances specified in such notice shall be promptly submitted by the Agent or such Bank or Banks, as the case may be, to the Agent (which shall promptly confirm the same to the Company and the other Banks).

Upon such date as shall be specified in such notice (which shall not be earlier than the date such notice is given) the obligation of each of the Banks to allow the Company to select the LIBOR-Rate Option shall be suspended until the Agent shall have determined or the Bank or Banks furnishing such notice shall have later notified the Agent of its or their determination in good faith (which determination shall be conclusive) that the circumstances giving rise to such previous determination no longer exist.

If a Bank notifies the Agent of a determination under subsection 2.09(f)(iii) the Revolving Loans covered by such notice which are then outstanding shall be due and payable on the date specified in such notice. Absent contrary notice from the Company to the Agent by 10:00 o'clock a.m., Charlotte, North Carolina time,

one Business day prior to such date, the Company shall, at the option of the Agent, be deemed to have notified the Agent at such time pursuant to Section 2.07(a) to the effect that the Company requests the Banks to make a Set of Prime Rate Loans to the Company on such date for a Revolving Loan Maturity Period of 30 days in aggregate principal amount equal to the aggregate principal amount of the outstanding Loans covered by such notice.

If at the time the Agent or any Bank or Banks make(s) a determination under subsection 2.09(f)(i) or (ii) in respect of the LIBOR-Rate Option, the Company has previously notified the Agent that it wishes to select that Option in respect of a proposed Set of Revolving Loans, but such Option has not yet gone into effect, such notification shall be deemed to provide for selection of the Prime Rate Option instead.

2.10. Prepayments. Subject to the provisions of Section 2.13(b) the Company shall have the right at its option from time to time to prepay (or in the case of clause (b) below, pay) the Revolving Loans in whole or part without premium or penalty:

(a) at any time with respect to any Set of Prime Rate Loans,

(b) on the Revolving Loan Maturity Date of any Set of LIBOR-Rate Loans, as to such Loans, or

(c) on the date specified in a notice given by the Agent or any Bank pursuant to Section 2.09(f) hereof with respect to any of the LIBOR-Rate Loans.

Whenever the Company desires to prepay all or any part of the Revolving Loans, it shall provide Standard Notice to the Agent setting forth the following information:

(d) The date, which shall be a Business Day, on which the proposed prepayment is to be made;

(e) The total principal amount of such prepayment, which shall be the sum of the principal amounts selected pursuant to clause (f) below; and

(f) The principal amounts selected in accordance with Section 2.09(c) hereof of each Set of Prime Rate Loans or LIBOR-Rate Loans, as the case may be, to be prepaid in whole or in part.

Standard Notice having been so provided, on the date specified in such notice the principal amount of the Revolving Loans specified in such notice, together with interest on such principal amount to such date, shall be due and payable.

2.11. Interest Payment Dates. Interest on each Set of LIBORRate Loans shall be due and payable on the Maturity Date thereof and thereafter on demand, and if any Maturity Period is longer than three months also on the last Business Day of the third month of such Maturity Period. Interest on Prime Loans shall be due and payable quarterly on the first day of each January, April, July and October, beginning January 1, 1996.

2.12. Pro Rata Treatment and Payments. Each Set of Revolving Loans made by the Banks hereunder shall be made by them ratably based on their Applicable Commitment Percentages until the Revolving Expiration Date; provided, that the failure of any Bank to fund any particular Revolving Loan shall not relieve any other Bank of its obligation to lend hereunder nor in any way alter or modify such obligation of any Bank. Each payment or prepayment against an outstanding Set of Revolving Loans hereunder shall (except as otherwise provided in Sections 2.13 and 2.14) be applied pro rata to such Revolving Loans in proportion to the outstanding principal amount of each on the date of such payment or prepayment. All payments and prepayments to be made in respect of principal, interest, Facility Fee or other amounts due from the Company in connection with Loans hereunder or under any Note shall be payable at 12:00 o'clock Noon, Charlotte, North Carolina time, on the day when due without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived, and an action therefor shall immediately accrue. Such payments shall be made to the Agent at its Office in Dollars in funds immediately available at such Office without setoff, counterclaim or other deduction of any nature, and shall be distributed by the Agent in immediately available funds on the day received by the Agent to each Bank pro rata, except as aforesaid. All payments to be made in respect of principal, interest, fees or other amounts due from the Company in connection with Competitive Bid Loans hereunder or under any Competitive Bid Note shall be payable at 12:00 Noon, Charlotte, North Carolina time, on the date due without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived, and an action therefore shall immediately accrue. Such payments shall be made to the Agent at its office without setoff, counterclaim or deduction of any nature (except as permitted by Section 2.02(i) hereof), and shall be distributed by the Agent in immediately available funds on the day received by the Agent to the Bank which made the Competitive Bid Loan to which such payment relates. To the extent permitted by law, after there shall have become due (by acceleration or otherwise) interest, Facility Fees or any other amounts due from the Company hereunder or under the Notes (excluding overdue principal, which shall bear interest as described in Section 2.09(d) hereof, but including interest payable under this Section 2.12), such amounts shall bear interest for each day until paid (before and after judgment), payable on demand, at a rate per annum 1.25% above the then current Prime Rate, such interest rate to change automatically from time to time effective as of the effective date of each change in the Prime Rate. The Company shall, at the time of making each payment under this

Agreement or any Note, specify to the Agent the Loan or Loans or other amounts payable by the Company hereunder to which such payment is to be applied (and if the Company fails to so specify, or if an Event of Default has occurred and is continuing, the Agent may distribute such payment to the Banks in such manner as it or the Required Banks may determine to be appropriate, provided that any payment so directed to pay any Revolving Loans shall be made in accordance with this Section 2.12).

2.13. Additional Compensation in Certain Circumstances.

(a) Increased Costs or Reduced Return Resulting From Taxes, Reserves, Capital Adequacy Requirements, Expenses, etc. If any Law or guideline or interpretation or application thereof by any Official Body charged with the interpretation or administration thereof or compliance with any request or directive of any Official Body (whether or not having the force of law), now existing or hereafter adopted:

(i) subjects a Bank or its Notional LIBOR-Rate Funding Office to any new tax or changes the basis of taxation with respect to this Agreement, the Notes, the Loans or payments by the Company of principal, interest, Facility Fee or other amounts due hereunder or under the Notes (except for taxes on the overall net income of a Bank or such Notional LIBOR-Rate Funding Office imposed by the country, state, county, city or equivalent jurisdiction in which the Bank's principal executive office or Notional LIBOR-Rate Funding Office is located),

(ii) imposes, modifies or deems applicable any reserve, special deposit or similar requirement against credits or commitments to extend credit extended by, or assets (funded or contingent) of, deposits with or for the account of or other acquisitions of funds by, a Bank or its Notional LIBOR-Rate Funding Office (other than requirements expressly included herein in the determination of the LIBOR-Rate hereunder),

(iii) imposes, modifies or deems applicable any capital adequacy or similar requirement (A) against assets (funded or contingent) of, or credits or commitments to extend credit extended by, a Bank or its Notional LIBOR-Rate Funding Office, or (B) otherwise applicable to the obligations of a Bank or its Notional LIBOR-Rate Funding Office under this Agreement, or

(iv) imposes upon a Bank or its Notional LIBOR-Rate Funding Office any other condition or expense with respect to this Agreement, the Notes or the making, maintenance or funding of any part of the Loans,

and the result of any of the foregoing is to increase the cost to, reduce the income receivable by, or impose any expense (including

loss of margin) upon such Bank or its Notional LIBOR-Rate Funding Office with respect to this Agreement, the Notes or the making, maintenance or funding of any part of the Loans (or, in the case of any capital adequacy or similar requirement, to have the effect of reducing the rate of return on such Bank's capital, taking into consideration such Bank's policies with respect to capital adequacy) by an amount which such Bank deems to be material (each Bank being deemed for this purpose to have made, maintained or funded its LIBOR-Rate Loans from a Corresponding Source of Funds), such Bank shall from time to time notify the Company of the amount determined in good faith (using any reasonable averaging and attribution methods) by such Bank (which determination shall be conclusive) to be necessary to compensate such Bank or such Notional LIBOR-Rate Funding Office for such increase, reduction or imposition. Such amount shall be due and payable by the Company to such Bank ten Business Days after such notice is given. A certificate by such Bank as to the amount due under this Section 2.13(a) from time to time and describing in reasonable detail the determination of such amount shall be conclusive absent manifest error. Each Bank agrees that it will use good faith efforts to notify the Company of the occurrence of any event that would give rise to a payment under this Section 2.13(a); provided, however, that any failure of a Bank to give any such notice for a period of three months after the Maturity Date of the first Maturity Period or Interest Period, as the case may be, as to which such payment relates shall have no effect on the Company's obligations hereunder.

(b) Indemnity. In addition to the compensation required by Section 2.13(a) hereof, the Company shall indemnify each Bank against any loss or expense (including loss of margin) which such Bank sustains or incurs as a consequence of any

(i) payment or prepayment by the Company of any of such Bank's LIBOR-Rate Loans on a day other than the Maturity Date thereof,

(ii) payment by the Company of any of such Bank's Competitive Bid Loans on a day other than the Maturity Date therefor,

(iii) attempt by the Company to revoke (expressly, by later inconsistent notices or otherwise) in whole or part any notice stated herein to be irrevocable (the Banks collectively, but not singly, having in their sole discretion the options (A) to give effect to such attempted revocation and obtain indemnity under this Section 2.13(b) or (B) to treat such attempted revocation as having no force or effect, as if never made), or

(iv) default by the Company in the performance or observance of any covenant or condition contained in this Agreement or the Notes, including without limitation any

failure of the Company to pay when due (by acceleration or otherwise) any principal, interest, commitment fee or any other amount due hereunder or under a Note.

If a Bank sustains or incurs any such loss or expense it shall from time to time notify the Agent of the amount determined in good faith by such Bank (which determination shall be conclusive absent manifest error) to be necessary to indemnify such Bank for such loss or expense, and the Agent shall promptly so notify the Company. Such amount shall be due and payable by the Company to such Bank ten Business Days after such notice is given.

2.14. Regulation D Costs. Without duplication of or limitation by Section 2.13, if any Bank determines in good faith that it has incurred or is incurring any reserve costs under Regulation D of the Board of Governors of the Federal Reserve System from time to time in effect (or any successor or other regulation or official interpretation of said Board of Governors relating to reserve requirements applicable to member banks of the Federal Reserve System) with respect to Eurocurrency liabilities, which costs such Bank determines are attributable to making, funding or maintaining any of its LIBOR-Rate Loans hereunder, then, within ten Business Days of demand by such Bank, the Company shall pay such Bank the amount of such reserve costs so incurred as reasonably determined by such Bank.

2.15. Funding by Branch, Subsidiary or Affiliate.

(a) Notional Funding. Each Bank shall have the right from time to time, prospectively or retrospectively, without notice to the Company, to deem any branch, subsidiary or affiliate of such Bank to have made, maintained or funded any part of such Bank's LIBOR-Rate Loans or Euro-based Loans at any time. Any branch, subsidiary or affiliate so deemed shall be known as a "Notional LIBOR-Rate Funding Office". Each Bank shall deem any of its LIBORRate Loans or Euro-based Loans or the funding therefor to have been transferred to a different Notional LIBOR-Rate Funding Office (i) if such transfer would avoid or cure an event or condition described in subsection 2.09(f)(ii) hereof or would lessen an indemnity payable to the Bank under Sections 2.13 or 2.14 hereof, and if (ii) such Bank determines in its sole discretion that such transfer would be practicable and would not have a material adverse effect on such Loans, the Bank or its Notional LIBOR-Rate Funding Office (it being assumed for purposes of such determination that each of the Bank's LIBOR-Rate Loans is actually made or maintained by or funded through the corresponding Notional LIBOR-Rate Funding Office). Notional LIBOR-Rate Funding Offices may be selected by a Bank without regard to the Bank's actual methods of making, maintaining or funding its Loans or any sources of funding actually used by or available to the Bank.

(b) Actual Funding. Each Bank shall have the right from time to time to make or maintain any of the LIBOR-Rate Loans or Euro-

based Loans funded by such Bank by arranging for a branch, subsidiary or affiliate of the Bank to make or maintain such Loans. Each Bank shall have the right to (i) hold the Note payable to its order for the benefit and account of such branch, subsidiary or affiliate or (ii) request the Company to issue one or more promissory notes in the principal amount of designated LIBOR-Rate Loans or Euro-based Loans made by such Bank in substantially the form attached hereto as Exhibit C or Exhibit D, with the blanks appropriately filled, payable to such branch, subsidiary or affiliate and with appropriate changes reflecting that the holder thereof is not obligated to make any additional Loans to the Company. The Company agrees to comply promptly with any such request under clause (ii). If a Bank causes a branch, subsidiary or affiliate to make or maintain any of its Loans hereunder, all terms and conditions of this Agreement shall, except where the context clearly requires otherwise, be applicable to such Loans and to any promissory note payable to the order of such branch, subsidiary or affiliate to the same extent as if such Loans were made or maintained, and such promissory note were a Note payable to the order of, such Bank.

2.16. Extension of Expiration Dates. At the request of the Company the Banks may, in their sole discretion, elect to extend the Revolving Expiration Date then in effect for additional periods of one year each. The Company shall notify the Banks of its request for such an extension by delivering to the Agent and the Banks notice of such request signed by a Responsible Officer not more than ninety (90) days nor less than sixty (60) days prior to each anniversary of the Effective Date. If all the Banks shall elect to so extend, the Agent shall notify the Company in writing within sixty (60) days of its receipt of such request for extension of the decision of the Banks as to whether to extend the Revolving Expiration Date. Failure by any Bank to respond to a request for an extension shall constitute a refusal of such Bank to give its consent to such extension. Failure by the Agent to give such notice shall constitute refusal by the Banks to extend the Revolving Expiration Date.

SECTION 3. REPRESENTATIONS AND WARRANTIES

In order to induce the Banks to enter into this Agreement and to make the Loans herein provided for, the Company hereby covenants, represents and warrants to each Bank that:

3.01. Financial Condition. The consolidated balance sheet of the Company and its Consolidated Subsidiaries as at January 1, 1995 and the related consolidated statements of income and retained earnings and changes in financial position for the fiscal year ended on such date, certified by Price Waterhouse & Co., copies of which have heretofore been furnished to each Bank, are complete and correct in all material respects and present fairly the consolidated financial condition of the Company and its Consolidated Subsidiaries as at such date, and the consolidated results of their operations and changes in financial position for the fiscal year then ended. The unaudited consolidated balance sheet of the Company and its Consolidated Subsidiaries as at October 1, 1995 and the related unaudited consolidated statements of income and retained earnings and changes in financial position for the nine-month period ended on such date, certified by a Responsible Officer, copies of which have heretofore been furnished to each Bank, are complete and correct in all material respects and present fairly the consolidated financial condition of the Company and its Consolidated Subsidiaries as at such date, and the consolidated results of their operations and changes in financial position for the nine-month period then ended (subject to normal year-end audit adjustments). All such financial statements, including the related schedules and notes thereto, have been prepared in accordance with GAAP applied consistently throughout the periods involved. Except for the guarantees of indebtedness permitted in Section 6.03, neither the Company nor any of its Consolidated Subsidiaries has any material Contingent Obligation or liability for taxes, long-term lease or unusual forward or long-term commitment, which is not reflected herein or in the schedules and exhibits hereto or in the foregoing statements or in the notes thereto.

3.02. No Adverse Change. Since October 1, 1995 there has been no material adverse change in the business, operations, assets or financial or other condition of the Company and its Subsidiaries taken as a whole.

3.03. Corporate Existence; Compliance with Law. Each of the Company and its Material Subsidiaries (a) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation, (b) has the corporate power and authority and the legal right to own and operate its property, to lease the property it operates and to conduct the business in which it is currently engaged, (c) is duly qualified as a foreign corporation and is in good standing under the laws of each jurisdiction where its ownership, lease or operation of property or the conduct of its business requires such qualification and the

failure to so qualify would not have a material adverse effect on the business of the Company and its Subsidiaries taken as a whole, and (d) to the best of the Company's knowledge after due diligence, is in compliance with all applicable Laws (i) subject to the possible implications of the litigation and proceedings described in Schedule 1 hereto and (ii) except to the extent that the failure to comply with any such Laws could not, in the aggregate, have a material adverse effect on the business, operations, property or financial or other condition of the Company and its Subsidiaries taken as a whole, and could not materially adversely affect the ability of the Company to perform its obligations under this Agreement and the Notes.

3.04. Corporate Power; Authorization; Enforceable Obligations. The Company has the corporate power and authority and the legal right to make, deliver and perform this Agreement and the Notes and to borrow hereunder and has taken all necessary corporate action to authorize the borrowings on the terms and conditions of this Agreement and the Notes and the execution, delivery and performance of this Agreement and the Notes. No consent or authorization of, filing with, or other act by or in respect of any person, is required in connection with the borrowings hereunder or the execution, delivery, performance, validity or enforceability of this Agreement or the Notes. This Agreement has been, and each Note will be, duly executed and delivered on behalf of the Company and this Agreement constitutes, and each Note when executed and delivered will constitute, legal, valid and binding obligations of the Company enforceable against the Company in accordance with their respective terms.

3.05. No Legal Bar. The execution, delivery and performance of this Agreement and the Notes, the borrowings hereunder and the use of the proceeds thereof will not violate any Law or any Contractual Obligation of the Company or any of its Subsidiaries and will not result in, or require, the creation or imposition of any Lien on any of its or their respective properties or revenues pursuant to any Law or Contractual Obligation.

3.06. No Material Litigation. Except as set forth in Schedule 1, no litigation, investigation or proceeding of or before any Official Body is pending or, to the knowledge of the Company, threatened by or against the Company or any of its Material Subsidiaries or against any of its or their respective properties or revenues (a) with respect to this Agreement or the Notes or any of the transactions contemplated hereby, or (b) which, in the reasonable judgment of the Company, would have a material adverse effect on the business, operations, property or financial or other condition of the Company and its Subsidiaries taken as a whole.

3.07. No Default. Neither the Company nor any of its Material Subsidiaries is in default under or with respect to any Contractual Obligation in any respect which could be materially adverse to the business, operations, property or financial or other

condition of the Company and its Subsidiaries taken as a whole, or which could materially adversely affect the ability of the Company to perform its obligations under this Agreement and the Notes.

