

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF SOUTH CAROLINA

DANA SPIRES, GLENN GRANT, SUSAN
MOHLE, and TOM MIRANDA on Behalf of
Themselves and All Others Similarly Situated,

Plaintiffs,

vs.

CASE NO. 2:16-cv-00616-RMG

DAVID R. SCHOOLS, WILLIAM A.
EDENFIELD, JR., ROBERT G. MASCHE,
JOSEPH T. NEWTON III, BURTON R.
SCHOOLS, PIGGLY WIGGLY CAROLINA
COMPANY, INC. & GREENBAX
ENTERPRISES, INC. EMPLOYEE STOCK
OWNERSHIP PLAN AND TRUST PLAN
COMMITTEE, JOANNE NEWTON AYERS,
MARION NEWTON SCHOOLS, and JOHN
DOES 1-10,

Defendants.

PLAN OF ALLOCATION

I. Definitions

Except as indicated in this Plan of Allocation, the capitalized terms used herein shall have the meanings ascribed to them in the Class Action Settlement Agreement, dated May 22, 2018 (the “Settlement Agreement”).

A. “Net Proceeds” shall have the meaning set forth in Section 8.2.2 of the Settlement Agreement, less any other deductions and payments from the Settlement Fund as the Court may allow.

B. “Other Investment Account” shall have the meaning set forth in Section 5.4A of the Plan.

C. “Plan” means the Piggly Wiggly Carolina Company, Inc. & Greenbax Enterprises, Inc. Employee Stock Ownership Plan and any trust created under such Plan.

D. “Settlement Class” means: All persons who were vested or non-vested participants in or beneficiaries of the Plan at any time from February 26, 2008 through the present (or their Successors-In-Interest). The Settlement Class shall not include any of the Individual Defendants (defined to include all Defendants who are individuals) or their respective Successors-In-Interest.

E. “Settlement Class Member” means a member of the Settlement Class, as defined above.

F. “Settlement Class Period” means the period from February 26, 2008 through May 23, 2016.

II. Allocation of the Net Proceeds to the Settlement Class

A. *Disbursement of Net Proceeds.* Pursuant to Section 8.2 of the Settlement Agreement, following the Final Order becoming Final, as provided in Section 2.4 of the Settlement Agreement, Plaintiffs’ Counsel shall direct the Financial Institution (i) to disburse the Net Proceeds of the Original Cash Amount to the Plan for distribution to or for the benefit of the Settlement Class Members and (ii) subsequently to disburse the Net Proceeds of Additional Cash Amounts to the Plan for distribution to or for the benefit of the Settlement Class Members. The Plan’s trustee(s) shall direct the Plan’s third party administrator, South State Retirement Services (“South State”), to allocate the Net Proceeds received by the Plan to the Settlement Class Members according to the allocation/calculation methods described herein.

B. *Settlement Class Members who are current Plan participants (“Current Members”).* As promptly as reasonably possible after deposit of Net Proceeds into the Plan, the

Plan's trustee(s) shall direct the Plan's third party administrator, South State, to allocate into the respective Other Investment Accounts of each Current Member his or her share of the Net Proceeds, as calculated below. Each Current Member's share of the Net Proceeds shall be distributed to the Current Member under Section 5.4A of the Plan as promptly as reasonably possible.

C. *Settlement Class Members who are former Plan participants.* With respect to Settlement Class Members who are former Plan participants (i.e., Settlement Class Members who withdrew their Plan accounts prior to the date on which the Net Proceeds are to be disbursed to the Settlement Class Members) (the "Former Members"), the Plan's trustee(s) or South State shall establish or reactivate an Other Investment Account for each Former Member, and notify each such individual of such account along with further instructions. As promptly as reasonably possible, after deposit of Net Proceeds into the Plan, the Plan's trustee(s) shall direct the Plan's third party administrator, South State, to allocate into each Former Member's newly established or reactivated Other Investment Account his or her share of the Net Proceeds, as calculated below. Each Former Member's share of the Net Proceeds shall be distributed to the Former Member under Section 5.4A of the Plan as promptly as reasonably possible.

