

1201 HAYS STREET
TALLAHASSEE, FL 32301-2607
904-222-9171
904-222-0393 FAX

800-342-8086

m81181

96 DEC 31 AM 9:03

SECRETARY OF STATE
TALLAHASSEE, FLORIDA



ACCOUNT NO. : 072100000032

REFERENCE : 207295 4340257

AUTHORIZATION :

COST LIMIT : \$ PPD

ORDER DATE : December 31, 1996

ORDER TIME : 3:35 PM

ORDER NO. : 207295-005

CUSTOMER NO: 4340257

CUSTOMER: Dennis L. Blackburn, Esq
Smith, Hulsey & Busey
225 Water St. / Ste. 1800
First Union National Bank Twr.
Jacksonville, FL 32202

~~100002058161~~

RECEIVED
96 DEC 31 PM 4:09
DIVISION OF COMMERCE

ARTICLES OF MERGER

ISLAND PETROLEUM CORPORATION

100002058161--6

-01/15/97--01002--009

*****70.00 *****70.00

INTO

ISLAND FOOD STORES INC.

Must have

12-31-96

file date.

Thanks.

PLEASE RETURN THE FOLLOWING AS PROOF OF FILING:

____ CERTIFIED COPY
XXX _____ PLAIN STAMPED COPY

CONTACT PERSON: Andrea C. Mabry

EXAMINER'S INITIALS: _____

N. HENDRICKS JAN - 3 1997

**ARTICLES OF MERGER
Merger Sheet**

MERGING: -----

ISLAND PETROLEUM CORPORATION, A FLORIDA CORPORATION, S38007.

INTO

ISLAND FOOD STORES, INC., a Florida corporation, M81181.

File date: December 31, 1996

Corporate Specialist: Nancy Hendricks

**ARTICLES OF MERGER
of
ISLAND PETROLEUM CORPORATION
(a Florida corporation)
with and into
ISLAND FOOD STORES, INC.
(a Florida corporation)**

FILED
96 DEC 31 AM 9:03
SECRET
TALLAHASSEE, FLORIDA

Pursuant to the Florida Business Corporation Act (the "Act"), Section 607.1105, Island Petroleum Corporation, a Florida corporation ("Petroleum") and Island Food Stores, Inc., a Florida corporation ("Island"), hereby submit these Articles of Merger:

1. A copy of the Plan of Merger (the "Plan"), with respect to the merger of Petroleum with and into Island is attached to these Articles of Merger as Exhibit "B" and is incorporated herein.

2. The effective date of the Merger shall be midnight on December 31, 1996.

3. The Plan was approved by the shareholders of Petroleum on December 31, 1996.

4. The Plan was approved by the shareholders of Island on December 31, 1996.

IN WITNESS WHEREOF, the parties hereto have caused these Articles of Merger to be executed in their respective names by their duly authorized officers as of the 31st day of DECEMBER, 1996.

ISLAND PETROLEUM CORPORATION

By: 

WILLIAM G. SCHWARD Chief
Executive Officer

ISLAND FOOD STORES, INC.

By: 

WILLIAM A. SCHWARD, Chief
Executive Officer

EXHIBIT B

PLAN OF MERGER

THIS PLAN OF MERGER ("Plan") dated December 31, 1996, between ISLAND FOOD STORES, INC., a Florida corporation ("Island"), ISLAND PETROLEUM CORPORATION, a Florida corporation ("Petroleum") and E. CHESTER STOKES, JR., WILLIAM G. SCHWIND, DAVID A. ST. CLAIR, THOMAS C. BERGMANN and ARTHUR L. CAHOON, AS TRUSTEE OF THE MAS TRUST, THE MCS TRUST AND THE MKS TRUST (collectively, the "Shareholders").