3.08. Taxes. Each of the Company and its Subsidiaries has filed or caused to be filed all tax returns which to the knowledge of the Company are required to be filed and has paid all taxes shown to be due and payable on said returns or on any assessments made against it or any of its property and all other taxes, fees or other charges imposed on it or any of its property by any Official Body (other than those the amount or validity of which is currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided on the books of the Company or its Subsidiaries, as the case may be, or those the failure to pay which, in the aggregate, would not be materially adverse to the business, operations, property or financial or other condition of the Company and its Subsidiaries taken as a whole); and no tax liens have been filed and, to the knowledge of the Company, no claims are being asserted with respect to any such taxes, fees or other charges.

3.09. Subsidiaries. Schedule 2 hereto contains an accurate list of all of the presently existing Subsidiaries and Material Subsidiaries, setting forth their respective jurisdictions of incorporation and the percentage of their respective outstanding capital stock owned by the Company or other Subsidiaries; all of the issued and outstanding shares of capital stock of the Subsidiaries have been duly authorized and issued and are fully paid and non-assessable.

3.10. Material Agreements. The agreements identified on Schedule 3 hereto (the "Material Agreements") are all of the material business contracts (other than purchase and sales agreements and credit agreements) to which the Company or any Material Subsidiary is a party; each Material Agreement is in full force and effect; and the Company and its Material Subsidiaries are in full compliance with the terms and provisions applicable to them contained in the Material Agreements. The aggregate amount of all payments to be made by the Company under all noncompetition agreements in effect on the Effective Date does not exceed $5,000,000.

3.11. Indebtedness and Contingent Obligations. Schedule 4 hereto accurately identifies the material items of Indebtedness and the material Contingent Obligations for which the Company or any Subsidiary is obligated.

3.12. Pension-Related Matters. A copy of the most recent Annual Report (5500 Series Form), including all attachments thereto, filed with the Internal Revenue Service has been provided to the Agent for each Plan and fairly presents the funding status of each Plan. There has been no material deterioration in any Plan's funding status since the date of such Annual Report. The

Company has provided the Agent with a list of all Plans and Multiemployer Plans and all available information with respect to its or any Controlled Group Member's direct, indirect, or potential withdrawal liability to any Multiemployer Plan.

3.13. Federal Regulations. No part of the proceeds of any Loans hereunder will be used for "purchasing" or "carrying" "margin stock" within the respective meanings of each of the quoted terms under Regulation U of the Board of Governors of the Federal Reserve System as now and from time to time hereafter in effect, or for any purpose which violates (or which would be inconsistent with) the provisions of Regulations G, T, U or X of such Board of Governors.

3.14. Investment Company Act. The Company is not an "investment company" or a company "controlled" by an "investment company", within the meaning of the Investment Company Act of 1940, as amended.

3.15. Pari Passu Status. The obligations of the Company hereunder and under the Notes rank and will rank at least pari passu in priority of payment with all other senior unsecured Indebtedness of the Company.

SECTION 4. CONDITIONS OF EFFECTIVENESS

4.01. Initial Set of Loans. The effectiveness of this Agreement and the obligation of the Banks to fund the initial Set of Revolving Loans under this Agreement (and the obligation of a Bank to fund a Competitive Bid Loan for which such Bank has submitted a Competitive Bid Quote that has been accepted by the Company hereunder) is subject to the accuracy, as of the Effective Date, of the representations and warranties herein contained, to the performance by the Company of its obligations to be performed hereunder on or before the date of such Loans and to the satisfaction of the following further conditions:

(a) Representations and Warranties. The representations and warranties contained in Section 3 shall be true on and as of the date of such Loans (or Competitive Bid Loan, if applicable) with the same effect as though made on and as of such date, and on such date no Event of Default and no Potential Default shall have occurred and be continuing or shall exist after giving effect to all of the Loans to be made on said date.

(b) Proceedings and Incumbency Certificate. At the time of making such Loans (or Competitive Bid Loan, if applicable) there shall have been delivered to the Agent, together with sufficient signed copies to provide one for each of the Banks, a certificate, dated not earlier than the Effective Date and not later than the date of such Loans (or Competitive Bid Loan, if applicable) and signed by the Secretary or an Assistant Secretary of the Company, certifying as to (i) the corporate proceedings taken by the Company referred to in to Section 3.04 hereof and (ii) the incumbency of the officer or officers of the Company authorized to sign this Agreement and the Notes to be issued hereunder, together with true signatures of such officer or officers; the Agent and each of the Banks may conclusively rely on such certificate.

(c) Opinion of Counsel. At the time of making such Loans (or Competitive Bid Loan, if applicable) each Bank shall have received a favorable written opinion, dated not earlier than the Effective Date and not later than the date of such Loans (or Competitive Bid Loan, if applicable) of Messrs. Witt, Gaither & Whitaker, substantially in the form attached hereto as Exhibit G.

(d) Legal Details and Proceedings. All legal details and proceedings in connection with the transactions contemplated by this Agreement shall be satisfactory to the Agent, and the Banks shall have received all such counterpart original or certified or other copies of such documents and proceedings in connection with such transactions, in form and substance satisfactory to the Agent, as any Bank may reasonably request.

(e) Notes. The Company shall have delivered to the Agent such Notes as shall be required by Section 2.04(a) and (c).

4.02. Subsequent Loans. The obligation of the Banks to fund each Set of Revolving Loans subsequent to the initial Set thereof and the obligation of a Bank to fund each Competitive Bid Loan for which such Bank has submitted a Competitive Bid Quote that has been accepted by the Company hereunder is subject to the accuracy of the representations and warranties herein contained, to the performance by the Company of its obligations to be performed hereunder on or before the date of each such subsequent Set of Revolving Loans or Competitive Bid Loans, as the case may be, and to the satisfaction of the following further conditions:

(a) Representations; Defaults. The representations and warranties contained in Sections 3.03 (except clause (d) thereof), 3.04, 3.05, 3.06, 3.07, 3.13, 3.14 and 3.15 hereof (and in the case of Revolving Loans which are neither Rollover Loans nor Loans the proceeds of which will be promptly used by the Company to finance payments at maturity of Competitive Bid Loans on which the Standard Notice with respect to such Revolving Loans is given hereunder 3.03(d) hereof) shall be true on and as of the date of such Loans, with the same effect as though made on and as of such date, and on such date (i) each of the Material Agreements identified as a "bottler's contract" or "first line contract" in Schedule 3 shall be in full force and effect and the Company or Subsidiary party thereto shall be in full compliance therewith and (ii) no Event of Default and no Potential Default shall have occurred and be continuing or shall exist after giving effect to all of the Loans to be made on said date.

(b) Legal Details. All legal details and proceedings in connection with the transactions contemplated by this Agreement shall be satisfactory to the Agent, and the Banks shall have received all such counterpart originals or certified or other copies of such documents and proceedings in connection with such transactions, in form and substance satisfactory to the Agent, as any Bank may reasonably request.

The delivery by the Company to the Agent of Standard Notice with respect to each proposed Revolving Loan hereunder, other than in respect of the initial Set of Revolving Loans shall automatically constitute a representation by the Company to each Bank that the conditions provided in clause (a) of this Section 4.02 are true on the date such notice is delivered, except as otherwise stated in such notice, and will be true on the date such Loan is made unless the Agent is advised to the contrary by the Company before such Loan is made. The delivery by the Company to the Agent of a Competitive Bid Quote Request with respect to a proposed

Competitive Bid Loan hereunder shall automatically constitute a representation by the Company to each Bank that the conditions provided in clause (a) of this Section 4.02 are true on the date such request is delivered, except as otherwise stated in such request and will be true on the date such Loan is made unless the Agent is advised to the contrary by the Company before such Loan is made.

SECTION 5. AFFIRMATIVE COVENANTS

The Company covenants that from and after the date hereof and so long as it may borrow hereunder and until payment in full of all Notes issued hereunder and interest thereon and fees, unless the Required Banks shall otherwise consent in writing:

5.01. Financial Statements. The Company will furnish to each Bank:

(a) as soon as available, but in any event within 90 days after the end of each fiscal year of the Company, copies of the consolidated balance sheet of the Company and its Consolidated Subsidiaries as at the end of such year and of the related consolidated statements of income and retained earnings and changes in financial position for such year, setting forth in each case in comparative form the figures for the previous year, certified without qualification arising out of the scope of the audit, by independent certified public accountants of nationally recognized standing; and

(b) as soon as available, but in any event not later than 45 days after the end of each of the first three quarterly periods of each fiscal year of the Company, copies of the unaudited consolidated balance sheet of the Company and its Consolidated Subsidiaries as at the end of such quarter and of the related unaudited consolidated statements of income and retained earnings and changes in financial position of the Company and its Consolidated Subsidiaries for such quarterly period and the portion of the fiscal year through such date, setting forth in each case in comparative form figures for the previous year, certified by a Responsible Officer (subject to normal year-end audit adjustments).

All such financial statements shall be complete and correct in all material respects and shall be prepared in reasonable detail and in accordance with GAAP applied consistently throughout the periods reflected therein (except as approved by such accountants or officer, as the case may be, and disclosed therein).

5.02. Certificates; Other Information. The Company will furnish to each Bank:

(a) concurrently with the delivery of the financial statements referred to in Section 5.01(a) above, a certificate of the independent certified public accountants certifying such financial statements stating that in making the examination necessary therefor no knowledge was obtained of any Potential Default or Event of Default, except as specified in such certificate, and certifying the Company's compliance with the terms of Section 6.01;

(b) concurrently with the delivery of the financial statements referred to in Sections 5.01(a) and (b) above, (i) a Compliance Certificate, and (ii) a certificate of a Responsible Officer stating that such officer has no knowledge of any Potential Default or Event of Default except as specified in such certificate;

(c) promptly upon the mailing thereof to the shareholders of the Company, copies of all financial statements, reports and proxy statements so mailed;

(d) promptly upon the filing thereof, copies of all registration statements and annual, quarterly, monthly or other regular reports which the Company files with the
Securities and Exchange Commission; and (e) promptly, such additional financial and other information as any Bank may from time to time reasonably request.

5.03. Visitation. The Company shall permit such persons as the Agent or any Bank may designate to visit and inspect any of the properties of the Company and of any Subsidiary, to examine their respective books and records and take copies and extracts therefrom and to discuss their respective affairs with their respective officers, employees and independent accountants at such times and as often as the Agent or any Bank may reasonably request. The Company hereby authorizes such officers, employees and independent accountants to discuss with the Agent or any Bank the affairs of the Company and its Subsidiaries.

5.04. Preservation of Existence and Franchises. The Company shall, and, except as provided in Section 6.08 hereof, shall cause each of its Subsidiaries to, maintain its corporate existence, rights and franchises in full force and effect in its jurisdiction of incorporation. The Company shall, and shall cause each of its Subsidiaries to, qualify and remain qualified as a foreign corporation in each jurisdiction in which failure to receive or retain such qualification would have a material adverse effect on the business, operations or financial condition of the enterprise comprised of the Company and its Subsidiaries taken as a whole.

5.05. Insurance. The Company shall, and shall cause each Subsidiary to, maintain with financially sound and reputable insurers insurance with respect to its properties and business and against such liabilities, casualties and contingencies and of such types and in such amounts as is customary in the case of corporations engaged in the same or a similar business or having similar properties similarly situated.

5.06. Maintenance of Properties. Except as provided in Section 6.05, the Company shall, and shall cause each Subsidiary to, (i) maintain or cause to be maintained in good repair, working order and condition the properties now or hereafter owned, leased or otherwise possessed by it and (ii) make or cause to be made all

needful and proper repairs, renewals, replacements and improvements thereto, so that, in the case of clauses (i) and (ii) above, the business now or hereafter carried on by the Company or any Subsidiary may be properly and advantageously conducted at all times.

5.07. Payment of Taxes and Other Potential Charges and Priority Claims; Payment of Other Current Liabilities. The Company shall, and shall cause each Subsidiary to, pay or discharge any of the following described taxes, assessments, charges, levies, claims and liabilities which are material to the Company and its Subsidiaries when taken as a whole:

(a) on or prior to the date on which penalties attach thereto, all taxes, assessments and other governmental charges or levies imposed upon it or any of its properties or income;

(b) on or prior to the date when due, all lawful claims of materialmen, mechanics, carriers, warehousemen, landlords and other like persons which, if unpaid, might result in the creation of a Lien upon any such property;

(c) on or prior to the date when due, all other lawful claims which, if unpaid, might result in the creation of a Lien upon any such property (other than Liens not forbidden by Section 6.02 hereof) or which, if unpaid, might give rise to a claim entitled to priority over general creditors of the Company or such Subsidiary in a case under Title 11 (Bankruptcy) of the United States Code, as amended, or in any insolvency proceeding or dissolution or winding-up involving the Company or such Subsidiary; and

(d) all other current liabilities so that none is overdue, unless the creditor has consented thereto, more than 90 days; provided that unless and until foreclosure, distraint, levy, sale or similar proceedings shall have been commenced, the Company or such Subsidiary need not pay or discharge any such tax, assessment, charge, levy, claim or current liability so long as the validity thereof is contested in good faith and by appropriate proceedings diligently conducted and so long as such reserves or other appropriate provisions as may be required by GAAP shall have been made therefor and so long as such failure to pay or discharge does not have a material adverse effect on the business, operations or financial condition of the enterprise comprised of the Company and its Subsidiaries taken as a whole.

5.08. Continuation of Business. The Company shall, and shall cause each Subsidiary to, continue to engage in its business substantially as conducted on the date hereof.

5.09. Use of Loan Proceeds. The proceeds of all Loans hereunder to the extent they are not Rollover Loans, shall be

applied by the Company to any one or more of the following purposes: (a) to pay at maturity commercial paper issued by the Company or (b) subject to the provisions of Section 6 hereof, to other general corporate purposes of the Company, including without limitation the payment of obligations incurred by the Company or any of its Subsidiaries for capital expenditures or the purchase of the capital stock or assets of other Coca-Cola bottling related enterprises.

5.10. Notice of Pension-Related Events. Promptly after the Company, any Controlled Group Member or any administrator of a Plan:

(i) receives the notification referred to in clauses (i), (iv) or (vii) of Section 7.01(f) hereof,

(ii) has knowledge of (A) the occurrence of a Reportable Event with respect to a Plan; (B) any event which has occurred or any action which has been taken to amend or terminate a Plan as referred to in clauses (ii) and (vi) of Section 7.01(f) hereof; (C) any event which has occurred or any action which has been taken which could result in complete withdrawal, partial withdrawal, or secondary liability for withdrawal liability payments with respect to a Multiemployer Plan as referred to in clause (vii) of Section 7.01(f) hereof; or (D) any action which has been taken in furtherance of, any agreement which has been entered into for, or any petition which has been filed with a United States district court for, the appointment of a trustee for a Plan as referred to in clause (iii) of Section 7.01(f) hereof, or

(iii) files a notice of intent to terminate a Plan with the Internal Revenue Service or the PBGC; or files with the Internal Revenue Service a request pursuant to Section 412(d) of the Code for a variance from the minimum funding standard for a Plan; or files a return with the Internal Revenue Service with respect to the tax imposed under Section 4971(a) of the Code for failure to meet the minimum funding standards established under Section 412 of the Code for a Plan,

the Company will furnish to the Agent a copy of any notice received, request or petition filed and agreement entered into; the most recent Annual Report (Form 5500 Series) and attachments thereto for the Plan; the most recent actuarial report for the Plan; any notice, return or materials required to be filed with the Internal Revenue Service in connection with the event, action or filing; and a written statement of a Responsible Officer describing the event or the action taken and the reasons therefor.

5.11. Notices of Events of Default, Levies Etc. Promptly upon becoming aware thereof the Company shall give notice to the Agent of:

(a) the occurrence of any Event of Default or Potential Default, accompanied by a written statement of a Responsible Officer setting forth the details thereof and of any action with respect thereto taken or contemplated by the Company;

(b) the filing against the Company or any of its Subsidiaries of any attachment, levy, writ of execution or other similar legal process against assets of the Company or such Subsidiary having a book value in excess of $1,000,000, unless the claim giving rise to such process is adequately covered by insurance or is being contested in good faith by the Company or such Subsidiary by legal proceedings diligently pursued; or

(c) the commencement, existence or threat of any litigation or other proceeding by or before any Official Body against or affecting the Company or any of its Subsidiaries which, if adversely decided, would have a material adverse effect on the business, operations or financial condition of the enterprise comprised of the Company and its Subsidiaries taken as a whole.

SECTION 6. NEGATIVE COVENANTS

The Company covenants and agrees that from and after the date hereof and so long as it may borrow hereunder and until payment in full of all Notes issued hereunder and interest thereon and fees, unless the Required Banks shall otherwise consent in writing:

6.01. Financial Maintenance Covenants.

(a) Cash Flow/Fixed Charges Ratio. The Cash Flow/Fixed Charges Ratio, as determined quarterly as of the last day of each fiscal quarter of the Company (and treating such quarter as having been completed), shall not be less than 1.50 to 1 for each fiscal quarter.

(b) Consolidated Funded Indebtedness/Cash Flow Ratio. The Consolidated Funded Indebtedness/Cash Flow Ratio, as determined quarterly as of the last day of each fiscal quarter of the Company (and treating such quarter as having been completed), shall not exceed six-to-one for any fiscal quarter.

