

20

**UCC FINANCING STATEMENT**

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]  
Thomas Collins Sr. 219-962-7676

2007 000424

STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORD

2007 JUN 12 PM 2:37

MICHAEL A. BROWN  
RECORDER

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

Luke Oil Company Inc.  
C/O Thomas Collins Sr.  
P.O. Box 96  
Hobart IN 46342

*see enclose attachments*

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME Donia Incorporated				
OR				
1b. INDIVIDUAL'S LAST NAME Khalil		FIRST NAME Mahmoud	MIDDLE NAME D	SUFFIX
1c. MAILING ADDRESS 3501 Broadway		CITY Gary	STATE IN	POSTAL CODE 46409
1d. SEE INSTRUCTIONS		1e. TYPE OF ORGANIZATION Corporation	1f. JURISDICTION OF ORGANIZATION Lake County IN/City of Ga	
ADD'L INFO RE ORGANIZATION DEBTOR		1g. ORGANIZATIONAL ID #, if any FID 20-3590619- <input type="checkbox"/> NONE		

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME				
OR				
2b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
2d. SEE INSTRUCTIONS		2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	
ADD'L INFO RE ORGANIZATION DEBTOR		2g. ORGANIZATIONAL ID #, if any <input type="checkbox"/> NONE		

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNORE S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME Luke Oil Company Inc.				
OR				
3b. INDIVIDUAL'S LAST NAME Collins		FIRST NAME Thomas	MIDDLE NAME	SUFFIX Sr.
3c. MAILING ADDRESS P.O. Box 96		CITY Hobart	STATE IN	POSTAL CODE 46342
				COUNTRY USA

4. This FINANCING STATEMENT covers the following collateral

Main price ID sign citgo 3 pricer manuall

13<sup>00</sup>

5. ALTERNATIVE DESIGNATION (if applicable) <input type="checkbox"/> LESSEE/LESSOR <input type="checkbox"/> CONSIGNEE/CONSIGNOR <input type="checkbox"/> BAILEE/BAILOR <input type="checkbox"/> SELLER/BUYER <input type="checkbox"/> AG. LIEN <input type="checkbox"/> NON-UCC FILING				
6. <input checked="" type="checkbox"/> This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS. Attach Addendum (if applicable)		7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) ADDITIONAL FEE [optional]		<input type="checkbox"/> All Debtors <input type="checkbox"/> Debtor 1 <input type="checkbox"/> Debtor 2
8. OPTIONAL FILER REFERENCE DATA				

**PROMISSORY NOTE**

STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORD

Hobart, Indiana

2007 000424

2007 JUN 12 PM 2:38  
July 10, 2006

Principal Amount: \$12,000.00

MICHAEL A. BROWN  
RECORDER

Annual Interest Rate: 9%

Grantor: Luke Oil Co., Inc., 3592 N. Hobart Rd., Hobart, IN 46342

Grantee: Donia Incorporated, 3501 Broadway, Gary IN 46409  
Mahmoud Khalil, 19612 Buckingham Drive, Mokena IL 60448

The undersigned promises to pay to the order of **LUKE OIL CO., INC., an Indiana corporation**, the principal sum stated above with annual interest at the rate stated above, said principal and interest to be payable in monthly installments of \$550.00 via Electronic Funds Transfer (EFT) initiated by Luke Oil Company, Inc., commencing on ~~August~~ <sup>10</sup> ~~10,~~ <sup>OCTOBER</sup> 2006 and continuing on the 10<sup>th</sup> of each month thereafter until the balance is paid in full.

MM

The annual interest rate set forth above shall apply during any period when there shall be no delinquency or default in the payment of any moneys to be paid on this obligation, but with interest at the rate of eighteen percent (18%) per annum computed monthly during such period when there shall be any delinquency or default in the payment of any moneys to be paid on this obligation and to be computed to the next interest period following such delinquency or default, and said rate shall continue to be paid until all delinquencies and defaults are removed, all without relief from valuation and appraisal laws, and with attorney's fees. Failure on the part of any holder to collect the additional interest rate during any delinquency or default shall at no time constitute a waiver of his right, or any other holder's right, to demand and receive interest as provided herein.