WHEREAS, the parties hereto desire to effect certain mergers whereby Petroleum will merge with and into Island pursuant to the terms of this Plan (the "Merger") which provides, among other things, for the conversion and exchange of all shares of Petroleum common stock outstanding immediately prior to the time the merger becomes effective into shares of common stock of Island;

NOW, THEREFORE, the parties hereto, in consideration of the premises, which are incorporated with and made a part of this Agreement and of the mutual covenants and agreements contained herein, have agreed and do hereby agree as follows:

Article I. The Parties

1.1 **Merging Corporation.** The names of the corporations planning to merge are Island Food Stores, Inc., a Florida corporation and Island Petroleum Corporation, a Florida corporation.

1.2 **Surviving Corporation.** The name of the corporation surviving the merger is Island Food Stores, Inc., a Florida corporation.

Article II. Terms and Conditions of the Proposed Merger

2.1 **Effective Time.** The effective time of the Merger shall be midnight, December 31, 1996 (the "Effective Time").

2.2 **Effect of Merger.** At the Effective Time, Petroleum shall be merged with and into Island with Island being the surviving corporation. The separate corporate existence of Petroleum shall cease at the Effective Time, and all assets, liabilities, rights, privileges and franchises of Petroleum shall inure to Island.

**Article III.
Conversion of Shares**

3.1 **Conversion.** At the Effective time, the shares of Petroleum shall be converted as follows:

3.1.1 Each share of Island common stock issued and outstanding at the Effective Time shall remain outstanding.

3.1.2 All shares of Petroleum common stock (excluding treasury shares) issued and outstanding on the Effective Date shall cease to be outstanding and shall be converted into and exchanged for shares of newly issued Island common stock in accordance with Exhibit C attached hereto.

3.2 **Fractional Shares.** No fractional shares of Island common stock shall be issued in connection with the Merger.

**Article IV.
Other Provisions with Respect to the Proposed Merger**

4.1 **Bylaws.** The Bylaws of Island in effect immediately prior to the Effective Date shall become the Bylaws of the Surviving Corporation following the Merger.

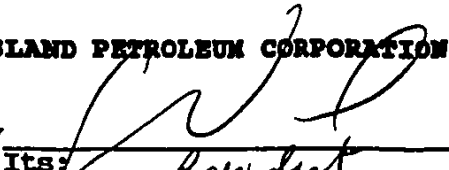
4.2 **Articles of Incorporation.** The Articles of Incorporation of Island in effect immediately prior to the Effective Date shall become the Articles of Incorporation of the Surviving Corporation following the Merger.


IN WITNESS WHEREOF, the undersigned corporations have caused this Plan of Merger to be signed in their respective corporate names by their respective officers as of the day and year first above written.

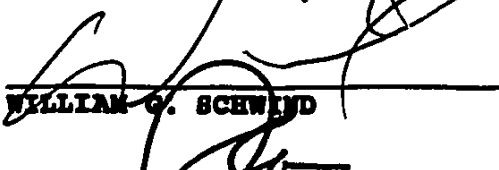
ISLAND FOOD STORES, INC.

By 
Its: President

ISLAND PETROLEUM CORPORATION

By 
Its: President


E. CHESTER STOKES, JR.


WILLIAM G. SCHWIND


DAVID A. ST. CLAIR


THOMAS C. BERGMANN

194891.2

Exhibit C

SHARES OF STOCK

SHARE OWNERSHIP OF SHAREHOLDERS

Corporation	Shareholders	
Island	Stokes	55.9%
	Schwind	22.0%
	St. Clair	5.0%
	Bergmann	17.1%
Petroleum	Stokes	45.0%
	Schwind	33.5%
	St. Clair	16.5%
	Bergmann	5.0%

Share Ownership After Reorganization

Shareholder	Number of Shares	Percentage Ownership of Common Stock
Stokes	9,600	48.0%
Schwind	5,800	29.0%
St. Clair	2,400	12.0%
Bergmann	2,200	11.0%
TOTAL	20,000	100%