6.02. Liens. The Company shall not, and shall not permit any Subsidiary to, at any time create, incur, assume or suffer to exist any Lien on any of its property or assets, tangible or intangible, now owned or hereafter acquired, or agree or become liable to do so, except:

(a) The existing material Liens listed in Schedule 5 hereto (and extension, renewal and replacement Liens upon the same property previously subject to an existing Lien, provided the amount secured by each Lien constituting such an extension, renewal or replacement Lien shall not exceed the amount secured by the Lien previously existing);

(b) Liens arising from taxes, assessments, or claims described in Section 5.07 hereof that are not yet due or that remain payable without penalty or to the extent permitted to remain unpaid under the proviso to such Section 5.07;

(c) deposits or pledges to secure worker's compensation, unemployment insurance, old age benefits or other social security obligations, or in connection with or to secure the performance of bids, tenders, trade contracts or leases, or to secure statutory obligations, or stay, surety or appeal bonds, or other pledges or deposits of like nature and all in the ordinary course of business;

(d) Liens on property securing all or part of the purchase price thereof and Liens (whether or not assumed) existing in property at the time of purchase thereof by the Company or a Subsidiary, as the case may be (and extension, renewal and replacement Liens upon the same property

previously subject to a Lien described in this clause (d), provided the amount secured by each Lien constituting such extension, renewal or replacement shall not exceed the amount secured by the Lien previously existing), provided that each such Lien is confined solely to the property so purchased, improvements thereto and proceeds thereof;

(e) Liens resulting from progress payments or partial payments under United States Government contracts or subcontracts thereunder;

(f) Liens arising from legal proceedings, so long as such proceedings are being contested in good faith by appropriate proceedings diligently conducted and execution is stayed on all judgments resulting from any such proceedings; and

(g) zoning restrictions, easements, minor restrictions on the use of real property, minor irregularities in title thereto and other minor Liens that do not in the aggregate materially detract from the value of a property or asset to, or materially impair its use in the business of, the Company or such Subsidiary.

6.03. Guarantees. The Company shall not, and shall not permit any Subsidiary to, directly or indirectly assume, guarantee, become surety for or endorse or otherwise become or remain directly or contingently liable upon or with respect to Indebtedness of any other person or persons except, (i) in the case of the Company only, with respect to obligations in an aggregate principal amount not to exceed $50 million and (ii) existing guarantees of Subsidiaries described in Schedule 6 hereto.

6.04. Investments. The Company shall not, and shall not permit any Subsidiary to, at any time purchase, acquire or own any stock, bonds, notes or other securities of, or any partnership or other interest in, or make any capital contribution to, any other person (any of the foregoing being referred to in this Section 6.04 as an "investment"), except:

(a) investments existing on the date hereof in Southeastern Container, Western Container Corporation and South Atlantic Canners and other investments existing on the date hereof with an aggregate value on the books of the Company not in excess of $750,000;

(b) investments in the capital stock of Subsidiaries listed in Schedule 2 hereto and investments in any cooperative providing bottling, canning or other productive services to the Company or any Subsidiary;

(c) investments in obligations backed by the full faith and credit of the United States of America;

(d) investments in certificates of deposit issued (i) by any of the Banks, or (ii) by any bank or by United States or Canadian commercial banks having shareholders' equity of at least $500,000,000 and whose long term obligations are rated "AA" or "Aa" by Standard & Poor's Corporation or Moody's Investors Service, Inc., respectively;

(e) investments in commercial paper or corporate promissory notes maturing, or which may be redeemed by the holder, not more than six months after the date of acquisition and rated "A-1" by Standard & Poor's Corporation or "P-1" by Moody's Investors Service, Inc.;

(f) investments in repurchase agreements held in safekeeping at substantial repositories and secured by investments of the kind listed in clauses (c), (d) and (e) above;

(g) investments in time deposits denominated in Dollars in commercial banks (including branch offices of United States banks) located in Western Europe and having shareholders' equity of at least $500,000,000;

(h) investments in assets, franchises and businesses after the date hereof, the result of which does not cause the Company to violate any term of Section 6.01 hereof, and as to which in the case of each such investment, the chief financial officer of the Company shall have sent to each Bank a certificate certifying that the acquisition is permitted under Section 6.04 including this subsection (h), and in the event that the purchase price of any soft drink bottling assets, franchises and business acquired singly or as a group exceeds $50 million, shall have sent to each Bank a copy of audited and/or unaudited financial statements for the most recently completed fiscal year and interim period relating to the assets, franchises and businesses acquired; and

(i) other investments not exceeding $500,000 in the aggregate at any time for the Company and all Subsidiaries.

6.05. Dispositions of Assets. The Company shall not, and shall not permit any Subsidiary to, sell, convey, assign, abandon or otherwise transfer or dispose of, voluntarily or involuntarily (any of the foregoing being referred to in this Section 6.05 as a "transaction" and any series of related transactions constituting but a single transaction), any of its properties or assets, tangible or intangible, except:

(a) transactions (including sales of trucks, vending machines and other equipment) in the ordinary course of business.

(b) transactions between Subsidiaries or between the Company and Subsidiaries; provided, if the transaction should involve the transfer by the Company of bottling contracts either listed as or constituting at anytime a Material Agreement or scheduled on Schedule 3: (i) the recipient Subsidiary after the transaction shall remain a wholly-owned Subsidiary of the Company; and (ii) the recipient Subsidiary after the transaction (x) shall have substantially all of the previous rights of the Company under such bottling contracts, and (y) shall sublicense to the Company, at least for the term of this Agreement, substantially all of its rights under such bottling contracts, especially the right to bottle and sell the products licensed in the territories granted by such bottling contracts; provided, further, that to the extent there is a transfer of assets, other than bottling contracts, to a Subsidiary, such Subsidiary shall continue at all times to be wholly-owned, directly or indirectly, by the Company;

(c) any sale of real property not used in the current operations of the Company and for not less than the fair market value of such property, provided that the aggregate proceeds of sales pursuant to this clause (c) shall not exceed $10,000,000 in any fiscal year of the Company;

(d) other sales, conveyances, assignments or other transfers or dispositions in immediate exchange for cash or tangible assets, subject to prior approval in each case by the Required Banks;

(e) other sales, conveyances, assignments or other transfers or dispositions that do not in the aggregate exceed $10,000,000 in any fiscal year of the Company;

(f) the sale for cash of any and all accounts receivable in a face amount not to exceed Fifty Million Dollars ($50,000,000); and

(g) transfers or dispositions for cash, other than as provided by subsections (a) through (f) of this section 6.05, if on the date of the consummation thereof, if such date is prior to the Revolving Expiration Date, the Commitments are permanently reduced on such date by the amount of the net cash proceeds of such transfers or dispositions in the manner set forth in Section 2.07(b)(ii).

6.06. Material Agreements. The Company shall not, and shall not permit any Subsidiary to, (a) agree to any material modification (by amendment, separate new agreement or otherwise) of any Material Agreement identified as a "bottler's contract" or "first line contract" in Schedule 3 or (b) agree to any material modification of any other Material Agreement, franchise agreement or bottling contract to which the Company or a Subsidiary is now or hereafter party if the effect of such modification would be

materially adverse to the business, operations, property or financial or other condition of the Company and its Subsidiaries taken as a whole; and the Company shall not, and shall not permit any Subsidiary to, (i) suffer or permit any such bottler's contract or first line contract referred to in clause (a) above to be in default or to lapse or be withdrawn by reason of any act or omission on the part of the Company or any Subsidiary or (ii) suffer or permit any such other Material Agreement, franchise agreement or bottling contract to which the Company or a Subsidiary is now or hereafter party to be in default or to lapse or be withdrawn by reason of any act or omission on the part of the Company or any Subsidiary if the effect of such default, lapse or withdrawal would be materially adverse to the business, operations, property or financial or other condition of the Company and its Subsidiaries taken as a whole.

6.07. Compliance with Federal Reserve Regulations. The Company shall not, and shall not permit any Subsidiary to, create, incur or assume any Indebtedness or other liability, or to make any investment, resulting directly or indirectly in a violation of Regulation G, T, U or X of the Board of Governors of the Federal Reserve System, as amended or modified from time to time, or of other applicable Law.

6.08. Merger. The Company shall not, and shall not permit any Subsidiary to, merge with or into or consolidate with any other Person, or agree to do any of the foregoing, except that if no Event of Default or Potential Default shall occur and be continuing or shall exist at the time of such merger or consolidation or immediately thereafter and after giving effect thereto

(a) the Company may merge with any other corporation, including a Subsidiary, if the Company shall be the surviving corporation;

(b) a wholly-owned Subsidiary may merge with or into or consolidate with any other wholly-owned Subsidiary; and

(c) a wholly-owned Subsidiary may merge with any other corporation, if such Subsidiary shall be the surviving corporation.

6.09. Fiscal Periods. The Company will not permit its fiscal year to end on a date other than a December 31 or a date within 5 days thereof and will not permit any fiscal quarter to end on a date other than a March 31, June 30, September 30 or December 31 or a date within 5 days thereof. For purposes of the covenants, definitions and other provisions of this Agreement, a fiscal period which ends within five days of a March 31, June 30, September 30 or December 31 shall be deemed to end on such March 31, June 30, September 30 or December 31, as the case may be.

6.10. Indebtedness of Subsidiaries. The Company shall not permit any Subsidiary to incur or permit to exist any Indebtedness except Indebtedness to the Company or another Subsidiary.

SECTION 7. DEFAULTS

7.01. Events of Default. If one or more of the following described Events of Default shall occur and be continuing or shall exist and shall not have been remedied, that is to say:

(a) The Company shall default in the payment of principal of any of the Notes when due; or the Company shall default in the payment of interest on any of the Notes or of the Facility Fee when due and such default shall not be remedied for a period of five days thereafter; or

(b) The Company or any Subsidiary shall default in (i) any payment of the principal of or interest on any other obligation for borrowed money or (ii) any obligation for the deferred purchase price of property or (iii) any lease or rental obligation or (iv) in the performance of any covenant, term or condition contained in any agreement or instrument under which any such obligation is created, and shall not have cured such default specified in clauses (i), (ii), (iii) or (iv) within any period of grace provided by such agreement or instrument if the effect of such default is to cause, or to permit the holder or holders of such obligation (or a trustee on behalf of such holder or holders) to cause, an obligation in excess of $10,000,000 to become due prior to its stated maturity and such default is not waived or cured in accordance with the terms thereof; or

(c) Any representation or warranty made by the Company herein or in any certificate or financial statement furnished pursuant to the provisions hereof, or any such certificate or financial statement furnished pursuant to the provisions hereof, shall prove to have been false or misleading in any material respect as of the time made or furnished; or

(d) The Company shall default in the performance or observance of any covenant contained in Section 6 hereof and such default shall not be remedied for a period of five days after notice thereof to the Company from the holder of any Note; or

(e) The Company shall default in the performance or observance of any other covenant, agreement, condition, provision or duty hereunder and such default shall not be remedied for a period of 30 days after notice thereof to the Company from the holder of any Note; or

(f) The Required Banks shall determine in good faith (which determination shall be conclusive) that the potential liabilities associated with the events set forth in clauses (i) through (vii) below, individually or in the aggregate, could have a material adverse effect on the business operations or financial condition of the Company:

(i) The PBGC notifies a Plan pursuant to Section 4042 of ERISA by service of a complaint, threat of filing a law suit or otherwise of its determination that an event described in Section 4042(a) of ERISA has occurred, a Plan should be terminated or a trustee should be appointed for a Plan; or

(ii) Any action is taken to terminate a Plan pursuant to its provisions or the plan administrator files with the PBGC a notice of intent to terminate a Plan in accordance with Section 4041 of ERISA; or

(iii) Any action is taken by a plan administrator to have a trustee appointed for a Plan pursuant to Section 4042 of ERISA; or

(iv) A return is filed with the Internal Revenue Service, or a Plan is notified by the Secretary of the Treasury that a notice of deficiency under Section 6212 of the Code has been mailed, with respect to the tax imposed under Section 4971(a) of the Code for failure to meet the minimum funding standards established under Section 412 of the Code; or

(v) A Reportable Event occurs with respect to a Plan; or

(vi) Any action is taken to amend a Plan to become an employee benefit plan described in Section 4021(b)(1) of ERISA, causing a Plan termination under Section 4041(e) of ERISA; or

(vii) The Company or any Controlled Group Member receives a notice of liability or demand for payment on account of complete withdrawal under Section 4203 of ERISA, partial withdrawal under Section 4205 of ERISA or on account of becoming secondarily liable for withdrawal liability payments under Section 4204 of ERISA (sale of assets); or

(g) The Coca-Cola Company and any of its wholly-owned subsidiaries shall fail for a period of ninety days to own at least 20% of the capital stock of the Company, or such lesser percentage as shall result solely from the issuance after the date hereof by the Company for fair consideration of capital stock to any other person;

then, and in any such event, the Banks shall be under no further obligation to make Loans hereunder and the Agent shall, upon written request of the Required Banks, by written or telegraphic notice to the Company, declare all Notes then outstanding hereunder and interest accrued thereon and all other liabilities of the Company hereunder and thereunder to be forthwith due and payable,

and the same shall thereupon become and be due and payable without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived.

If one or more of the following described Events of Default shall occur and be continuing or shall exist and shall not have been remedied, that is to say:

(i) A proceeding shall have been instituted in a court having jurisdiction in the premises seeking a decree or order for relief in respect of the Company or any Subsidiary in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or for the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator (or other similar official) of the Company or any Subsidiary or for any substantial part of its property, or for the winding-up or liquidation of its affairs and such proceeding shall remain undismissed or unstayed and in effect for a period of 60 days or such court shall enter a decree or order granting the relief sought in such proceeding; or

(j) The Company or any Subsidiary shall commence a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, shall consent to the entry of an order for relief in an involuntary case under any such law, or shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or other similar official) of the Company or any Subsidiary or for any substantial part of its property, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall take any corporate action in furtherance of any of the foregoing;

then, and in any such event, the Banks shall be under no further obligation to make Loans hereunder and all Notes then outstanding hereunder and interest accrued thereon and all other liabilities of the Company hereunder and thereunder shall thereupon become and be due and payable without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived.

The Agent, any Bank or holder of a Note giving any notice to the Company under this Section 7.01 shall simultaneously send a copy of such notice to the holders of the other Notes. Promptly after the Agent receives actual notice of the existence of an Event of Default, the Agent shall give each Bank notice thereof.

7.02. Rights of Set-Off. In case an Event of Default shall occur and be continuing or shall exist, the holder of any Note and any holder of a participation in a Note (whether such participation was acquired pursuant to Section 9.01 or Section 9.13 or otherwise) shall have the right, in addition to all other rights and remedies

available to it, without notice to the Company, to set-off against and apply to the then unpaid balance of all the Notes and/or participations and all other obligations of the Company hereunder any debt owing to, and any other funds held in any manner for the account of, the Company by such holder, including, without limitation, all funds in all deposit accounts (general or special) now or hereafter maintained by the Company for its own account with such holder. Such right, in case of an Event of Default, shall exist whether or not any such holder or the Agent shall have made any demand under this Agreement or any Note and/or participation and whether or not the Notes and/or participations and such other obligations are matured or unmatured. The Company hereby confirms each such holder's and each Bank's right of banker's lien and set-off and nothing in this Agreement shall be deemed any waiver or prohibition of any such holder's or of any Bank's right of banker's lien or set-off.

SECTION 8. THE AGENT

8.01. Appointment. The Banks hereby appoint NationsBank, N.A. to act as Agent as herein specified for the Banks hereunder. Each of the Banks hereby irrevocably authorizes, and each holder of any Note by the acceptance of such Note shall be deemed irrevocably to authorize, the Agent to take such action on its behalf under the provisions of this Agreement and any other instruments and agreements referred to herein, and to exercise such powers and to perform such duties hereunder, as are specifically delegated to or required of the Agent by the terms hereof, together with such powers as are reasonably incidental thereto. NationsBank, N.A. agrees to act as the Agent on behalf of the Banks to the extent provided in this Agreement.

8.02. Delegation of Duties. The Agent may perform any of its duties hereunder by or through agents or employees and shall be entitled to advice of counsel concerning all matters pertaining to its duties hereunder.

8.03. Nature of Duties; Independent Credit Investigation. The Agent shall have no duties or responsibilities except those expressly set forth in this Agreement. The duties of the Agent shall be mechanical and administrative in nature; the Agent shall not have by reason of this Agreement a fiduciary relationship in respect of any Bank; and nothing in this Agreement, expressed or implied, is intended to or shall be so construed as to impose upon the Agent any obligations in respect of this Agreement except as expressly set forth herein. Each Bank expressly acknowledges (i) that the Agent has not made any representations or warranties to it and that no act by the Agent hereafter taken, including any review of the affairs of the Company, shall be deemed to constitute any representation or warranty by the Agent to any Bank; (ii) that it has made and will make its own independent investigation of the financial condition and affairs, and its own appraisal of the credit-worthiness, of the Company in connection with this Agreement; and (iii) that the Agent shall have no duty or responsibility, either initially or on a continuing basis, to provide any Bank with any credit or other information, whether coming into its possession before the making of any Loans hereunder or at any time or times thereafter except information expressly required to be given to the Banks hereunder.

8.04. Actions in Discretion of Agent; Instructions from Required Banks. The Agent agrees, upon the written request of the Required Banks, to take any action of the type specified as being within the Agent's rights, powers or discretion herein. In the absence of a request by the Required Banks, the Agent shall have authority pursuant to Section 8.03 hereof, in its sole discretion, to take or not to take any such action, unless this Agreement specifically requires the consent of the Required Banks or all the Banks. Any action taken or failure to act pursuant to such instructions or discretion shall be binding on all the Banks and

on all holders of Notes. No Bank shall have any right of action whatsoever against the Agent as a result of the Agent acting or refraining from acting hereunder in accordance with the instructions of the Required Banks, or in the absence of such instructions, in the absolute discretion of the Agent (unless this Agreement specifically requires the consent of the Required Banks or all the Banks), subject to the provisions of Section 8.05.

8.05. Exculpatory Provisions. Neither the Agent nor any of its directors, officers, employees or agents shall be liable to any Bank for any action taken or omitted to be taken by it or them hereunder, or in connection herewith, unless caused by its or their own gross negligence or willful misconduct. In performing its functions and duties hereunder on behalf of the Banks, the Agent shall exercise the same care which it would exercise in dealing with loans for its own account, but it shall not (i) be responsible in any manner to any of the Banks for the effectiveness, enforceability, genuineness, validity or the due execution of this Agreement or any of the Notes, or for any recital, representation, warranty, document, certificate, report or statement herein or made or furnished under or in connection with this Agreement, or (ii) be under any obligation to any of the Banks to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions hereof or thereof on the part of the Company, or the financial condition of the Company, or the existence or possible existence of any Event of Default or Potential Default. Promptly after the Agent receives actual notice of the existence of a Potential Event of Default or an Event of Default, the Agent shall give each Bank notice thereof.

