

MOTOR FUEL SALES AGREEMENT

STATE MS.-DESOTO CO.

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STATE OF MISSISSIPPI

COUNTY OF DESOTO

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This Motor Fuel Sales Agreement made and entered into as of the 30th day of October, 2003, by and between SOUTHAVEN PETROLEUM, LLC, a Mississippi Limited Liability Company, d/b/a Corner Grocery & Deli, 3895 Goodman Road East, Southaven, Mississippi 38671, hereinafter referred to as the OWNER, and HURON SMITH OIL CO., INC., a Mississippi corporation, P. O. Drawer 1569, Batesville, Mississippi 38606, hereinafter referred to as DISTRIBUTOR.

WHEREAS, the OWNER owns the hereinafter described real property and operates thereat a retail sales establishment (hereinafter "the premises" and/or "the location" shall refer to said establishment and said real estate) located at 3895 Goodman Road East, Southaven, Mississippi 38671, and being more particularly described as follows, to-wit:

The following described real estate lying and being situated in DeSoto County, Mississippi, and being more particularly described as follows, to wit:

Lot 4, Country Creek Subdivision, in Section 34, Township 1 South, Range 7 West, as shown on plat of record in Plat Book 63, Page 15, in the Chancery Clerk's Office of DeSoto County, Mississippi, to which plan reference is hereby made for a more particular description of said property.

The Property is the same property conveyed by Warranty Deed recorded in said Clerk's Office in Book 407 at Page 601.

In consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree and covenant as follows, to-wit:

1.

This agreement is for a term of ten (10) years from and after the date of completion of improvements to the facility and the location being approved by Citgo.. At the end of the aforesaid period, this contract shall renew automatically for one (1) year periods unless either party gives the other party written notice of such party's intention that the contract not renew and such written notice is given to the other party at least one hundred twenty (120) days prior the expiration of the then existing term. That although the term of this agreement is as

hereinbefore stated, this agreement shall be binding upon the parties from and after the date hereof and in particular the OWNER shall not sell or allow or cause to be sold or otherwise distribute or allow or caused to be distributed any gasoline, diesel or motor fuel from the premises unless supplied by DISTRIBUTOR from and after the date hereof and during the term of the agreement and during the period of the automatic renewal terms. The term will commence in the month that Citgo gives final completion approval to the location.

2.

DISTRIBUTOR agrees to sell to OWNER and OWNER agrees to purchase from DISTRIBUTOR for the price and on the terms set out herein, all gasoline and diesel fuel sold by OWNER or any other entity or person at the premises. The said gasoline motor fuel shall be branded Citgo. No gasoline or diesel fuel shall be sold on the premises unless supplied by the DISTRIBUTOR, with the exception that should the DISTRIBUTOR be unable for any reason to provide said gasoline products to OWNER, then in that event, OWNER may obtain gasoline from any source of its choice until DISTRIBUTOR notifies OWNER of DISTRIBUTOR'S ability to reinstate delivery.

3.

The price of motor fuel shall be as follows: Gasoline -- Citgo's gross rack price plus one cent (1¢) per gallon, based on Citgo's rack prices in Memphis, Tennessee. In addition there shall be added to said price all taxes imposed on gasoline and fuel sold to OWNER under this agreement and transportation costs. OWNER shall be responsible for and shall pay all credit card fees charged to the DISTRIBUTOR by Citgo pursuant to Citgo's credit card program and regulations. The DISTRIBUTOR will provide OWNER with notice of any changes in such program or regulations.

4.

OWNER shall pay for said gasoline and fuel as follows: The OWNER shall pay for said gasoline as follows: Ten (10) days from the date of delivery.

5.

The OWNER will enter into a certain Branding Allowance Program as set forth in paragraph 19 of this agreement. The program will provide for a two cent (2¢) per gallon rebate for a period of eighty-four (84) months provided that the conditions of the Branding

Allowance Program are met. The OWNER agrees that this agreement will be subject to the terms and provisions of the Citgo's Branding Allowance Program. The OWNER further agrees that if the DISTRIBUTOR is required to repay or reimburse the rebates pursuant to the provisions of the Citgo's Branding Allowance Program, then the OWNER will reimburse, refund, and pay to the DISTRIBUTOR the same and exact amount that the DISTRIBUTOR must pay and reimburse to Citgo Petroleum Corp. (or their assigns), within thirty (30) days of the written request of the DISTRIBUTOR to the OWNER to do so.

6.

The OWNER shall pay the DISTRIBUTOR the exact rental and credit card cost that Citgo charges the DISTRIBUTOR presently or as same may change from time to time by Citgo. The DISTRIBUTOR shall provide to the OWNER prior notice of any changes in Citgo's rental and credit card costs charged to DISTRIBUTOR immediately after DISTRIBUTOR'S receipt of notice of such change.