Installment payments hereinabove shall be applied first to the payment of any unpaid interest, secondly to the unpaid balance of any other unpaid debt on account of this obligation, and thirdly the remainder to be applied on the unpaid principal of the debt until the same is paid in full.

Upon default in the payment of any installment or other payment herein required when the same shall become due, the entire unpaid principal, interest and other indebtedness on account of this obligation, at the option of the holder thereof, shall become due and payable immediately without notice of

nonpayment or demand for payment, and the entire indebtedness may be collected by appropriate proceedings, with the costs and reasonable fees to be paid by the Grantee. No failure on the part of the holder of this obligation in exercising said option to declare the whole of said indebtedness due or to proceed to collect the same shall operate as a waiver of the right to do so or preclude the exercise of such option at any time during the continuance of such default or the occurrence of a succeeding default. Advance payment may be made in any amount, without penalty, and interest on such advance payments shall not be charged beyond the next succeeding interest period.

The holder of this obligation may renew the same or extend time of payment of the indebtedness or any part thereof or reduce the payments thereon; and any such renewal, extension or reduction shall not release any maker, endorser or guarantor from any liability on said obligation.

The drawers, sureties, guarantors and endorsers severally waive presentment for payment, protest, notice of protest and non-payment of this Note. The receipt of interest in advance or the extension of time shall not release or discharge any surety, guarantor or endorser on this Note.

This Note and the obligations shall be enforceable as such in accordance with the Indiana Uniform Commercial Code (the "IUCC").

All sums payable hereunder shall be payable at 3592 N. Hobart Rd., Hobart, Indiana 46342, or such other place as the holder may direct.

Borrower: Donia Inc

Borrower: Mahmoud Hkhal

Signature: Mahmoud Hkhal

Signature: Mahmoud Hkhal

Title: President

Address: 19612 Buckingham

FEIN #: 20 359 0619

Soc. Sec.#: 359-36-1627

Telephone: (708) 699-5740

Telephone: 708 699-5740

RECORDED  
MICHAEL A. BROWN

2007 JUN 12 PM 2:38

STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORD

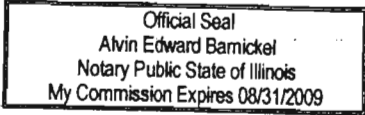
2007 000424

ACKNOWLEDGMENT

STATE OF ILLINOIS )  
 ) SS: 308-78-3107  
COUNTY OF WIL )

The foregoing instrument was acknowledged before me this 10 day of  
JULY, 2006, By MAHMOUD KHALIL

In witness whereof, I have hereunto subscribed my name and affixed my  
official seal, this 10 day of JULY, 2006.



[Signature]  
Notary Public

Printed Name: ALVIN BARNICKEL

Commission Expires: 8/31/09

County of Residence: WIL

007 000424

STATE OF ILLINOIS  
LAKE COUNTY  
FILED FOR RECORD  
2007 JUN 12 PM 2:33  
MICHAEL A. BROWN  
RECORDER

STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORDS  
**PROMISSORY NOTE**

07 000424

2007 JUN 12 PM 2:10 Hobart, Indiana

Principal Amount: \$12,000.00  
MICHAEL BROWN  
RECORDER

July 10, 2006

Annual Interest Rate: 9%

Grantor: Luke Oil Co., Inc., 3592 N. Hobart Rd., Hobart, IN 46342

Grantee: Donia Incorporated, 3501 Broadway, Gary IN 46409  
Mahmoud Khalil, 19612 Buckingham Drive, Mokena IL 60448

The undersigned promises to pay to the order of **LUKE OIL CO., INC., an Indiana corporation**, the principal sum stated above with annual interest at the rate stated above, said principal and interest to be payable in monthly installments of \$200.00 via Electronic Funds Transfer (EFT) initiated by Luke Oil Company, Inc., commencing on August 10, 2006 and continuing on the 10<sup>th</sup> of each month thereafter until the balance is paid in full. If Donia Incorporated purchases at least 40,000 gallons of fuel in a month from Luke Oil Company, Inc. during the term of this agreement and account is in good standing, then Luke Oil Company, Inc. will credit Dealer \$200.00 toward the repayment of this Promissory Note

The annual interest rate set forth above shall apply during any period when there shall be no delinquency or default in the payment of any moneys to be paid on this obligation, but with interest at the rate of eighteen percent (18%) per annum computed monthly during such period when there shall be any delinquency or default in the payment of any moneys to be paid on this obligation and to be computed to the next interest period following such delinquency or default, and said rate shall continue to be paid until all delinquencies and defaults are removed, all without relief from valuation and appraisal laws, and with attorney's fees. Failure on the part of any holder to collect the additional interest rate during any delinquency or default shall at no time constitute a waiver of his right, or any other holder's right, to demand and receive interest as provided herein.