8.06. Reimbursement and Indemnification. Each Bank agrees to reimburse and indemnify the Agent (to the extent not reimbursed by the Company), ratably in proportion to its Commitment, for and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against the Agent, in its capacity as such, in any way relating to or arising out of this Agreement or the Notes or any action taken or omitted by the Agent hereunder or thereunder; provided that no Bank shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements to the extent that the same result from (i) the Agent's gross negligence or willful misconduct, (ii) a claim against the Agent or the Banks with respect to which such Bank was not given notice and the opportunity to participate in the defense thereof, at its expense, or (iii) a compromise and settlement agreement entered into without the consent of such Bank.

8.07. Reliance by Agent. The Agent shall be entitled to rely upon any writing, telegram, telex or teletype message, resolution, notice, consent, certificate, letter, cablegram, statement, order or other document or conversation by telephone or otherwise

believed by it to be genuine and correct and to have been signed, sent or made by the proper party or parties, and upon opinions of counsel and other professional advisors selected by the Agent. Subject to Section 8.05, the Agent shall be fully justified in failing or refusing to take any action hereunder unless it shall first be indemnified to its satisfaction by the Banks against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action.

8.08. NationsBank, N.A. in its Individual Capacity. With respect to its Commitment, the Loans made by it and the Note held by it, NationsBank, N.A. shall have the same rights and powers hereunder as any other Bank and may exercise the same as though it were not the Agent, and the terms "Banks" or "holders of Notes" shall, unless the context hereof otherwise indicates, include NationsBank, N.A. in its individual capacity. NationsBank, N.A. and its affiliates may, without liability to account, make loans to, accept deposits from, act as trustee under indentures of, and generally engage in any kind of banking or trust business with, the Company and its shareholders, Subsidiaries and affiliates as though it were not acting as Agent hereunder.

8.09. Holders of Notes. The Agent may deem and treat the payee of any Note as the owner of such Note for all purposes hereof unless and until written notice of the assignment or transfer thereof shall have been filed with the Agent. Any request, authority or consent of any party who at the time of making such request or giving such authority or consent is the holder of any Note shall be conclusive and binding on any subsequent holder, transferee or assignee of such Note or of any Note or Notes issued in exchange therefor.

8.10. Successor Agent. The Agent may resign at any time by giving written notice thereof to the Banks and the Company. Upon any such resignation, the Required Banks shall have the right to appoint a successor Agent. If no successor Agent shall have been so appointed, and shall have accepted such appointment, within 30 days after the retiring Agent's giving of notice of resignation, then the retiring Agent may, on behalf of the Banks, appoint a successor Agent which shall be a commercial bank organized or regulated under the laws of the United States of America or any State thereof and having a combined capital and surplus of at least $100,000,000. Upon the acceptance by a successor Agent of its appointment as Agent hereunder, such successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Agent, and the retiring Agent shall be discharged from its duties under this Agreement. After any retiring Agent's resignation hereunder as Agent, the provisions of this Section 8 shall inure to its benefit as to any actions taken or omitted by it while it was Agent under this Agreement.

SECTION 9. MISCELLANEOUS

9.01. Equalization of Banks. The Banks agree among themselves that, with respect to all amounts received (except under Sections 2.13 and 2.14 hereof) by any Bank for application on any obligation relating to Revolving Loans hereunder or on the Revolving Notes, equitable adjustment will be made in the manner stated in the next succeeding sentence so that, in effect, all such amounts will be shared ratably among the Banks, in proportion to their Commitments, whether received by voluntary payment, by realization upon security, by the exercise of the right of set-off or banker's lien, by counterclaim or cross action or any other non-pro rata source. Any Bank receiving any such amount shall purchase for cash from the other Banks an interest in their Revolving Notes in such principal amount as shall result in a ratable participation by each of the Banks in the aggregate unpaid principal amount of all outstanding Revolving Notes then held by all of the Banks; provided that if all or any portion of such excess amount is thereafter recovered from such Bank, such purchase shall be rescinded and the purchase price restored to the extent of such recovery, together with interest equal to the pro rata amount of interest, if any, which is required to be paid by such Bank pursuant to court order.

9.02. No Implied Waiver; Cumulative Remedies; Writing Required; Attorney's Fees in Certain Circumstances. No delay or failure of the Agent, any Bank or the holder of any Note in exercising any right, power or privilege hereunder shall affect such right, power or privilege except as and to the extent that the assertion of any such right, power or privilege shall be barred by an applicable statute of limitations; nor shall any single or partial exercise thereof or any abandonment or discontinuance of steps to enforce such a right, power or privilege preclude any further exercise thereof or of any other right, power or privilege. The rights and remedies hereunder of the Agent, the Banks and the holders of the Notes are cumulative and not exclusive of any rights or remedies which they would otherwise have. Any waiver, permit, consent or approval of any kind or character on the part of any Bank or of the holder of any Note of any breach or default under this Agreement, or any such waiver of any provision or condition of this Agreement, must be in writing and shall be effective only to the extent in such writing specifically set forth. In the event of termination adversely to the Company of any action at law or suit in equity in relation to this Agreement or the Notes, the Company, in addition to all other sums which the Company may be required to pay, will pay a reasonable sum for attorney's fees and other costs incurred by the holder or holders of the Notes in connection with such action or suit.

9.03. Taxes. The Company agrees to pay any and all stamp, document, transfer or recording taxes, and similar impositions payable or hereafter determined to be payable in connection with

this Agreement or the Notes or any other documents, instruments or transactions pursuant to or in connection herewith, and agrees to save the Agent and each Bank harmless from and against any and all present or future claims or liabilities with respect to, or resulting from any delay in paying or omission to pay, any such taxes or similar impositions.

9.04. Modifications, Amendments or Waivers. With the written consent of the Required Banks, the Agent, acting on behalf of all the Banks, and the Company may from time to time enter into agreements amending or changing any provision of this Agreement or the rights of the Banks or the Company hereunder, or the Agent with the written consent of the Required Banks may grant waivers or consents to a departure from the due performance of the obligations of the Company hereunder, any such agreement, waiver or consent made with such written consent being effective to bind all the Banks; provided, that no such agreement, waiver or consent may be made which will:

(i) Reduce or increase the amount or alter the terms of the Commitment of any Bank hereunder, or alter the provisions relating to the facility fee payable to any Bank hereunder, or amend Section 2.13 or Section 2.14 hereof, without the written consent of all the Banks; or

(ii) Extend the time for payment of principal or interest on any Note, or reduce the principal amount of or the rate of interest borne by any Note, or otherwise affect the terms of payment of the principal of or interest on any Note, without the written consent of the holder of such Note;

(iii) Change the percentages specified in the definition herein of "Required Banks", or amend Section 9.01 or this Section 9.04, without the written consent of all the Banks; or

(iv) Change any of the provisions of Section 8 hereof, without the written consent of all the Banks.

9.05. Notices. All notices by the Company to the Agent under Sections 2.06, 2.07(b), 2.09(f), 2.10 and 2.13 hereof and by the Agent to the Company under Section 7.01 hereof shall be sent by telex or by telephone confirmed by telex or letter, and shall be effective when telephoned or, in the case of telex, when received. All notices by the Agent under Section 2.02(h) hereof shall be sent by telex, telecopy or by telephone confirmed by telex, telecopy or telephone, when received; and all other notices by the Company, the Agent or any Bank under Section 2.02 hereof shall be sent by telex or telecopy, and shall be effective when received. All notices by

any person to a Bank (except as otherwise provided in the preceding two sentences) under any of said Sections shall be in writing, including telegram or telex, with all charges or postage prepaid, and shall be effective when received by such Bank. All other notices, requests, demands, directions and other communications (collectively "notices") given to or made upon any party hereto under the provisions of this Agreement shall be in writing unless otherwise expressly permitted hereunder and shall be delivered or sent by first-class or first-class express mail, or by telex or telecopier with confirmation in writing mailed first class, in all cases with postage or charges prepaid, addressed, if to a Bank, at its (first) address set forth with its signature hereto, if to the Agent, at its Office, and, if to the Company, at 1900 Rexford Road, Charlotte, North Carolina 28211, Attention: Vice President and Treasurer, or in accordance with any unrevoked written direction from any party to the other parties hereto. Except as otherwise expressly provided herein, any properly given notice hereunder shall be effective when received in the case of any notice delivered directly to the addressee or sent by first-class mail, telex or telecopier. Any Bank or holder of a Note giving any notice to the Company shall simultaneously send a copy thereof to the Agent, and the Agent shall promptly notify the other Banks of the receipt by it of any notice.

9.06. Reimbursement for Certain Expenses. The Company agrees to pay or cause to be paid and to save the Agent and each Bank harmless against liability for the payment of all reasonable out-of-pocket expenses, including counsel fees (i) incurred by the Agent in connection with the preparation, execution and performance of this Agreement and related transactions, (ii) incurred by the Agent in connection with any requested amendments, waivers or consents related to the provisions hereof and (iii) incurred by the Agent or any Bank in connection with the enforcement of this Agreement. The obligations of the Company under this Section 9.06 shall survive the payment of the Notes.

9.07. Severability. The provisions of this Agreement are intended to be severable. If any provision of this Agreement shall be held invalid or unenforceable in whole or in part in any jurisdiction, such provision shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without in any manner affecting the validity or enforceability thereof in any other jurisdiction or the remaining provisions hereof in any jurisdiction.

9.08. Consent to Jurisdiction; Waiver of Jury Trial. All judicial proceedings brought against the Company in connection with this Agreement may be brought in any state or federal court of competent jurisdiction in the State of North Carolina, and by execution and delivery of this Agreement, the Company accepts, for

itself and in connection with its properties, generally and unconditionally, the nonexclusive jurisdiction of the aforesaid courts, and irrevocably agrees to be bound by any final judgment rendered thereby in connection with this Agreement from which no appeal has been taken or is available. The Company irrevocably consents to the service of process of any of the aforementioned courts in any such action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to its notice address specified in Section 9.05, such service to become effective ten (10) days after such mailing or at such earlier time provided by law. The company irrevocably waives (a) trial by jury in any action or proceeding in connection with this Agreement, and (b) any objection (including without limitation, any objection of the laying of venue or based on the grounds of forum non conveniens) which it may now or hereafter have to the bringing of any such action or proceeding in connection with this Agreement in any jurisdiction set forth above. Nothing herein shall affect the right to serve process in any other manner permitted by law or shall limit the right of the Agent or any Bank to bring proceedings against the Company in the courts of any other jurisdiction.

9.09. Governing Law. This Agreement and the Notes issued hereunder shall be deemed to be contracts under the laws of the State of North Carolina and for all purposes shall be governed by and construed in accordance with the laws of said State.

9.10. Prior Understandings. This Agreement supersedes all prior understandings and agreements, whether written or oral, among the parties hereto relating to the transactions provided for herein.

9.11. Survival. All representations, warranties, covenants and agreements of the Company contained herein or made in writing in connection herewith shall survive the making of Loans hereunder and shall continue in full force and effect so long as any of the Notes is outstanding and until payment in full of all of the Company's obligations hereunder.

9.12. Binding Effect. This Agreement shall become effective upon the Effective Date and shall be binding upon and inure to the benefit of each party hereto and its successors and assigns, except that the Company may not assign its rights hereunder or any interest herein without the prior written consent of the Banks.

9.13. Assignments and Participations.

(a) At any time after the Effective Date each Bank may, with the prior consent of the Agent and the Company, which consent shall not be unreasonably withheld, assign to one or more banks or financial institutions all or a portion of its rights and

obligations under this Agreement (including, without limitation, all or a portion of the Notes payable to its order); provided, that (i) each such assignment shall be of a constant, and not a varying, percentage of all of the assigning Bank's rights and obligations (including Loans) under this Agreement, (ii) for each assignment involving the issuance and transfer of Notes, the assigning Bank shall execute an Assignment and Acceptance and the Company hereby consents to execute replacement Notes to give effect to the assignment, (iii) the minimum Commitment which shall be assigned is $5,000,000 and (iv) such assignee shall have an office located in the United States. Upon such execution, delivery, approval and acceptance, 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 or under such Notes have been assigned or negotiated to it pursuant to such Assignment and Acceptance have the rights and obligations of a Bank hereunder and a holder of such Notes and (y) the assignor thereunder shall, to the extent that rights and obligations hereunder or under such Notes have been assigned or negotiated by it pursuant to such Assignment and Acceptance, relinquish its rights and be released from its obligations under this Agreement. No assignee shall have the right to further assign its rights and obligations pursuant to this Section 9.01. Any Bank who makes an assignment shall pay to the Agent a one-time administrative fee of $2,500.00.

(b) By executing and delivering an Assignment and Acceptance, the Bank assignor thereunder and the assignee thereunder confirm to and agree with each other and the other parties hereto as follows: (i) the assignment made under such Assignment and Acceptance is made under such Assignment and Acceptance without recourse; (ii) such assigning Bank makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Borrower or any Subsidiary or the performance or observance by the Borrower or any Subsidiary of any of its obligations under any Loan Document 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 delivered pursuant to Section 5.01 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 Bank or any other Bank 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 appoints and authorizes the Agent to take such action as agent on its behalf and to exercise such powers under this Agreement and the Notes as are delegated to the Agent by the terms hereof and thereof, together with such powers as are reasonably incidental thereto; and (vi)

such assignee agrees that it will perform in accordance with their terms all of the obligations which by the terms of this Agreement are required to be performed by it as a Bank and a holder of such Notes.

(c) The Agent shall maintain at its address referred to herein a copy of each Assignment and Acceptance delivered to and accepted by it.

(d) Upon its receipt of an Assignment and Acceptance executed by an assigning Bank, the Agent shall give prompt notice thereof to the Company.

(e) Each Bank may sell participations to one or more banks or other entities as to all or a portion of its rights and obligations under this Agreement; provided, that (i) such Bank's obligations under this Agreement shall remain unchanged, (ii) such Bank shall remain solely responsible to the other parties hereto for the performance of such obligations, (iii) such Bank shall remain the holder of any Notes issued to it for the purpose of this Agreement, (iv) such participations shall be in a minimum amount of $1,000,000, and (v) the Company, the Agent and the other Banks shall continue to deal solely and directly with such Bank in connection with such Bank's rights and obligations under this Agreement and with regard to any and all payments to be made under this Agreement; provided, that the participation agreement between a Bank and its participants may provide that such Bank will obtain the approval of such participant prior to such Bank's agreeing to any amendment or waiver of any provisions of this Agreement which would (A) extend the maturity of the Revolving Note, (B) reduce the interest rate hereunder, or (C) increase the Commitment of the Bank granting the participation, and (vi) the sale of any such participations which require the Company to file a registration statement with the United States Securities and Exchange Commission or under the securities regulations or laws of any state shall not be permitted.

(f) Notwithstanding any other provision set forth in this Agreement, any Bank may at any time create a security interest in all or any portion of its rights under this Agreement (including, without limitation, the Loans owing to it and the Note or 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. In addition, any Bank may assign to an affiliate of such Bank all of any portion of its commitment without the consent of the Company or the Bank.

9.14. Headings; Table of Contents. The Section and other headings contained in this Agreement and the Table of Contents which precedes this Agreement are for reference purposes only and

shall not control or affect the construction of this Agreement or the interpretation thereof in any respect.

9.15. Counterparts. This Agreement may be executed in as many counterparts as may be deemed necessary and convenient, and by the different parties hereto on separate counterparts, each of which, when so executed, shall be deemed an original, but all such counterparts shall constitute but one and the same instrument.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto, by their officers thereunto duly authorized, have executed this Agreement as of the day and year first above written.

WITNESS:

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_____

COCA-COLA BOTTLING CO. CONSOLIDATED

By:_____
Name: Brenda B. Jackson
Title: Treasurer

Original Commitment
Amount: $36,000,000

NATIONSBANK, N.A., in its individual capacity and as Administrative and Syndication Agent

By:_____
Name: Thomas F. O'Neill
Title: Senior Vice President

Address: NationsBank Plaza
Charlotte, NC 28255
Attention: Corporate Banking Department

With copy to:

600 Peachtree Street, N.E.
21st Floor
Atlanta, Georgia 30308-2213
Attention: Thomas F. O'Neill

Original Commitment
Amount: $34,000,000

CITIBANK, N.A.

By:_____
Title:_____
Address: 399 Park Avenue
New York, NY 10043
Attention: Barbara Cohen
Vice President

With copy to:

400 Perimeter Center Terrace
Suite 600
Atlanta, GA 30346
Attention: Kirk P. Lakeman

Original Commitment
Amount: $30,000,000

BANK OF AMERICA NATIONAL TRUST
AND SAVINGS ASSOCIATION, in its
individual capacity and as
Documentation Agent

By:_____
Title:_____
Address: 1850 Gateway Boulevard
Concord, CA 94520
Attention: Susan Hardeman

With copy to:

230 Peachtree Street, N.W.
Suite 1700
Atlanta, GA 30303
Attention: William O. Tucker

Original Commitment Amount: $20,000,000

SUNTRUST BANK, ATLANTA

By:_____
Title:_____

By:_____
Title:_____

Address: 25 Park Place
Mail Code 118
Atlanta, GA 30303
Attention: Frank Callison

Original Commitment Amount: $10,000,000

SOCIETE GENERALE

By:_____
Title:_____
Address: 4800 Trammell Crow Center
2001 Ross Avenue
Dallas, Texas 75201
Attention: Ralph Saheb

With a copy to:

Societe Generale
303 Peachtree N.W.
Atlanta, Georgia 30308
Attention: Jerome Jacques

Original Commitment Amount: $10,000,000

WACHOVIA BANK OF NORTH CAROLINA, N.A.

By:_____
Title:_____
Address: 400 South Tryon Street
Charlotte, NC 28285

Original Commitment Amount: $10,000,000

LTCB TRUST COMPANY

By:_____
Title:_____
Address:

Original Commitment Amount: $10,000,000

SIGNET BANK/VIRGINIA

By:_____
Title:_____
Address: P.O. Box 25970
Richmond, VA 23260

Original Combined Commitment Amount:
$10,000,000

KREDIETBANK, N.V.