OWNER shall maintain, at OWNER'S expense, public liability insurance, in an amount not less than One Million Dollars (\$1,000,000.00) with a reputable insurer, and OWNER shall furnish evidence of same to DISTRIBUTOR. OWNER shall furnish DISTRIBUTOR any notice of renewal, cancellation, or change with respect to any such policy of insurance. OWNER shall indemnify, defend, protect, and save DISTRIBUTOR harmless from any and all losses, damages, claims, liability, suits, actions, judgments, and costs pertaining to personal injury, death, or property damages, which occur, arise from, relate to, or are caused by any action, omission, or negligence of OWNER (and OWNER'S agents and employees) except for such part of said losses, damages, claims, liability, suits, actions, judgments, and costs that is attributable to any action, omission, or negligence of the DISTRIBUTOR (and DISTRIBUTOR'S agents and employees) which shall be the obligation of the DISTRIBUTOR.

7.

DISTRIBUTOR shall maintain, at DISTRIBUTOR'S expense, public liability insurance, in an amount not less than One Million Dollars (\$1,000,000.00) with a reputable insurer, and DISTRIBUTOR shall furnish evidence of same to OWNER. DISTRIBUTOR shall furnish OWNER any notice of renewal, cancellation, or change with respect to any such

policy of insurance. DISTRIBUTOR shall indemnify, defend, protect, and save OWNER harmless from any and all losses, damages, claims, liability, suits, actions, judgments, and costs pertaining to personal injury, death, or property damages, which occur, arise from, relate to, or are caused by any action, omission, or negligence of DISTRIBUTOR (and DISTRIBUTOR'S agents and employees) except for such part of said losses, damages, claims, liability, suits, actions, judgments, and costs that is attributable to any action, omission, or negligence of the OWNER (and OWNER'S agents and employees) which shall be the obligation of the OWNER.

8.

OWNER is an independent business. OWNER is not, nor are any of its agents, representatives, or employees, an employee of DISTRIBUTOR. DISTRIBUTOR and OWNER are completely separate entities; they are not partners, general partners, limited partners, joint venturers, nor agents of each other in any sense whatsoever, and nothing in this Motor Fuel Sales Agreement is intended or should be construed as creating or implying any such relationship. Neither party has the power or right to obligate or bind the other party.

9.

If the OWNER files, or has filed against it, any proceeding in bankruptcy, reorganization, receivership, or assignment for the benefit of creditors, then DISTRIBUTOR, at its option, may require the OWNER to pay immediately all sums then due and owing and to pay cash for each load of gasoline and diesel fuel delivered at the time of delivery.

10.

In the event that DISTRIBUTOR is hindered, delayed, or prevented in the performance of its obligation under this Agreement by an act of God, an act of nature, flood, fire, explosion, war, riot, strike, or labor disturbances, then the obligations of the DISTRIBUTOR and OWNER hereunder shall be suspended and proportionately abated during the continuance of such condition and neither the DISTRIBUTOR nor the OWNER shall be liable for breach of contract, as a result of their actions or inactions occurring during the continuance of such conditions. OWNER'S obligations under this agreement to pay for gasoline previously delivered as provided in this agreement shall not be suspended. DISTRIBUTOR shall provide written notice to the OWNER immediately upon the termination of such conditions.

11.

Throughout the terms of this agreement and to the extent allowed by Citgo, DISTRIBUTOR agrees to extend to OWNER the benefits of usual and customary Citgo marketing programs as allowed to DISTRIBUTOR by Citgo from time to time for the operation of a Citgo branded convenience store outlet at the premises.

12.

If Citgo notifies the DISTRIBUTOR of any deficiency or discrepancy at the premises that would cause de-branding of the premises if not corrected, then the DISTRIBUTOR shall provide to the OWNER timely notice of such deficiency and the action required by Citgo to cure such deficiency or discrepancy.

13.

All notices required under this agreement shall be in writing and shall be delivered by mailing, U. S. Mail postage fully prepaid, certified mail, return receipt requested, to the parties at the following addresses or provided to the parties by overnight service at the following addresses, or faxed to the parties at the following addresses, with copies to the parties' respective attorneys as shown.

Huron Smith Oil Co., Inc.
P. O. Drawer 1569
Batesville, MS 38606
Fax Number: (662) 563-0560

With Copy To:

Hon. Colmon S. Mitchell
Smith, Phillips, Mitchell & Scott
Attorneys At Law
P. O. Drawer 1586
Batesville, MS 38606
Fax Number: (662) 563-1546

Southaven Petroleum, LLC d/b/a Corner Grocery & Deli
3895 Goodman Road East
Southaven, Mississippi 38671
Fax Number: () _____

With Copy To:

Fax Number: () _____

The parties may change their aforesaid addresses by written notice to the other party of the new address.