D. *Undeliverable and unclaimed amounts.* In the event that a Former Member's share of the Net Proceeds cannot be delivered because the identity or location of the Former Member or his or her beneficiary cannot be determined after reasonable efforts, or the Former Member's share of the Net Proceeds remains unclaimed after one year, then the amount of such undeliverable or unclaimed share(s) of the Net Proceeds shall be returned to the trust funds of the Plan and applied to reduce the reasonable expenses of the Plan.

III. Calculation of Allocation

A. Net Proceeds shall be distributed among the Settlement Class Members in proportion to their Net Value Reductions. For each Settlement Class Member, his or her Net Value Reduction shall be determined by South State according to the following calculation: Net Value Reduction = A+ B - C - D, whereby:

(A) = the dollar value, if any, of his or her Plan account balance invested in Company stock ("Company Stock") on the later of (i) the first day of the Settlement Class Period (February 26, 2008) (deemed to be the value of such Company Stock as of March 31, 2007) or (ii) the first day when his or her Plan account balance had an investment in Company Stock;

(B) = the dollar value, if any, of all contributions in Company Stock for his or her Plan account during the Settlement Class Period, as of the time of the contribution(s);

(C) = the dollar value, if any, of all dispositions of interests in Company Stock in his or her Plan account during the Settlement Class Period, as of the time of the disposition(s);

(D) = the dollar value, if any, of the balance in Company Stock remaining in his or her Plan account on the last day of the Settlement Class Period (May 23, 2016) (deemed to be the value of such Common Stock as of March 31, 2016), or if a Settlement Class Member terminated his or her participation in the Plan before the end of the Settlement Class Period, the last day the Settlement Class Member's Plan account balance was invested in Company Stock.

If a Settlement Class Member's Net Value Reduction is a negative number, his or her Net Value Reduction will be deemed to be zero.

B. The Net Value Reductions of the Settlement Class Members will be aggregated to yield the total Net Value Reductions over the Settlement Class Period and each Settlement Class Member's percentage of such total Net Value Reductions will be calculated. Applying that percentage to the Net Proceeds, South State will calculate each Settlement Class Member's share of the Net Proceeds on a preliminary basis. If, based on the above calculations, the proportionate recovery of a Former Member is less than or equal to \$10.00, that Former Member's Net Value Reduction will be deemed to be zero. South State will then recalculate the Net Value Reduction percentages of those Former Members whose preliminary share was greater than \$10.00, and the Net Value Reduction percentages of the Current Members, so as to arrive at each such Settlement Class Member's final share of the Net Proceeds.

C. South State will perform all calculations to determine each Settlement Class Member's share amount of Net Proceeds. South State shall not be liable for such calculations, except in cases of South State's gross negligence or willful misconduct; provided, however, that if South State makes an error in the calculations or distributions of the Net Proceeds to the members of the Settlement Class, South State shall correct the error within a reasonable amount of time. Neither Plaintiffs and Plaintiffs' Counsel, nor Defendants and Defendants' Counsel, shall be responsible or liable for any such calculations.

D. If any Settlement Class Member with a share of the Net Proceeds greater than zero is deceased, such Settlement Class Member's share of the Settlement shall be administered in accordance with the existing procedures of the Plan regarding deceased participants.

E. Fifteen (15) days prior to the allocations to Settlement Class Members, South State will provide to Plaintiffs' Counsel and Defendants' counsel a complete listing setting out the amount of allocations to each Settlement Class Member. Upon request by Plaintiffs' Counsel or

Defendants' counsel, South State will provide information showing the basis for its calculation of the allocation amount for each Settlement Class Member.

IV. Qualifications and Continuing Jurisdiction

A. Should the Settlement Fund receive any tax refund from the Internal Revenue Service, and if the calculations described above have not yet occurred, then such refund shall be included in the Net Proceeds. If the calculations described above have already occurred, then such refund shall be treated as an unclaimed amount in accordance with the procedures set forth in Section II.D herein.

B. The Court will retain jurisdiction over the Plan of Allocation to the extent necessary to ensure that it is fully and fairly implemented.