By:_____
Title:_____
Address: 1349 W. Peachtree Street
Suite 1750
Atlanta, Georgia 30309
(404) 876-2556
(404) 876-3212

EXHIBIT A

APPLICABLE COMMITMENT PERCENTAGES

Bank	Committed Percentage
NationsBank, N.A.	21.2%
Citibank, N.A.	20.0%
Bank of American National Trust and Savings Association	17.6%
SunTrust Bank, Atlanta	11.7%
Societe Generale	5.9%
Wachovia Bank of North Carolina, N.A.	5.9%
LTCB Trust Company	5.9%
Signet Bank/Virginia	5.9%
Kredietbank, N.A.	5.9%
TOTAL:	100.0%

EXHIBIT B

FORM OF ASSIGNMENT AND ACCEPTANCE

DATED _____, 19__

Reference is made to the Amended and Restated Credit Agreement dated as of December 21, 1995 (the "Agreement") among Coca-Cola Bottling Co. Consolidated, a Delaware corporation ("Company"), the Banks (as defined in the Agreement) and NationsBank, N.A., as Agent for the Banks ("Agent"). Unless otherwise defined herein, terms defined in the Agreement are used herein with the same meanings.

_____ (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, WITHOUT RECOURSE, a ___%1 interest in and to all of the Assignor's rights and obligations under the Agreement as of the Effective Date (as defined below), including, without limitation, such percentage interest in the Assignor's Loan owing to the Assignor on the Effective Date, and the Notes held by the Assignor.

2. The Assignor (i) represents and warrants that, as of the date hereof, the aggregate outstanding principal amount of the Revolving Loan owing to it (without giving effect to assignments thereof which have not yet become effective) is $_____; (ii) 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; (iii) makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Agreement or the Revolving Note or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Agreement or the Revolving Note or any other instrument or document furnished pursuant thereto; (iv) makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Company or the performance or observance by Borrower of any of its obligations under the Agreement or the Revolving Note or any other instrument or document furnished pursuant thereto and (v) attaches the Notes referred to in paragraph 1 above and requests that the Agent exchange such Note for new Notes as follows: A Revolving Note, dated _____, 19__ in the principal amount of $_____, payable to the order of the Assignor, and a Revolving Note, dated _____, 19__, in principal amount of $_____ payable to the order of the Assignee; and a Competitive Bid Note dated _____, 19__ in the

principal amount of $_____, payable to the order of the Assignor, and a Competitive Bid Note, dated _____, 19__, in the principal amount of $_____ payable to the order of the Assignee.

3. The Assignee (i) confirms that it has received a copy of the Agreement, together with copies of the financial statements referred to in Section 5.01 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, or any other Bank 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 Agreement; (iii) appoints and authorizes the Agent to take such actions on its behalf and to exercise such powers thereof, together with such powers as are reasonably incidental thereto; (iv) agrees that it will perform in accordance with its terms all of the obligations which by the terms of the Agreement are required to be performed by the Bank; and (v) specifies as its address for notices the office set forth beneath its name of the signature pages hereof.

4. The effective date for this Assignment and Acceptance shall be _____ (the "Effective Date"). Following the execution of this Assignment and Acceptance, it will be delivered to the Agent for acceptance and recording by the Agent. The Assignor shall retain all the rights accrued to it prior to the Effective Date.

5. Upon such acceptance and recording, as of the Effective Date, (i) the Assignee shall be a party to the Agreement and, to the extent provided in this Assignment and Acceptance, have the rights and obligations of a Bank 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 Agreement.

6. Upon such acceptance and recording, from and after the Effective Date, the Agent shall make all payments under the Agreement and Notes in respect of the interest assigned hereby (including, without limitation, all payments of principal, interest and facility fees with respect thereto) to the Assignee. The Assignor and Assignee shall make all appropriate adjustments in payments under the Agreement and the 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 North Carolina.

[NAME OF ASSIGNOR]

By: _____
Name:
Title:

Notice Address:

After the Effective Date
Outstanding Revolving Loans: $_____

[NAME OF ASSIGNEE]

By: _____
Name:
Title:

Notice Address:

After the Effective Date
Outstanding Revolving Loans: $_____

Accepted this ___ day of _____, 19__

NATIONSBANK, N.A.

By: _____
Name:
Title:

We consent to the within

Assignment this ___ day of
_____, 199_.

COCA-COLA BOTTLING CO. CONSOLIDATED

By: _____
Title: _____

EXHIBIT C

[Form of Note for Competitive Bid Loans]

COCA-COLA BOTTLING CO. CONSOLIDATED

Promissory Note

$170,000,000 December 21, 1995

FOR VALUE RECEIVED, the undersigned COCA-COLA BOTTLING CO. CONSOLIDATED, a Delaware corporation (the "Company"), hereby promises to pay to the order of _____ (the "Bank") on the Competitive Bid Maturity Date of each Competitive Bid Loan made by the Bank to the Company pursuant to the Agreement described below, the lesser of (i) the principal sum of One Hundred Seventy Million Dollars ($170,000,000) or (ii) the unpaid principal amount of all such Competitive Bid Loans made by the Bank maturing on such Competitive Bid Maturity Date. The Company further promises to pay to the order of the Bank interest on the unpaid principal amount of each such Competitive Bid Loan form time to time outstanding at the rate or rates per annum determined pursuant to Section 2.02 of, or as otherwise provided in, the Agreement, payable on the dates set forth in Sections 2.02(i) and 2.12 of, or as otherwise provided in, the Agreement.

This Competitive Bid Note is one of the "Competitive Bid Notes" referred to in, and is entitled to the benefits provided by, the Amended and Restated Credit Agreement dated as of December 21, 1995 among the Company, the banks named on the signature pages thereto and NationsBank, N.A., as Agent, (as the same may from time to time be further amended and modified, the "Agreement"). Said Agreement, among other things, contains provisions for acceleration of the maturity of Competitive Bid Loans evidenced hereby upon the happening of certain stated events, upon the terms and conditions therein specified. Terms defined in the agreement shall have the same meanings herein.

Subject to the provisions of the Agreement, payments of both principal and interest shall be made at the office of NationsBank, N.A., located at Independence Center, Charlotte, North Carolina 28255, in lawful money of the United States of America in immediately available funds.

The Company waives presentment, demand, notice, protest and all other demands and notices in connection with the delivery, acceptance, performance, default or enforcement of this Competitive Bid Note and the Agreement, and an action for amounts due hereunder or thereunder shall immediately accrue.

This Competitive Bid Note shall be governed by and construed and enforced in accordance with the laws of the State of North Carolina.

COCA-COLA BOTTLING CO. CONSOLIDATED

By:_____

Title:_____

EXHIBIT D

[Form of Note for Revolving Loans]

COCA-COLA BOTTLING CO. CONSOLIDATED

Promissory Note

$_____ December 21, 1995

FOR VALUE RECEIVED, the undersigned COCA-COLA BOTTLING CO. CONSOLIDATED, a Delaware corporation (the "Company"), hereby promises to pay to the order of _____ (the "Bank") on the Revolving Loan Maturity Date of each Revolving Loan made by the Bank to the Company pursuant to the Agreement described below, the lesser of (i) the principal sum of _____ Dollars ($_____) or (ii) the unpaid principal amount of all such Revolving Loans made by the Bank maturing on such Maturity Date. The Company further promises to pay to the order of the Bank interest on the unpaid principal amount hereof from time to time outstanding at the rate or rates per annum determined pursuant to Section 2.09(a) of, or as otherwise provided in the Agreement, payable on the dates set forth in Section 2.11 of, or as otherwise provided in, the Agreement.

This Revolving Note is one of the "Revolving Notes" referred to in, and is entitled to the benefits provided by, the Amended and Restated Credit Agreement dated as of December 21, 1995 among the Company, the banks named on the signature pages thereto and NationsBank, N.A., as Agent (as the same may from time to time be further amended or modified, the "Agreement"). Said Agreement, among other things, contains provisions for prepayments on account of the principal of Loans evidenced hereby prior to the maturity thereof and also for acceleration of the maturity of such Loans upon the happening of certain stated events, upon the

terms and conditions therein specified. Terms defined in the Agreement shall have the same meanings herein. Borrower agrees to pay Default Interest when and as provided in Section 2.09(d) of the Agreement.

Subject to the provisions of the Agreement, payments of both principal and interest shall be made at the office of NationsBank, N.A. located at Independence Center, Charlotte, North Carolina 28255, in lawful money of the United States of America in immediately available funds.

The Company waives presentment, demand, notice, protest and all other demands and notices in connection with the delivery, acceptance, performance, default or enforcement of this Note and

the Agreement, and an action for amounts due hereunder or thereunder shall immediately accrue.

This Note shall be governed by and construed and enforced in accordance with the laws of the State of North Carolina.

COCA-COLA BOTTLING CO. CONSOLIDATED

By:_____

Title:_____

EXHIBIT E

[Form of Competitive Bid Quote Request]

_____, 19__

To: NationsBank, N.A.
Independence Center, 15th Floor
Charlotte, North Carolina 28255
Attention: Agency Services

From: Coca-Cola Bottling Co. Consolidated

Re: Competitive Bid Quote Request

Pursuant to Section 2.02(b) of the Amended and Restated Credit Agreement dated as of December 21, 1995 among Coca-Cola Bottling Co. Consolidated, the banks named on the signature pages thereto and NationsBank, N.A., as Agent, (as the same may from time to time be further amended or modified, the "Agreement"), we hereby give notice that we request Quotes for the following proposed Competitive Bid Borrowing(s):

Borrowing Date	Principal Amount 1	Type2	Interest Period 3

Terms used herein have the meanings assigned to them in the Agreement.

COCA-COLA BOTTLING CO. CONSOLIDATED

By:_____
Title:

EXHIBIT F

[Form of Competitive Bid Quote]

NationsBank, N.A., as Agent
Independence Center, 15th Floor
Charlotte, North Carolina 28255
Attention: Agency Services

Re: Competitive Bid Quote to Coca-Cola Bottling Co. Consolidated (the "Company")

This Competitive Bid Quote is given in accordance with Section 2.02(d) of the Amended and Restated Credit Agreement dated as of December 21, 1995, among Coca-Cola Bottling Co. Consolidated, the banks named on the signature pages thereto and NationsBank, N.A., as Agent (as the same may from time to time be further amended or modified, the "Agreement"). Terms defined in the agreement are used herein as defined therein.

In response to the Company's invitation dated _____, 19__, we hereby make the following Competitive Bid Loan(s) in the following principal amounts, for the following Interest Periods and at the following rates:

Borrowing Date 1	Principal Amount 2	Type3	Interest Period 4	Rate5

We understand and agree that the offer(s) set forth above, subject to the satisfaction of the applicable conditions set forth in the agreement, irrevocably obligate(s) us to make the Competitive Bid Loan(s) for which any offer(s) [is] [are] accepted, in whole or in part (subject to Section 2.02(g) of the Agreement).

Very truly yours,

[Name of Bank]

Dated: By:_____
Authorized Officer

EXHIBIT G

Opinion of Counsel to the Company

See attached.

EXHIBIT H

Margin Certificate

SCHEDULE 1

Certain Material Litigation

SCHEDULE 2

Subsidiaries

SCHEDULE 3

Material Agreements

SCHEDULE 4

Material Indebtedness and Contingent Liabilities

SCHEDULE 5

Material Liens

SCHEDULE 6

Existing Subsidiary Guarantees

STRICTLY CONFIDENTIAL

November 9, 1995

BEVERAGE CAN AND END AGREEMENT

This letter confirms our agreement for the Ball Metal Beverage Container Group (BMBCG) to supply 202 12 oz aluminum cans and ends to Coca-Cola Bottling Company Consolidated, Inc. (CCBCC).

Supply Volume and Period

Location	Volume	Supply Period
Mobile	200MM	January 1, 1996 through December 31, 2000 (5 years*). This agreement incorporates the "Alcan Band Agreement" formula pricing, and also includes BMBCG conversion prices subject to market changes as detailed below.
Nashville	185MM	January 1, 1996 through December 31, 1996. This agreements incorporates a one-year fixed London Metal Exchange/Mid West Premium (LME/MWP) ingot price and fixed BMBCG conversion price. Sheet conversion price subject to market changes.

Specifications

202 / 211 x 413 12 oz aluminum non-basecoated soft drink cans (.0112" input gauge). 202 B-64 aluminum SOT soft drink ends (.0086" input gauge shell & .0100" input tab).

Supply Points

The 12 oz cans will be supplied from Conroe, TX and Findlay, Ohio. Ends will be supplied from Findlay, Ohio. If the supply point is changed, it will be a mutually agreed upon, qualified location, that is approved by CCBCC.

Formula Pricing (Examples Attached)

Three factors determine can and end pricing:

1. LME + MWP ingot price (Alcan Band Ceiling/Floor and fixed ingot).

2. Ingot conversion to aluminum sheet for body, shell, and tab stock (Alcan Band Formula and market price).

3. Sheet conversion to aluminum beverage cans and ends (BMBCG Conversion Price).

Alcan Band Major Points (Mobile)

(Bullet) LME/MWP ingot ceiling of $.85/lb. and a floor of $.70/lb.

(Bullet) *Five (5) year agreement between CCBCC, Alcan and BMBCG. Note: If the LME/MWP is outside the band for 75% of the days from July 1, 1999 through December 31, 1999, then the contract is involuntarily extended for a 6th year (2001). This agreement (according to the Alcan Band) may be extended by mutual agreement between CCBCC, Alcan and BMBCG for an additional 7th year (2002); this option must be exercised by October 1, 2001 (October 1 of 6th year). Two successive three (3) year extensions will also be made available provided all parties agree on the terms and conditions twelve (12) months prior to the termination of the initial five- (5) year term or any extension period as discussed above.

(Bullet) Six (6) month average of the LME/MWP prices will be established twice each year.

(Bullet) Binding agreement on all parties.

(Bullet) 50% of Intermediate Materials Producers Price Index (PPI) added to ceiling and floor for 1997 and beyond.

(Bullet) Can sheet conversion price $.324/lb. (.0112") for 1996. Thereafter, conversion price based on 50% of Intermediate Materials PPI % change.

Alcan Band Major Points (Mobile) (Continued)

(Bullet) End sheet conversion price $.849/lb. (.0086"). An increase of $.01 to $.02/lb. is expected in 1996 due to coating cost increase. 1997 and beyond, 50% of PPI change applies.

(Bullet) Significant increases not included in PPI require adjustment to price, but no greater than other first tier aluminum suppliers.

Ball required to take minimum 95% of committed volume in six month period and can take maximum of 55% of annual volume in any 6 month period. CCBCC requirements should mirror this requirement as closely as possible.

Backhaul

Ball Supply Location	Consolidated Bottling Location	Can Backhaul ($/M)	End Backhaul ($/M)	Dunnage Backhaul (T/L)	Volume	Truckloads /Year
Findlay, OH	Nashville, TN	$ 3.31	$ 0.09	$ 575.00	185,000,000	1029.4
Conroe,TX	Mobile,AL	$ 2.43	$ 0.14	$ 695.60	200,000,000	1112.9

Sales Terms

Invoices are issued once per week on Monday for the previous weeks shipments.

Terms: 1% 10 days, net 30 days from Monday invoice date. Interest assessed on past due invoices is at prime + 2%.

Packaging

Packaging materials (can pallets, end pallets, top frames and chipboard) are returnable and will be reconciled monthly.

Please sign both documents and return one to BMBCG and keep the other copy for your records.

COCA-COLA BOTTLING COMPANY CONSOLIDATED	BALL METAL BEVERAGE CONTAINER GROUP
/s/	/s/
/s/ Witness	/s/ Witness
11/16/95 Date	11/9/95 Date

MEMBER PURCHASE AGREEMENT

This MEMBER PURCHASE AGREEMENT is entered into as of this 1st day of August, 1994, by and between SOUTH ATLANTIC CANNERS, INC., a South Carolina corporation, hereinafter referred to as "SAC," and Coca-Cola Bottling Co. Consolidated, a Delaware corporation, hereinafter referred to as "Member."

WHEREAS, SAC processes Coca-Cola and other soft drink beverage products ("Beverage Products") and distributes and sells them to its members on a cooperative basis; and

WHEREAS, Member is a franchised Coca-Cola bottler which has satisfied SAC's qualifications for membership and intends to purchase Beverage Products from SAC in accordance with this Agreement,

NOW, THEREFORE, in consideration for the mutual undertakings described herein and other good and valuable consideration, the parties hereby agree as follows:

Section 1. Purchase Requirement.

A. Member agrees to a minimum purchase requirement of the lesser of:

(1) eighty percent (80%) of Member's monthly canned Coca-Cola product ("Canned Product") requirements, or

(2) 4,000,000 (four million) cases of Canned Product on an annual basis and not less than five percent (5%) of this amount on a monthly basis.

SAC agrees to sell and deliver such products in accordance with this Agreement. As used herein, the terms "Coca-Cola product" and "Coca-Cola products" mean any soft drink product made or offered by The Coca-Cola Company.

B. The purchase and sale requirement in Section 1A(1) of this Agreement applies to all Canned Product used during the term of this Agreement by Member in Member's business or businesses at the facilities listed in Attachment A. SAC agrees to use its best efforts to sell Member additional Canned Product up to Member's total requirements.

C. In the event SAC is unable for any reason to supply Member with Canned Product for which it is obligated under this Agreement, SAC shall release Member from Member's commitment to buy such products from SAC, and Member shall likewise release SAC from its commitment to sell such products, only with respect to that portion of the Canned Product that SAC is unable to fill

from SAC's production and only with respect to the time interval during which SAC is unable to fill Member's orders from SAC's production. In the event it should be necessary to allocate SAC's production among parties entering into agreements similar to this one, such shortage allocation shall be made among those parties on the basis of their relative patronage for the prior six (6) month period or on such other basis as may be determined by SAC's Board of Directors ("SAC Board"), whose decisions shall be binding.

Section 2. Price.

SAC will sell Canned Product at such prices as may be set from time to time by the SAC Board and shall make patronage refunds in accordance with SAC's Bylaws ("Bylaws"). Member shall pay SAC in full within the payment time period specified by the SAC Board. Such time period shall be specified on the invoice along with any charges for late payment. If payments are not made on a timely basis, SAC may elect to make future shipments on a C.O.D. basis.

Section 3. Term.

A. Except as provided in Subparagraph B of this Section, this Agreement shall be binding upon the parties until such time as either party gives the other party twelve (12) months' written notice of termination; provided, however, that (l) either party shall have the right to terminate this Agreement upon thirty (30) calendar days' written notice in the event the other party files a voluntary petition in bankruptcy, is adjudicated a bankrupt, is adjudged insolvent, makes a general assignment of assets for the benefit of creditors, or has a receiver appointed due to insolvency; and (2) SAC may terminate this Agreement if Member (a) fails to meet the requirements for membership in accordance with Section 2 of Article II of the Bylaws, (b) fails to cure a material breach of this Agreement within forty-five (45) days of receiving notice thereof, or (c) has been found by SAC to have engaged in more than one violation of Section 7 of this Agreement relating to Transshipping.