14.

Citgo's rebate program is subject to and contingent upon the matters set forth in Paragraph 19 and OWNER shall comply with same.

15.

The OWNER shall indemnify and hold DISTRIBUTOR harmless of, from and against any and all losses, damages, claims, liabilities, suits, actions, judgments, and costs arising from, related to, or caused by any act, omission, or negligence of OWNER that result in Citgo terminating the program or otherwise penalizing DISTRIBUTOR under the program and/or Citgo's refusal to pay any sums otherwise due to DISTRIBUTOR but which are not paid as a result of such act, omission or negligence of the OWNER.

More particularly, OWNER further agrees that should Citgo make rebate payments to OWNER under the provisions of Paragraph 5 herein and in the event that OWNER should not fulfill its obligations under said Paragraph 5 and Paragraph 14 and Citgo charges such rebates back to DISTRIBUTOR, then in that event, OWNER specifically agrees to reimburse DISTRIBUTOR in the exact amount as charged by Citgo to the DISTRIBUTOR within thirty (30) days after distributor demands payment thereof.

16.

This contract shall be interpreted under the laws of the State of Mississippi notwithstanding the fact that one or more of the parties to this agreement may be or become a resident or a citizen of, or be or become domiciled in, a different state.

17.

This agreement may be executed in two or more counterparts, each and all of which shall be deemed an original and all of which together shall constitute but one and the same instrument.

18.

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and as an inducement to DISTRIBUTOR to enter into this agreement, the undersigned ROBERT M. JONES, II, ROBERT W. STUART, and WILLIAM E. EGNER,

individually, jointly, and severally, do hereby guarantee the prompt performance of this agreement by the OWNER and the prompt payment of all moneys due under this agreement by the OWNER. This guaranty is continuing, absolute, and unconditional. Notice of acceptance is waived. This guaranty shall remain in full force and effect during the term of said agreement and until all debt and money due by the OWNER hereunder shall have been paid in full. The expiration or termination of this agreement shall have no affect on the guarantors' obligations with respect to said indebtedness and money due hereunder. The guarantor waives any and all demand for payment, any notice of credits extended and shipments of goods and merchandise made hereunder, and all other notices whatsoever. No action need be brought against the OWNER as a precondition to the enforcement of this guaranty provision against the undersigned guarantors.

19.

The OWNER agrees to the following terms and conditions:

1. The effective beginning date of the Allowance payment period and of the commitment period will be the first day of the month following the completion of the branding (the "Effective Date"); provided that the Location is open for business. The Allowance will terminate at the end of the Payment Period for the Allowance.
2. The Allowance will be calculated on actual gasoline volume pumped at the Location. Allowances will be paid to OWNER quarterly.
3. Owner will not be entitled to receive the Allowance for any quarter in which the Owner fails to lift Two Hundred Forty Thousand (240,000) gallons per quarter or if the Location fails to maintain a minimum total score of 85% on the Image Value Program evaluations.
4. If the Location debrands, for any reason, before the completion of the commitment period for the Allowance, the Owner shall reimburse the Distributor all or a portion of the Allowance payments received for the Location, which reimbursement shall be based upon the number of years the Location was branded Citgo after the Effective Date based on the following chart:

| # OF YEARS BRANDED WITH CITGO | % OF ALLOWANCE TO BE REIMBURSED TO CITGO |
|-----------------------------------|---|
| Less than 4 years | 100% |
| More than 4 but less than 5 years | 80% |
| More than 5 but less than 6 years | 60% |
| More than 6 but less than 7 years | 40% |
| More than 7 but less than 8 years | 30% |
| More than 8 but less than 9 years | 20% |

| | |
|------------------------------------|-----|
| More than 9 but less than 10 years | 10% |
| More than 10 years | 0% |

20.

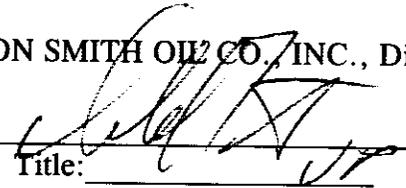
Distributor at its expense will furnish and install Citgo's branding material.

21.

This agreement constitutes the essential terms of the agreement between the parties for the purposes stated herein and no other offers, agreements, understandings, warranties or representations exist between the parties.

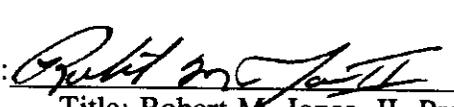
WITNESS OUR SIGNATURES, in duplicate original, on this the 30th day of October, 2003.