B. This Agreement may be terminated in accordance with Subparagraph 2 of Section 9-B in the event the Force Majeure provisions of that Subparagraph are met.

C. If SAC fails to maintain, for any continuous period of six (6) months ("Comparison Period"), an average price for Canned Product at or below the "Average Product Price" or a quality of Canned Product at a level equal to or better than the "Customary Product Quality," Member shall have the option to terminate its purchase obligation under this Agreement upon sixty (60) days' written notice delivered to SAC within three (3) months after the close of the Comparison Period. As used herein, the term "Average Product Price" shall mean the average price

charged by two other manufacturers of Coca-Cola products selling in the eastern United States capable of producing quantities desired by Member during the Comparison Period, and the term "Customary Product Quality" shall mean the standard quality of Coca-Cola products customarily sold by other manufacturers of such products in the eastern United States during the Comparison Period. For purposes of determining SAC's average price for Canned Product, the patronage dividend to be received by the members for such period shall be taken into consideration in determining the price charged members. If the exact amount of the patronage dividend has not been determined for the Comparison Period, reasonable estimates may be used for this purpose.

Section 4. Purchase Estimates and Orders. Member agrees to provide SAC with estimates of its purchases of Canned Product at such times and places as shall be required by the SAC Board. Member shall place all orders with SAC at least fifteen (15) calendar days prior to the requested delivery date.

Section 5. Delivery. SAC shall ship Canned Product to Member within a reasonable time after receipt of an order from Member that is within ten percent (10%) of the estimated amount previously submitted to SAC by Member for such period. Delivery shall be upon such terms as the SAC Board may determine from time to time. Member agrees to accept delivery in such manner as provided by SAC in accordance with the policy established by the SAC Board.

Section 6. Certain Events of Default/Damages.

A. If Member (a) fails to purchase any Canned Product for a period of sixty (60) calendar days, (b) fails to meet its purchase requirements pursuant to Section 1 of this Agreement or the Bylaws for a period of sixty (60) calendar days, (c) loses its Coca-Cola franchise or otherwise ceases to be engaged in the business of a franchised Coca-Cola bottler on account of dissolution, merger, reorganization, or any other reason and in any of such events has not given SAC twelve (12) months' written notice of the termination of this Agreement as provided in Section 3 of this Agreement, or (d) Member otherwise terminates this Agreement without giving twelve (12) months' notice of termination as provided in Section 3 of this Agreement, such action shall constitute an Event of Default and Member shall pay SAC as liquidated damages for failure to give the required notice of termination an amount equal to the sum of its Canned Product purchases during the immediately preceding twelve (12) month period minus operating costs to SAC reasonably associated with such production, and the amount of the Member's proportionate interest in capital improvements purchased, or capital improvements which SAC is under contract to purchase, for Canned Product for the twelve (12) month notice period. For this purpose, a Member's proportionate interest shall be measured by its Canned Product patronage volume over the preceding twelve

(12) month period in comparison with the total Canned Product patronage volume for SAC during such period. These amounts shall be paid within twenty (20) days of Member's receipt of notice of the amount due from SAC.

B. Liquidated damages specified in Subparagraph A of this Section apply only to those damages arising from the failure to give the requisite notice of termination. Member shall be responsible for any and all other liability, loss, or damage arising from any other breach of the Agreement by Member.

C. Damages arising under Subsection A of this Section 6 by virtue of a merger, sale of assets, or other reorganization in which the former Member's business as a franchised Coca-Cola bottler is continued by another individual or entity ("Successor Bottler") shall be abated if (l) the Successor Bottler applies for and is approved as a member of SAC within thirty (30) days of such reorganization or (2) the Successor Bottler agrees to honor and abide by the twelve (12) months' written notice requirement for termination between SAC and the former member. Member represents that it will use its best efforts to cause the Successor Bottler to apply for and be selected as a member of SAC.

D. In addition to any other rights and remedies arising under this Agreement, SAC shall be entitled, without notice to Member, to set off and apply all amounts otherwise payable under the Bylaws to Member upon withdrawal from SAC against any and all obligations and liabilities of Member arising under this Section 6.

Section 7. Transshipping.

A. Members shall not engage in transshipping of Coca-Cola products in violation of requirements established by The Coca-Cola Company ("Transshipping").

B. In the event that Member is determined to have engaged in Transshipping, Member shall indemnify and hold harmless SAC from any and all claims, losses and liabilities incurred by SAC growing out of or resulting from such incident or incidents of Transshipping. The rights of SAC under this Section 7 shall be in addition to other rights and remedies provided for herein or otherwise available to SAC.

Section 8. Loss of Membership Qualification. In the event Member ceases to be qualified for membership under Section 2 of Article II of the Bylaws and fails to surrender its shares of stock to SAC within thirty (30) days of receiving notice of its loss of qualification, Member hereby assigns all right, title, and interest in such shares to SAC, including the right to cancel such shares.

Section 9. Miscellaneous.

A. Representation of Member. Member represents that it has received a copy of SAC's Articles of Incorporation and Bylaws and agrees to abide by and be bound by them as well as by any amendments thereto. In the event of a conflict between the Articles of Incorporation or Bylaws and the terms of this Agreement, the provisions of the Articles of Incorporation or Bylaws shall govern.

B. Force Majeure.

1. If performance of this Agreement is prevented or restricted by an event of Force Majeure, the party so affected upon giving prompt notice to the other party shall be temporarily excused from the performance so prevented or restricted. As used herein, the term "Force Majeure" shall mean any causes or contingencies beyond the reasonable control of the party affected thereby, including but not limited to acts of God, fire, explosion, breakdown or failure of plant machinery, strike, walk-out, labor dispute, casualty or accident, lack of or failure in whole or in part of transportation facilities, lack of or failure in whole or in part of sources of supply of labor, raw materials, acts of local, state, or federal governmental bodies or agencies, or other such occurrences whether or not of like or similar nature.

2. If an event of Force Majeure persists for longer than (a) a period necessary to promptly and diligently pursue efforts to overcome the event of Force Majeure or (b) a period of four (4) months, whichever period is shorter, then the party which is not affected by the Force Majeure may, upon ten (10) days prior notice to the affected party, terminate this Agreement without any liability of either party to the other.

C. Governing Law. This Agreement shall be interpreted and construed in accordance with the laws of the State of South Carolina, without regard to the conflict of laws provisions thereof.

D. Severability. Should any part of this Agreement be determined to be invalid or unenforceable, it shall not affect the validity or enforceability of the remaining parts of this Agreement. If any portion of this Agreement is unenforceable because it is excessive or unreasonable, the parties intend that such provision shall be binding and enforceable to the extent that it is not excessive or unreasonable. In the event that an arbitrator or court of competent jurisdiction determines that any of the provisions of this Agreement specifically set forth herein are incapable of being enforced, said arbitrator or court is authorized and requested to modify and enforce such provisions to the maximum extent permitted by law so as to most nearly implement the terms of this Agreement.

E. Notices. Any notices, requests, demands and other communications to be given by any party hereunder shall be in writing and shall be given by personal delivery, by overnight delivery service or by registered or certified mail, postage prepaid return receipt requested; and such notice shall be deemed to be given at the time when the same shall be thus delivered or mailed.

(i) Notices to be given to SAC shall be given to:

601 Cousar Street
P. O. Box 548
Bishopville, S.C. 29010
ATTN: President
Telecopy Number: (803) 484-5841

With a copy to:

Coca-Cola Bottling Co. Consolidated
1900 Rexford Road
Charlotte, NC 28211
Attention: Chief Financial Officer
Telecopy Number: (704) 551-4451

(ii) Notices to Member shall be given to:

Coca-Cola Bottling Co. Consolidated
1900 Rexford Road
Charlotte, NC 28211
Attention: Chief Financial Officer
Telecopy Number: (704) 551-4451

ATTN: David Singer

Either party may change its address for receiving notice by written notice given to the other party.

F. Entire Agreement. This Agreement constitutes the entire agreement of the parties and supersedes all prior written or oral understandings.

G. No Waiver. Failure on the part of SAC to enforce any of the provisions of this Agreement shall not constitute a waiver of such breach or any succeeding breach, and shall not affect the continuing obligation of the other party which shall remain bound by the terms of this Agreement in all respects.

H. Prior Canning Agreements Superseded to the Extent Inconsistent with this Agreement. This Agreement supersedes any outstanding Canning Agency Agreement or Contract Canners Agreement between the parties which establish terms by which SAC shall produce cans or other products for Member, to the extent such agreements are inconsistent with this Agreement.

IN WITNESS WHEREOF, each of the parties has caused this
Agreement to be duly executed all as of the date first written above.

SOUTH ATLANTIC CANNERS, INC. /s/ David Singer

By: By: David Singer
Title: Title: VP & CFO

ATTACHMENT "A"

Please list the locations, city and county, of the facilities covered by this Agreement.

MEMBER:

By:
Title:

MEMBER PURCHASE AGREEMENT

This MEMBER PURCHASE AGREEMENT is entered into as of this 1st day of August, 1994, by and between SOUTH ATLANTIC CANNERS, INC., a South Carolina corporation, hereinafter referred to as "SAC," and CCBCC, a Delaware corporation, hereinafter referred to as "Member."

WHEREAS, SAC processes Coca-Cola and other soft drink beverage products ("Beverage Products") and distributes and sells them to its members on a cooperative basis; and

WHEREAS, Member is a franchised Coca-Cola bottler which has satisfied SAC's qualifications for membership and intends to purchase Beverage Products from SAC in accordance with this Agreement,

NOW, THEREFORE, in consideration for the mutual undertakings described herein and other good and valuable consideration, the parties hereby agree as follows:

Section 1. Purchase Requirement.

A. Member agrees to a minimum purchase requirement of the lessor of:

(1) eighty percent (80%) of Member's monthly Coca-Cola PET 20 ounce bottle product ("20 Oz Bottled Product") requirements, or

(2) 3,000,000 (three million) cases of 20 Oz Bottled Product on an annual basis and not less than five percent (5%) of this amount on a monthly basis.

SAC agrees to sell and deliver such products in accordance with this Agreement. As used herein, the terms "Coca-Cola product" and "Coca-Cola products" mean any soft drink product made or offered by The Coca-Cola Company.

B. The purchase and sale requirement in Section 1A(1) of this Agreement applies to all 20 Oz Bottled Product used during the term of this Agreement by Member in Member's business or businesses at the facilities listed in Attachment A. SAC agrees to use its best efforts to sell Member additional 20 Oz Bottled Product up to Member's total requirements.

C. In the event SAC is unable for any reason to supply Member with 20 Oz Bottled Product for which it is obligated under this Agreement, SAC shall release Member from Member's commitment to buy such products from SAC, and Member shall likewise release SAC from its commitment to sell such products, only with respect

to that portion of the 20 Oz Bottled Product that SAC is unable to fill from SAC's production and only with respect to the time interval during which SAC is unable to fill Member's orders from SAC's production. In the event it should be necessary to allocate SAC's production among parties entering into agreements similar to this one, such shortage allocation shall be made among those parties on the basis of their relative patronage for the prior six (6) month period or on such other basis as may be determined by SAC's Board of Directors ("SAC Board"), whose decisions shall be binding.

Section 2. Price.

SAC will sell 20 Oz Bottled Product at such prices as may be set from time to time by the SAC Board and shall make patronage refunds in accordance with SAC's Bylaws ("Bylaws"). Member shall pay SAC in full within the payment time period specified by the SAC Board. Such time period shall be specified on the invoice along with any charges for late payment. If payments are not made on a timely basis, SAC may elect to make future shipments on a C.O.D. basis.

Section 3. Term.

A. Except as provided in Subparagraph B of this Section, this Agreement shall be binding upon the parties until such time as either party gives the other party twelve (12) months' written notice of termination; provided, however, that (l) either party shall have the right to terminate this Agreement upon thirty (30) calendar days' written notice in the event the other party files a voluntary petition in bankruptcy, is adjudicated a bankrupt, is adjudged insolvent, makes a general assignment of assets for the benefit of creditors, or has a receiver appointed due to insolvency; and (2) SAC may terminate this Agreement if Member (a) fails to meet the requirements for membership in accordance with Section 2 of Article II of the Bylaws, (b) fails to cure a material breach of this Agreement within forty-five (45) days of receiving notice thereof, or (c) has been found by SAC to have engaged in more than one violation of Section 7 of this Agreement relating to Transshipping.

B. This Agreement may be terminated in accordance with Subparagraph 2 of Section 9-B in the event the Force Majeure provisions of that Subparagraph are met.

C. If SAC fails to maintain, for any continuous period of six (6) months ("Comparison Period"), an average price for 20 Oz Bottled Product at or below the "Average Product Price" or a quality of 20 Oz Bottled Product at a level equal to or better than the "Customary Product Quality," Member shall have the option to terminate its purchase obligation under this Agreement upon sixty (60) days' written notice delivered to SAC within three (3) months after the close of the Comparison Period.

As used herein, the term "Average Product Price" shall mean the average price charged by two other manufacturers of Coca-Cola products selling in the eastern United States capable of producing quantities desired by Member during the Comparison Period, and the term "Customary Product Quality" shall mean the standard quality of Coca-Cola products customarily sold by other manufacturers of such products in the eastern United States during the Comparison Period. For purposes of determining SAC's average price for 20 Oz Bottled Product, the patronage dividend to be received by the members for such period shall be taken into consideration in determining the price charged members. If the exact amount of the patronage dividend has not been determined for the Comparison Period, reasonable estimates may be used for this purpose.

Section 4. Purchase Estimates and Orders. Member agrees to provide SAC with estimates of its purchases of 20 Oz Bottled Product at such times and places as shall be required by the SAC Board. Member shall place all orders with SAC at least fifteen (15) calendar days prior to the requested delivery date.

Section 5. Delivery. SAC shall ship 20 Oz Bottled Product to Member within a reasonable time after receipt of an order from Member that is within ten percent (10%) of the estimated amount previously submitted to SAC by Member for such period. Delivery shall be upon such terms as the SAC Board may determine from time to time. Member agrees to accept delivery in such manner as provided by SAC in accordance with the policy established by the SAC Board.

Section 6. Certain Events of Default/Damages.

A. If Member (a) fails to purchase any 20 Oz Bottled Product for a period of sixty (60) calendar days, (b) fails to meet its purchase requirements pursuant to Section 1 of this Agreement or the Bylaws for a period of sixty (60) calendar days, (c) loses its Coca-Cola franchise or otherwise ceases to be engaged in the business of a franchised Coca-Cola bottler on account of dissolution, merger, reorganization, or any other reason and in any of such events has not given SAC twelve (12) months' written notice of the termination of this Agreement as provided in Section 3 of this Agreement, or (d) Member otherwise terminates this Agreement without giving twelve (12) months' notice of termination as provided in Section 3 of this Agreement, such action shall constitute an Event of Default and Member shall pay SAC as liquidated damages for failure to give the required notice of termination an amount equal to the sum of its 20 Oz Bottled Product purchases during the immediately preceding twelve (12) month period minus operating costs to SAC reasonably associated with such production, and the amount of the Member's proportionate interest in capital improvements purchased, or capital improvements which SAC is under contract to purchase, for 20 Oz Bottled Product for the twelve (12) month notice period.

For this purpose, a Member's proportionate interest shall be measured by its 20 Oz Bottled Product patronage volume over the preceding twelve (12) month period in comparison with the total 20 Oz Bottled Product patronage volume for SAC during such period. These amounts shall be paid within twenty (20) days of Member's receipt of notice of the amount due from SAC.

B. Liquidated damages specified in Subparagraph A of this Section apply only to those damages arising from the failure to give the requisite notice of termination. Member shall be responsible for any and all other liability, loss, or damage arising from any other breach of the Agreement by Member.

C. Damages arising under Subsection A of this Section 6 by virtue of a merger, sale of assets, or other reorganization in which the former Member's business as a franchised Coca-Cola bottler is continued by another individual or entity ("Successor Bottler") shall be abated if (l) the Successor Bottler applies for and is approved as a member of SAC within thirty (30) days of such reorganization or (2) the Successor Bottler agrees to honor and abide by the twelve (12) months' written notice requirement for termination between SAC and the former member. Member represents that it will use its best efforts to cause the Successor Bottler to apply for and be selected as a member of SAC.

D. In addition to any other rights and remedies arising under this Agreement, SAC shall be entitled, without notice to Member, to set off and apply all amounts otherwise payable under the Bylaws to Member upon withdrawal from SAC against any and all obligations and liabilities of Member arising under this Section 6.

Section 7. Transshipping.

A. Members shall not engage in transshipping of Coca-Cola products in violation of requirements established by The Coca-Cola Company ("Transshipping").

B. In the event that Member is determined to have engaged in Transshipping, Member shall indemnify and hold harmless SAC from any and all claims, losses and liabilities incurred by SAC growing out of or resulting from such incident or incidents of Transshipping. The rights of SAC under this Section 7 shall be in addition to other rights and remedies provided for herein or otherwise available to SAC.

Section 8. Loss of Membership Qualification. In the event Member ceases to be qualified for membership under Section 2 of Article II of the Bylaws and fails to surrender its shares of stock to SAC within thirty (30) days of receiving notice of its loss of qualification, Member hereby assigns all right, title,

and interest in such shares to SAC, including the right to cancel such shares.

Section 9. Miscellaneous.

A. Representation of Member. Member represents that it has received a copy of SAC's Articles of Incorporation and Bylaws and agrees to abide by and be bound by them as well as by any amendments thereto. In the event of a conflict between the Articles of Incorporation or Bylaws and the terms of this Agreement, the provisions of the Articles of Incorporation or Bylaws shall govern.

B. Force Majeure.

1. If performance of this Agreement is prevented or restricted by an event of Force Majeure, the party so affected upon giving prompt notice to the other party shall be temporarily excused from the performance so prevented or restricted. As used herein, the term "Force Majeure" shall mean any causes or contingencies beyond the reasonable control of the party affected thereby, including but not limited to acts of God, fire, explosion, breakdown or failure of plant machinery, strike, walk-out, labor dispute, casualty or accident, lack of or failure in whole or in part of transportation facilities, lack of or failure in whole or in part of sources of supply of labor, raw materials, acts of local, state, or federal governmental bodies or agencies, or other such occurrences whether or not of like or similar nature.

2. If an event of Force Majeure persists for longer than (a) a period necessary to promptly and diligently pursue efforts to overcome the event of Force Majeure or (b) a period of four (4) months, whichever period is shorter, then the party which is not affected by the Force Majeure may, upon ten (10) days prior notice to the affected party, terminate this Agreement without any liability of either party to the other.

C. Governing Law. This Agreement shall be interpreted and construed in accordance with the laws of the State of South Carolina, without regard to the conflict of laws provisions thereof.

D. Severability. Should any part of this Agreement be determined to be invalid or unenforceable, it shall not affect the validity or enforceability of the remaining parts of this Agreement. If any portion of this Agreement is unenforceable because it is excessive or unreasonable, the parties intend that such provision shall be binding and enforceable to the extent that it is not excessive or unreasonable. In the event that an arbitrator or court of competent jurisdiction determines that any of the provisions of this Agreement specifically set forth herein are incapable of being enforced, said arbitrator or court is

authorized and requested to modify and enforce such provisions to the maximum extent permitted by law so as to most nearly implement the terms of this Agreement.

E. Notices. Any notices, requests, demands and other communications to be given by any party hereunder shall be in writing and shall be given by personal delivery, by overnight delivery service or by registered or certified mail, postage prepaid return receipt requested; and such notice shall be deemed to be given at the time when the same shall be thus delivered or mailed.

(i) Notices to be given to SAC shall be given to:

601 Cousar Street
P. O. Box 548
Bishopville, S.C. 29010
ATTN: President
Telecopy Number: (803) 484-5841

With a copy to:

Coca-Cola Bottling Co. Consolidated
1900 Rexford Road
Charlotte, NC 28211
Attention: Chief Financial Officer
Telecopy Number: (704) 551-4451

(ii) Notices to Member shall be given to:

ATTN:

Either party may change its address for receiving notice by written notice given to the other party.

F. Entire Agreement. This Agreement constitutes the entire agreement of the parties and supersedes all prior written or oral understandings.

G. No Waiver. Failure on the part of SAC to enforce any of the provisions of this Agreement shall not constitute a waiver of such breach or any succeeding breach, and shall not affect the continuing obligation of the other party which shall remain bound by the terms of this Agreement in all respects.

H. Prior Canning Agreements Superseded to the Extent Inconsistent with this Agreement. This Agreement supersedes any outstanding Canning Agency Agreement or Contract Canners Agreement between the parties which establish terms by which SAC shall produce cans or other products for Member, to the extent such agreements are inconsistent with this Agreement.

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be duly executed all as of the date first written above.

SOUTH ATLANTIC CANNERS, INC. /s/ David V. Singer

By:	By: David V. Singer
Title:	Title: VP & CFO

ATTACHMENT "A"

Please list the locations, city and county, of the facilities covered by this Agreement.

MEMBER:

By:
Title:

MEMBER PURCHASE AGREEMENT

This MEMBER PURCHASE AGREEMENT is entered into as of this 1st day of August, 1994, by and between SOUTH ATLANTIC CANNERS, INC., a South Carolina corporation, hereinafter referred to as "SAC," and CCBCC, a Delaware corporation, hereinafter referred to as "Member."

WHEREAS, SAC processes Coca-Cola and other soft drink beverage products ("Beverage Products") and distributes and sells them to its members on a cooperative basis; and

WHEREAS, Member is a franchised Coca-Cola bottler which has satisfied SAC's qualifications for membership and intends to purchase Beverage Products from SAC in accordance with this Agreement,

NOW, THEREFORE, in consideration for the mutual undertakings described herein and other good and valuable consideration, the parties hereby agree as follows:

Section 1. Purchase Requirement.

A. Member agrees to a minimum purchase requirement of the lessor of:

(1) eighty percent (80%) of Member's monthly Coca-Cola PET two liter bottle product ("2 Liter Bottled Product") requirements, or

(2) 1,300,000 (one million three hundred thousand) cases of 2 Liter Bottled Product on an annual basis and not less than five percent (5%) of this amount on a monthly basis.

SAC agrees to sell and deliver such products in accordance with this Agreement. As used herein, the terms "Coca-Cola product" and "Coca-Cola products" mean any soft drink product made or offered by The Coca-Cola Company.

B. The purchase and sale requirement in Section 1A(1) of this Agreement applies to all 3 Liter Bottled Product used during the term of this Agreement by Member in Member's business or businesses at the facilities listed in Attachment A. SAC agrees to use its best efforts to sell Member additional 3 Liter Bottled Product up to Member's total requirements.

C. In the event SAC is unable for any reason to supply Member with 3 Liter Bottled Product for which it is obligated under this Agreement, SAC shall release Member from Member's commitment to buy such products from SAC, and Member shall likewise release SAC from its commitment to sell such products,

only with respect to that portion of the 3 Liter Bottled Product that SAC is unable to fill from SAC's production and only with respect to the time interval during which SAC is unable to fill Member's orders from SAC's production. In the event it should be necessary to allocate SAC's production among parties entering into agreements similar to this one, such shortage allocation shall be made among those parties on the basis of their relative patronage for the prior six (6) month period or on such other basis as may be determined by SAC's Board of Directors ("SAC Board"), whose decisions shall be binding.

Section 2. Price.

SAC will sell 3 Liter Bottled Product at such prices as may be set from time to time by the SAC Board and shall make patronage refunds in accordance with SAC's Bylaws ("Bylaws"). Member shall pay SAC in full within the payment time period specified by the SAC Board. Such time period shall be specified on the invoice along with any charges for late payment. If payments are not made on a timely basis, SAC may elect to make future shipments on a C.O.D. basis.

Section 3. Term.

A. Except as provided in Subparagraph B of this Section, this Agreement shall be binding upon the parties until such time as either party gives the other party twelve (12) months' written notice of termination; provided, however, that (l) either party shall have the right to terminate this Agreement upon thirty (30) calendar days' written notice in the event the other party files a voluntary petition in bankruptcy, is adjudicated a bankrupt, is adjudged insolvent, makes a general assignment of assets for the benefit of creditors, or has a receiver appointed due to insolvency; and (2) SAC may terminate this Agreement if Member (a) fails to meet the requirements for membership in accordance with Section 2 of Article II of the Bylaws, (b) fails to cure a material breach of this Agreement within forty-five (45) days of receiving notice thereof, or (c) has been found by SAC to have engaged in more than one violation of Section 7 of this Agreement relating to Transshipping.

B. This Agreement may be terminated in accordance with Subparagraph 2 of Section 9-B in the event the Force Majeure provisions of that Subparagraph are met.

C. If SAC fails to maintain, for any continuous period of six (6) months ("Comparison Period"), an average price for 3 Liter Bottled Product at or below the "Average Product Price" or a quality of 3 Liter Bottled Product at a level equal to or better than the "Customary Product Quality," Member shall have the option to terminate its purchase obligation under this Agreement upon sixty (60) days' written notice delivered to SAC within three (3) months after the close of the Comparison Period.

As used herein, the term "Average Product Price" shall mean the average price charged by two other manufacturers of Coca-Cola products selling in the eastern United States capable of producing quantities desired by Member during the Comparison Period, and the term "Customary Product Quality" shall mean the standard quality of Coca-Cola products customarily sold by other manufacturers of such products in the eastern United States during the Comparison Period. For purposes of determining SAC's average price for 3 Liter Bottled Product, the patronage dividend to be received by the members for such period shall be taken into consideration in determining the price charged members. If the exact amount of the patronage dividend has not been determined for the Comparison Period, reasonable estimates may be used for this purpose.

Section 4. Purchase Estimates and Orders. Member agrees to provide SAC with estimates of its purchases of 3 Liter Bottled Product at such times and places as shall be required by the SAC Board. Member shall place all orders with SAC at least fifteen (15) calendar days prior to the requested delivery date.

Section 5. Delivery. SAC shall ship 3 Liter Bottled Product to Member within a reasonable time after receipt of an order from Member that is within ten percent (10%) of the estimated amount previously submitted to SAC by Member for such period. Delivery shall be upon such terms as the SAC Board may determine from time to time. Member agrees to accept delivery in such manner as provided by SAC in accordance with the policy established by the SAC Board.

Section 6. Certain Events of Default/Damages.

A. If Member (a) fails to purchase any 3 Liter Bottled Product for a period of sixty (60) calendar days, (b) fails to meet its purchase requirements pursuant to Section 1 of this Agreement or the Bylaws for a period of sixty (60) calendar days, (c) loses its Coca-Cola franchise or otherwise ceases to be engaged in the business of a franchised Coca-Cola bottler on account of dissolution, merger, reorganization, or any other reason and in any of such events has not given SAC twelve (12) months' written notice of the termination of this Agreement as provided in Section 3 of this Agreement, or (d) Member otherwise terminates this Agreement without giving twelve (12) months' notice of termination as provided in Section 3 of this Agreement, such action shall constitute an Event of Default and Member shall pay SAC as liquidated damages for failure to give the required notice of termination an amount equal to the sum of its 3 Liter Bottled Product purchases during the immediately preceding twelve (12) month period minus operating costs to SAC reasonably associated with such production, and the amount of the Member's proportionate interest in capital improvements purchased, or capital improvements which SAC is under contract to purchase, for 3 Liter Bottled Product for the twelve (12) month notice period.

For this purpose, a Member's proportionate interest shall be measured by its 3 Liter Bottled Product patronage volume over the preceding twelve (12) month period in comparison with the total 3 Liter Bottled Product patronage volume for SAC during such period. These amounts shall be paid within twenty (20) days of Member's receipt of notice of the amount due from SAC.

B. Liquidated damages specified in Subparagraph A of this Section apply only to those damages arising from the failure to give the requisite notice of termination. Member shall be responsible for any and all other liability, loss, or damage arising from any other breach of the Agreement by Member.

C. Damages arising under Subsection A of this Section 6 by virtue of a merger, sale of assets, or other reorganization in which the former Member's business as a franchised Coca-Cola bottler is continued by another individual or entity ("Successor Bottler") shall be abated if (l) the Successor Bottler applies for and is approved as a member of SAC within thirty (30) days of such reorganization or (2) the Successor Bottler agrees to honor and abide by the twelve (12) months' written notice requirement for termination between SAC and the former member. Member represents that it will use its best efforts to cause the Successor Bottler to apply for and be selected as a member of SAC.

D. In addition to any other rights and remedies arising under this Agreement, SAC shall be entitled, without notice to Member, to set off and apply all amounts otherwise payable under the Bylaws to Member upon withdrawal from SAC against any and all obligations and liabilities of Member arising under this Section 6.

Section 7. Transshipping.

A. Members shall not engage in transshipping of Coca-Cola products in violation of requirements established by The Coca-Cola Company ("Transshipping").

B. In the event that Member is determined to have engaged in Transshipping, Member shall indemnify and hold harmless SAC from any and all claims, losses and liabilities incurred by SAC growing out of or resulting from such incident or incidents of Transshipping. The rights of SAC under this Section 7 shall be in addition to other rights and remedies provided for herein or otherwise available to SAC.

Section 8. Loss of Membership Qualification. In the event Member ceases to be qualified for membership under Section 2 of Article II of the Bylaws and fails to surrender its shares of stock to SAC within thirty (30) days of receiving notice of its loss of qualification, Member hereby assigns all right, title,

and interest in such shares to SAC, including the right to cancel such shares.

Section 9. Miscellaneous.

A. Representation of Member. Member represents that it has received a copy of SAC's Articles of Incorporation and Bylaws and agrees to abide by and be bound by them as well as by any amendments thereto. In the event of a conflict between the Articles of Incorporation or Bylaws and the terms of this Agreement, the provisions of the Articles of Incorporation or Bylaws shall govern.

B. Force Majeure.

1. If performance of this Agreement is prevented or restricted by an event of Force Majeure, the party so affected upon giving prompt notice to the other party shall be temporarily excused from the performance so prevented or restricted. As used herein, the term "Force Majeure" shall mean any causes or contingencies beyond the reasonable control of the party affected thereby, including but not limited to acts of God, fire, explosion, breakdown or failure of plant machinery, strike, walk-out, labor dispute, casualty or accident, lack of or failure in whole or in part of transportation facilities, lack of or failure in whole or in part of sources of supply of labor, raw materials, acts of local, state, or federal governmental bodies or agencies, or other such occurrences whether or not of like or similar nature.

2. If an event of Force Majeure persists for longer than (a) a period necessary to promptly and diligently pursue efforts to overcome the event of Force Majeure or (b) a period of four (4) months, whichever period is shorter, then the party which is not affected by the Force Majeure may, upon ten (10) days prior notice to the affected party, terminate this Agreement without any liability of either party to the other.

C. Governing Law. This Agreement shall be interpreted and construed in accordance with the laws of the State of South Carolina, without regard to the conflict of laws provisions thereof.

D. Severability. Should any part of this Agreement be determined to be invalid or unenforceable, it shall not affect the validity or enforceability of the remaining parts of this Agreement. If any portion of this Agreement is unenforceable because it is excessive or unreasonable, the parties intend that such provision shall be binding and enforceable to the extent that it is not excessive or unreasonable. In the event that an arbitrator or court of competent jurisdiction determines that any of the provisions of this Agreement specifically set forth herein are incapable of being enforced, said arbitrator or court is

authorized and requested to modify and enforce such provisions to the maximum extent permitted by law so as to most nearly implement the terms of this Agreement.

E. Notices. Any notices, requests, demands and other communications to be given by any party hereunder shall be in writing and shall be given by personal delivery, by overnight delivery service or by registered or certified mail, postage prepaid return receipt requested; and such notice shall be deemed to be given at the time when the same shall be thus delivered or mailed.

(i) Notices to be given to SAC shall be given to:

601 Cousar Street
P. O. Box 548
Bishopville, S.C. 29010
ATTN: President
Telecopy Number: (803) 484-5841

With a copy to:

Coca-Cola Bottling Co. Consolidated
1900 Rexford Road
Charlotte, NC 28211
Attention: Chief Financial Officer
Telecopy Number: (704) 551-4451

(ii) Notices to Member shall be given to:

ATTN:

Either party may change its address for receiving notice by written notice given to the other party.

F. Entire Agreement. This Agreement constitutes the entire agreement of the parties and supersedes all prior written or oral understandings.

G. No Waiver. Failure on the part of SAC to enforce any of the provisions of this Agreement shall not constitute a waiver of such breach or any succeeding breach, and shall not affect the continuing obligation of the other party which shall remain bound by the terms of this Agreement in all respects.

H. Prior Canning Agreements Superseded to the Extent Inconsistent with this Agreement. This Agreement supersedes any outstanding Canning Agency Agreement or Contract Canners Agreement between the parties which establish terms by which SAC shall produce cans or other products for Member, to the extent such agreements are inconsistent with this Agreement.

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be duly executed all as of the date first written above.

SOUTH ATLANTIC CANNERS, INC.	/s/ David V. Singer
By:	By: David V. Singer
Title:	Title: VP & CFO

ATTACHMENT " A "

Please list the locations, city and county, of the facilities covered by this Agreement.

MEMBER:

By:
Title:

MEMBER PURCHASE AGREEMENT

This MEMBER PURCHASE AGREEMENT is entered into as of this 1st day of August, 1994, by and between SOUTH ATLANTIC CANNERS, INC., a South Carolina corporation, hereinafter referred to as "SAC," and CCBCC, a Delaware corporation, hereinafter referred to as "Member."

WHEREAS, SAC processes Coca-Cola and other soft drink beverage products ("Beverage Products") and distributes and sells them to its members on a cooperative basis; and

WHEREAS, Member is a franchised Coca-Cola bottler which has satisfied SAC's qualifications for membership and intends to purchase Beverage Products from SAC in accordance with this Agreement,

NOW, THEREFORE, in consideration for the mutual undertakings described herein and other good and valuable consideration, the parties hereby agree as follows:

Section 1. Purchase Requirement.

A. Member agrees to a minimum purchase requirement of the lesser of:

(1) eighty percent (80%) of Member's monthly Coca-Cola PET three liter bottle product ("3 Liter Bottled Product") requirements, or

(2) 840,000 (eight hundred and forty thousand) cases of 3 Liter Bottled Product on an annual basis and not less than five percent (5%) of this amount on a monthly basis.

SAC agrees to sell and deliver such products in accordance with this Agreement. As used herein, the terms "Coca-Cola product" and "Coca-Cola products" mean any soft drink product made or offered by The Coca-Cola Company.

B. The purchase and sale requirement in Section 1A(1) of this Agreement applies to all 3 Liter Bottled Product used during the term of this Agreement by Member in Member's business or businesses at the facilities listed in Attachment A. SAC agrees to use its best efforts to sell Member additional 3 Liter Bottled Product up to Member's total requirements.

C. In the event SAC is unable for any reason to supply Member with 3 Liter Bottled Product for which it is obligated under this Agreement, SAC shall release Member from Member's commitment to buy such products from SAC, and Member shall likewise release SAC from its commitment to sell such products,

only with respect to that portion of the 3 Liter Bottled Product that SAC is unable to fill from SAC's production and only with respect to the time interval during which SAC is unable to fill Member's orders from SAC's production. In the event it should be necessary to allocate SAC's production among parties entering into agreements similar to this one, such shortage allocation shall be made among those parties on the basis of their relative patronage for the prior six (6) month period or on such other basis as may be determined by SAC's Board of Directors ("SAC Board"), whose decisions shall be binding.

Section 2. Price.

SAC will sell 3 Liter Bottled Product at such prices as may be set from time to time by the SAC Board and shall make patronage refunds in accordance with SAC's Bylaws ("Bylaws"). Member shall pay SAC in full within the payment time period specified by the SAC Board. Such time period shall be specified on the invoice along with any charges for late payment. If payments are not made on a timely basis, SAC may elect to make future shipments on a C.O.D. basis.

Section 3. Term.