HURON SMITH OIL CO., INC., Distributor

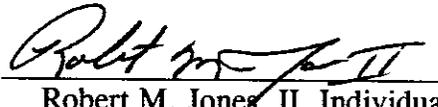
By: 

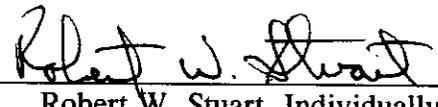
Title: _____

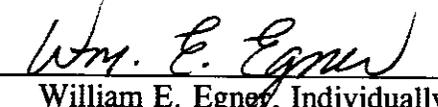
SOUTHAVEN PETROLEUM, LLC, Owner

By: 

Title: Robert M. Jones, II, President


Robert M. Jones, II, Individually


Robert W. Stuart, Individually

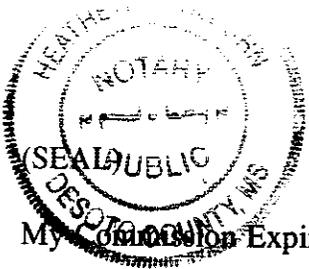

William E. Egner, Individually

STATE OF MISSISSIPPI

COUNTY OF Desoto

Personally appeared before me, the undersigned authority in and for the said County and State, on this the 30 day of October, 2003, within my jurisdiction the within named Robert M. Jones, II, who acknowledged to me that he is president of and a member of SOUTHAVEN PETROLEUM, LLC, d/b/a CORNER GROCERY a member managed Mississippi limited liability company, and that for and on behalf of and as the act and deed of said limited liability company, he executed the above and foregoing instrument, after first having been duly authorized by said limited liability company so to do.

WITNESS my hand, at office, this the 30 day of October, 2003.



Heather L. Wilburn
NOTARY PUBLIC

My Commission Expires: 2/8/07

STATE OF MISSISSIPPI

COUNTY OF Desoto

Personally appeared before me, the undersigned authority, in an for the said County and State, on this the 30 day of October, 2003, within my jurisdiction, the within named Robert M. Jones, II, who acknowledged that he executed the above and foregoing instrument.



Heather L. Wilburn
NOTARY PUBLIC

My Commission Expires: 2/8/07

STATE OF MISSISSIPPI

COUNTY OF Desoto

Personally appeared before me, the undersigned authority, in an for the said County and State, on this the 30 day of October, 2003, within my jurisdiction, the within named Robert W. Stuart, who acknowledged that he executed the above and foregoing instrument.



Heather L. Wilburn
NOTARY PUBLIC

My Commission Expires: 2/8/07

STATE OF MISSISSIPPI

COUNTY OF Desoto

Personally appeared before me, the undersigned authority, in an for the said County and State, on this the 30 day of October, 2003, within my jurisdiction, the within named William E. Egner, who acknowledged that he executed the above and foregoing instrument.



Heather L. Wilburn
NOTARY PUBLIC

My Commission Expires: 2/8/07

STATE OF MISSISSIPPI

COUNTY OF PANOLA

Personally appeared before me, the undersigned authority, in and for the said County and State, on this the 12th day of November, 2003, within my jurisdiction, the within named Don Smith, who acknowledged that he is Vice President of Huron Smith Oil Company, Inc., a Mississippi corporation, and that for and on behalf of said corporation, and as its act and deed he executed the above and foregoing instrument after first having been duly authorized by said corporation so to do.



Laura Dale Hill
NOTARY PUBLIC

My Commission Expires: 7/16/07

INDEXING INSTRUCTION TO THE CHANCERY CLERK

The property described herein is located in the following:

| <u>Quarter Section</u> | <u>Section</u> | <u>Township</u> | <u>Range</u> |
|------------------------|----------------|-----------------|--------------|
| _____ | 34 | 1 South | 7 West |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |

| <u>Lot</u> | <u>Subdivision</u> |
|----------------------|--------------------|
| Lot 4, Country Creek | Subdivision |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |

The section, or the quarter sections, or the governmental lots, or other applicable subdivisions of the section cannot feasibly be determined by the preparer of this instrument. The property described herein could possibly be located in the following:

| <u>Quarter Section</u> | <u>Section</u> | <u>Township</u> | <u>Range</u> |
|------------------------|----------------|-----------------|--------------|
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |

| <u>Lot</u> | <u>Subdivision</u> |
|------------|--------------------|
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |

This instrument was prepared by:

Smith, Phillips, Mitchell & Scott, LLP
 Attorneys At Law
 P. O. Drawer 1586
 Batesville, MS 38606
 Ph: (662) 563-4613