A. Except as provided in Subparagraph B of this Section, this Agreement shall be binding upon the parties until such time as either party gives the other party twelve (12) months' written notice of termination; provided, however, that (l) either party shall have the right to terminate this Agreement upon thirty (30) calendar days' written notice in the event the other party files a voluntary petition in bankruptcy, is adjudicated a bankrupt, is adjudged insolvent, makes a general assignment of assets for the benefit of creditors, or has a receiver appointed due to insolvency; and (2) SAC may terminate this Agreement if Member (a) fails to meet the requirements for membership in accordance with Section 2 of Article II of the Bylaws, (b) fails to cure a material breach of this Agreement within forty-five (45) days of receiving notice thereof, or (c) has been found by SAC to have engaged in more than one violation of Section 7 of this Agreement relating to Transshipping.

B. This Agreement may be terminated in accordance with Subparagraph 2 of Section 9-B in the event the Force Majeure provisions of that Subparagraph are met.

C. If SAC fails to maintain, for any continuous period of six (6) months ("Comparison Period"), an average price for 3 Liter Bottled Product at or below the "Average Product Price" or a quality of 3 Liter Bottled Product at a level equal to or better than the "Customary Product Quality," Member shall have the option to terminate its purchase obligation under this Agreement upon sixty (60) days' written notice delivered to SAC within three (3) months after the close of the Comparison Period.

As used herein, the term "Average Product Price" shall mean the average price charged by two other manufacturers of Coca-Cola products selling in the eastern United States capable of producing quantities desired by Member during the Comparison Period, and the term "Customary Product Quality" shall mean the standard quality of Coca-Cola products customarily sold by other manufacturers of such products in the eastern United States during the Comparison Period. For purposes of determining SAC's average price for 3 Liter Bottled Product, the patronage dividend to be received by the members for such period shall be taken into consideration in determining the price charged members. If the exact amount of the patronage dividend has not been determined for the Comparison Period, reasonable estimates may be used for this purpose.

Section 4. Purchase Estimates and Orders. Member agrees to provide SAC with estimates of its purchases of 3 Liter Bottled Product at such times and places as shall be required by the SAC Board. Member shall place all orders with SAC at least fifteen (15) calendar days prior to the requested delivery date.

Section 5. Delivery. SAC shall ship 3 Liter Bottled Product to Member within a reasonable time after receipt of an order from Member that is within ten percent (10%) of the estimated amount previously submitted to SAC by Member for such period. Delivery shall be upon such terms as the SAC Board may determine from time to time. Member agrees to accept delivery in such manner as provided by SAC in accordance with the policy established by the SAC Board.

Section 6. Certain Events of Default/Damages.

A. If Member (a) fails to purchase any 3 Liter Bottled Product for a period of sixty (60) calendar days, (b) fails to meet its purchase requirements pursuant to Section 1 of this Agreement or the Bylaws for a period of sixty (60) calendar days, (c) loses its Coca-Cola franchise or otherwise ceases to be engaged in the business of a franchised Coca-Cola bottler on account of dissolution, merger, reorganization, or any other reason and in any of such events has not given SAC twelve (12) months' written notice of the termination of this Agreement as provided in Section 3 of this Agreement, or (d) Member otherwise terminates this Agreement without giving twelve (12) months' notice of termination as provided in Section 3 of this Agreement, such action shall constitute an Event of Default and Member shall pay SAC as liquidated damages for failure to give the required notice of termination an amount equal to the sum of its 3 Liter Bottled Product purchases during the immediately preceding twelve (12) month period minus operating costs to SAC reasonably associated with such production, and the amount of the Member's proportionate interest in capital improvements purchased, or capital improvements which SAC is under contract to purchase, for 3 Liter Bottled Product for the twelve (12) month notice period.

For this purpose, a Member's proportionate interest shall be measured by its 3 Liter Bottled Product patronage volume over the preceding twelve (12) month period in comparison with the total 3 Liter Bottled Product patronage volume for SAC during such period. These amounts shall be paid within twenty (20) days of Member's receipt of notice of the amount due from SAC.

B. Liquidated damages specified in Subparagraph A of this Section apply only to those damages arising from the failure to give the requisite notice of termination. Member shall be responsible for any and all other liability, loss, or damage arising from any other breach of the Agreement by Member.

C. Damages arising under Subsection A of this Section 6 by virtue of a merger, sale of assets, or other reorganization in which the former Member's business as a franchised Coca-Cola bottler is continued by another individual or entity ("Successor Bottler") shall be abated if (l) the Successor Bottler applies for and is approved as a member of SAC within thirty (30) days of such reorganization or (2) the Successor Bottler agrees to honor and abide by the twelve (12) months' written notice requirement for termination between SAC and the former member. Member represents that it will use its best efforts to cause the Successor Bottler to apply for and be selected as a member of SAC.

D. In addition to any other rights and remedies arising under this Agreement, SAC shall be entitled, without notice to Member, to set off and apply all amounts otherwise payable under the Bylaws to Member upon withdrawal from SAC against any and all obligations and liabilities of Member arising under this Section 6.

Section 7. Transshipping.

A. Members shall not engage in transshipping of Coca-Cola products in violation of requirements established by The Coca-Cola Company ("Transshipping").

B. In the event that Member is determined to have engaged in Transshipping, Member shall indemnify and hold harmless SAC from any and all claims, losses and liabilities incurred by SAC growing out of or resulting from such incident or incidents of Transshipping. The rights of SAC under this Section 7 shall be in addition to other rights and remedies provided for herein or otherwise available to SAC.

Section 8. Loss of Membership Qualification. In the event Member ceases to be qualified for membership under Section 2 of Article II of the Bylaws and fails to surrender its shares of stock to SAC within thirty (30) days of receiving notice of its loss of qualification, Member hereby assigns all right, title,

and interest in such shares to SAC, including the right to cancel such shares.

Section 9. Miscellaneous.

A. Representation of Member. Member represents that it has received a copy of SAC's Articles of Incorporation and Bylaws and agrees to abide by and be bound by them as well as by any amendments thereto. In the event of a conflict between the Articles of Incorporation or Bylaws and the terms of this Agreement, the provisions of the Articles of Incorporation or Bylaws shall govern.

B. Force Majeure.

1. If performance of this Agreement is prevented or restricted by an event of Force Majeure, the party so affected upon giving prompt notice to the other party shall be temporarily excused from the performance so prevented or restricted. As used herein, the term "Force Majeure" shall mean any causes or contingencies beyond the reasonable control of the party affected thereby, including but not limited to acts of God, fire, explosion, breakdown or failure of plant machinery, strike, walk-out, labor dispute, casualty or accident, lack of or failure in whole or in part of transportation facilities, lack of or failure in whole or in part of sources of supply of labor, raw materials, acts of local, state, or federal governmental bodies or agencies, or other such occurrences whether or not of like or similar nature.

2. If an event of Force Majeure persists for longer than (a) a period necessary to promptly and diligently pursue efforts to overcome the event of Force Majeure or (b) a period of four (4) months, whichever period is shorter, then the party which is not affected by the Force Majeure may, upon ten (10) days prior notice to the affected party, terminate this Agreement without any liability of either party to the other.

C. Governing Law. This Agreement shall be interpreted and construed in accordance with the laws of the State of South Carolina, without regard to the conflict of laws provisions thereof.

D. Severability. Should any part of this Agreement be determined to be invalid or unenforceable, it shall not affect the validity or enforceability of the remaining parts of this Agreement. If any portion of this Agreement is unenforceable because it is excessive or unreasonable, the parties intend that such provision shall be binding and enforceable to the extent that it is not excessive or unreasonable. In the event that an arbitrator or court of competent jurisdiction determines that any of the provisions of this Agreement specifically set forth herein are incapable of being enforced, said arbitrator or court is

authorized and requested to modify and enforce such provisions to the maximum extent permitted by law so as to most nearly implement the terms of this Agreement.

E. Notices. Any notices, requests, demands and other communications to be given by any party hereunder shall be in writing and shall be given by personal delivery, by overnight delivery service or by registered or certified mail, postage prepaid return receipt requested; and such notice shall be deemed to be given at the time when the same shall be thus delivered or mailed.

(i) Notices to be given to SAC shall be given to:

601 Cousar Street
P. 0. Box 548
Bishopville, S.C. 29010
ATTN: President
Telecopy Number: (803) 484-5841

With a copy to:

Coca-Cola Bottling Co. Consolidated
1900 Rexford Road
Charlotte, NC 28211
Attention: Chief Financial Officer
Telecopy Number: (704) 551-4451

(ii) Notices to Member shall be given to:

ATTN:

Either party may change its address for receiving notice by written notice given to the other party.

F. Entire Agreement. This Agreement constitutes the entire agreement of the parties and supersedes all prior written or oral understandings.

G. No Waiver. Failure on the part of SAC to enforce any of the provisions of this Agreement shall not constitute a waiver of such breach or any succeeding breach, and shall not affect the continuing obligation of the other party which shall remain bound by the terms of this Agreement in all respects.

H. Prior Canning Agreements Superseded to the Extent Inconsistent with this Agreement. This Agreement supersedes any outstanding Canning Agency Agreement or Contract Canners Agreement between the parties which establish terms by which SAC shall produce cans or other products for Member, to the extent such agreements are inconsistent with this Agreement.

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be duly executed all as of the day first written above.

SOUTH ATLANTIC CANNERS, INC.	/s/ David V. Singer
By:	By: David V. Singer
Title:	Title: VP & CFO

ATTACHMENT "A"

Please list the locations, city and county, of the facilities covered by this Agreement.

MEMBER:

By:
Title:

COCA-COLA BOTTLING CO. CONSOLIDATED

1996 ANNUAL BONUS PLAN

PURPOSE

The purpose of the bonus plan is to provide additional incentive to officers and employees of the Company in key positions.

PLAN ADMINISTRATION

The plan will be administered by the Compensation Committee as elected by the Board of Directors. The Committee is authorized to establish new guidelines for administration of the plan, delegate certain tasks to management, make determinations and interpretations under the plan, and to make awards pursuant to the plan. All determinations and interpretations of the Committee will be binding upon the Company and each participant.

PLAN GUIDELINES

ELIGIBILITY: The Compensation Committee is authorized to grant cash awards to any officer, including officers who are directors and to other employees of the Company and its affiliates in key positions.

PARTICIPATION: Management will recommend annually key positions which should qualify for awards under the plan. The Compensation Committee has full and final authority in its discretion to select the key positions eligible for awards. Management will inform individuals in selected key positions of their participation in the plan.

QUALIFICATION AND AMOUNT OF AWARD:

1. Participants will qualify for awards under the plan based
   (a) Corporate goals set for the fiscal year.
   (b) Division/Manufacturing Center goals or individual goals set for the fiscal year.
   (c) The Compensation Committee may, in its sole discretion, amend or eliminate any individual award.
2. The gross amount of the award will be specified as a percentage of base salary of the participant and will be determined on the following basis:

Goal Achievement* (in percent)	Amount of Award (as a % of max.)
89.0 or less	0
89.1 - 94	80
94.1 - 97	90
97.1 - 100	100
100.1 - 105	110
105.1 - 110	120

3. The total cash award to the participant will be computed as follows:

   Gross Cash Award = Base Salary X approved bonus % X the indexed performance factor X overall goal achievement factor.

4. The Compensation Committee will review and approve all awards. The Committee has full and final authority in its discretion to determine the actual gross amount to be paid to participants. The gross amount will be subject to all local, state and federal minimum tax withholding requirements.

5. Participant must be an employee of the Company on the date of payment to qualify for an award. Any participant who leaves the employ of the Company, voluntarily or involuntarily, prior to the payment date, is ineligible for any bonus. An employee who assumes a key position during the fiscal year may be eligible for a pro-rated award at the option of the Compensation Committee, provided the participant has been employed a minimum of three (3) months during the calendar year.

6. Awards under the bonus program will not be made if any material aspects of the bottle contracts with The Coca-Cola Company are violated.

PAYMENT DATE: Awards shall be paid upon notification from the Company's independent auditors of the final results of operations for the fiscal year. The Compensation Committee is authorized to establish an earlier payment date based on unaudited preliminary results.

SPECIAL AWARD PROVISION: Management may wish to recognize outstanding performances by individuals who may or may not be in eligible positions to receive an award. Management may recommend awards for such individuals, and the Compensation Committee is authorized to make such awards.

AMENDMENTS, MODIFICATIONS AND TERMINATION
The Compensation Committee is authorized to amend, modify or terminate the plan retroactively at any time, in part or in whole.

APPROVED PERFORMANCE CRITERIA FOR
COMPENSATION COMMITTEE TO CONSIDER
IN AWARDING 1996 BONUS PAYMENTS

CORPORATE GOALS

	PERFORMANCE INDICATOR	WEIGHTAGE FACTOR	GOAL**
1.	Cash Flow:		
	Operating Cash Flow (A)	30%	Approved Budget
	Free Cash Flow (B)	30%	Approved Budget
2.	Net Income	10%	Approved Budget
3.	Unit Volume	10%	Approved Budget
4.	Nielsen Market Share	10%	Positive Share Swing
5.	Value Measure (9 X OCF - Debt)	10%	Approved Budget

NOTES:

1. A. Operating cash flow is defined as income from operations before depreciation and amortization of goodwill and intangibles.

   B. Free cash flow is defined as the net cash available for debt paydown after considering non-cash charges, capital expenditures, taxes and adjustments for changes in assets and liabilities, but before payment of cash dividends. Specifically excluded would be acquisitions and capital expenditures made because of acquisitions. Specifically excluded from operating cash flow are gains/losses from:

   - Sales of franchise territories.
   - Sales of real estate
   - Sales of other assets
   - Other items as defined by the Compensation Committee.

NOTE:

**It should be noted that none of the goals reflect the possibility of a Joint Venture or acquisitions. Should these events occur the goals would need to be recalculated.

2. Net Income is defined as the after-tax reported earnings of the Company.

3. Unit Volume is defined as bottle, can and pre-mix cases, converted to 8 oz. cases.

4. The following items will be considered for exclusions by the Committee:
- Unusual or extraordinary events of more than $50,000
- Impact of non-budgeted acquisitions made after January 1, 1996.
- Adjustments required to implement unbudgeted changes in accounting principles (i.e., FASB rulings regarding health care benefits for retirees, deferred taxes, etc.).
- Unbudgeted changes in depreciation and amortization schedules.
- Premiums paid or received due to the retirement or refinancing of debt or hedging vehicles.

5. Bonus program will not be in force if any material aspects of the Bottle Contracts with TCCC are violated.

6. For purposes of determining 1996 incentive compensation, accounting practices and principles used to calculate "actual" results will be consistent with those used in calculating the budget.

LIST OF SUBSIDIARIES

INVESTMENT IN	STATE/DATE INCORPORATION	OWNED BY	PERCENT OWNERSHIP
Columbus Coca-Cola Bottling Company	Delaware 7/10/84	Consolidated	100%
Coca-Cola Bottling Co. of Nashville, Inc.	Delaware 2/5/85	Consolidated	100%
Coca-Cola Bottling Co. of Roanoke, Inc.	Delaware 2/5/85	Consolidated	100%
Coca-Cola Bottling Co. of Mobile, Inc. .	Alabama 7/29/85	Consolidated	100%
Panama City Coca-Cola Bottling Company	Florida 10/5/31	Columbus CCBC, Inc.	100%
Case Advertising, Inc.	Delaware 2/18/88	Consolidated	100%
C C Beverage Packing, Inc.	Delaware 3/15/88	Consolidated	100%
Tennessee Soft Drink Production Company	Tennessee 12/22/88	CCBC of Nashville, Inc.	100%
The Coca-Cola Bottling Company of West Virginia, Inc.	West Virginia 12/28/92	Consolidated	100%
Jackson Acquisitions, Inc.	Delaware 1/24/90	Consolidated	100%
CCBCC, Inc.	Delaware 12/20/93	Consolidated	100%
Coca-Cola Bottling Co. Affiliated, Inc.	Delaware 4/18/35	Consolidated	100%
Metrolina Bottling Company	Delaware 5/21/93	Consolidated	100%

LIST OF SUBSIDIARIES (cont.)

INVESTMENT IN	STATE/DATE INCORPORATION	OWNED BY	PERCENT OWNERSHIP
COBC, Inc.	Delaware 11/23/93	Columbus Coca-Cola Bottling Company	100%
ECBC, Inc.	Delaware 11/23/93	Coca-Cola Bottling Co. Affiliated, Inc.	100%
MOBC, Inc.	Delaware 11/23/93	Coca-Cola Bottling Co. of Mobile, Inc.	100%
NABC, Inc.	Delaware 11/23/93	Coca-Cola Bottling Co. of Nashville, Inc.	100%
PCBC, Inc.	Delaware 11/23/93	Panama City Coca-Cola Bottling Company	100%
ROBC, Inc.	Delaware 11/23/93	Coca-Cola Bottling Co. of Roanoke, Inc.	100%
WCBC, Inc.	Delaware 11/23/93	Coca-Cola Bottling Co. Affiliated, Inc.	100%
WVBC, Inc.	Delaware 11/23/93	The Coca-Cola Bottling Company of West Virginia, Inc.	100%
Coca-Cola Ventures, Inc.	Delaware 6/17/93	Coca-Cola Bottling Co. Affiliated, Inc.	100%
Whirl-i-Bird, Inc.	Tennessee 11/3/86	Consolidated	100%
Coca-Cola Bottling Company of North Carolina, LLC	North Carolina 12/18/95	Consolidated	100%
Category Management Consulting, LLC	North Carolina 6/29/95	Consolidated	100%
Chesapeake Treatment Company, LLC	North Carolina 6/5/95	Consolidated	100%

EXHIBIT 23.1

Consent of Independent Accountants

We hereby consent to the incorporation by reference in the Prospectus constituting part of the Registration Statement on Form S-3 (No. 33-4325) and Registration Statement on Form S-3 (No. 33-54657) of Coca-Cola Bottling Co. Consolidated of our report dated February 23, 1996 appearing in this Form 10-K.

(Signature of Price Waterhouse LLP)

PRICE WATERHOUSE LLP
Charlotte, North Carolina
March 21, 1996

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This schedule contains summary financial information extracted from the financial statements as of and for the year ended December 31, 1995 and is qualified in its entirety by reference to such financial statements.

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YEAR	
DEC-31-1995	
JAN-02-1995	
DEC-31-1995	
	2,434
	0
	12,504
	406
	27,989
	70,257
	345,402
	153,602
	676,571
	80,574
	419,896
	12,055
	0
	0
	44,563
	676,571
	761,876
	761,876
	447,636
	447,636
	252,527
	0
	33,091
	25,221
	9,685
	15,536
	0
	5,016
	0
	10,520
	1.13
	0