Installment payments hereinabove shall be applied first to the payment of any unpaid interest, secondly to the unpaid balance of any other unpaid debt on account of this obligation, and thirdly the remainder to be applied on the unpaid principal of the debt until the same is paid in full.

Upon default in the payment of any installment or other payment herein required when the same shall become due, the entire unpaid principal, interest and other indebtedness on account of this obligation, at the option of the holder thereof, shall become due and payable immediately without notice of nonpayment or demand for payment, and the entire indebtedness may be collected by appropriate proceedings, with the costs and reasonable fees to be paid by the Grantee. No failure on the part of the holder of this obligation in exercising said option to declare the whole of said indebtedness due or to proceed to collect the same shall operate as a waiver of the right to do so or preclude the exercise of such option at any time during the continuance of such default or the occurrence of a succeeding default. Advance payment may be made in any amount, without penalty, and interest on such advance payments shall not be charged beyond the next succeeding interest period.

The holder of this obligation may renew the same or extend time of payment of the indebtedness or any part thereof or reduce the payments thereon; and any such renewal, extension or reduction shall not release any maker, endorser or guarantor from any liability on said obligation.

The drawers, sureties, guarantors and endorsers severally waive presentment for payment, protest, notice of protest and non-payment of this Note. The receipt of interest in advance or the extension of time shall not release or discharge any surety, guarantor or endorser on this Note.

This Note and the obligations shall be enforceable as such in accordance with the Indiana Uniform Commercial Code (the "IUC").

All sums payable hereunder shall be payable at 3592 N. Hobart Rd., Hobart, Indiana 46342, or such other place as the holder may direct.

Borrower: <u>Donia Inc.</u>	Borrower: <u>Mahmoud Khalil</u>
Signature: <u>Mahmoud Khalil</u>	Signature: <u>Mahmoud Khalil</u>
Title: <u>President</u>	Address: <u>19612 Buckingham</u>
FEIN #: <u>20 359 0619</u>	Soc. Sec.#: <u>359361627</u>
Telephone: <u>(708) 699-5746</u>	Telephone: <u>(708) 699-5740</u>

3501 Broadway

2007 JUN 12 PM 2:38  
FILED FOR RECORD  
LAKE COUNTY  
STATE OF INDIANA

2007 000424

ACKNOWLEDGMENT  
2007 000424

STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORD

2007 JUN 12 PM 2:38

MICHAEL A. BROWN  
RECORDER

STATE OF ILLINOIS )  
 ) SS:  
COUNTY OF WILL )

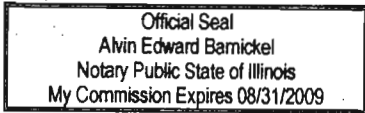
The foregoing instrument was acknowledged before me this 10 day of

JULY, 2006. By MARMAUD KHALIC

In witness whereof, I have hereunto subscribed my name and affixed my official seal, this 10 day of JULY, 2006.

*Alvin Edward Barnickel*

Notary Public



Printed Name: ALVIN BARNICKEL

Commission Expires: 8/31/09

County of Residence: will

**MOTOR FUELS SUPPLY AND SECURITY AGREEMENT**

This Motor Fuels Supply and Security Agreement ("Agreement") is made between **LUKE OIL CO., INC., an Indiana corporation** ("Luke"), whose address is 3592 North Hobart Road, P. O. Box 96, Hobart, Indiana 46342, and **Donia Inc. (Broadway Citgo)** (hereinafter collectively referred to as "Dealer"), whose address is **3501 Broadway, Gary IN 46409**, for the purchase of motor fuels to be sold at retail by Dealer from the premises commonly known as **Broadway Citgo** (the "Marketing Premises"), and is subject to Title I of the Petroleum Marketing Practices Act, a summary of which is attached hereto as Exhibit "A". The Marketing Premises is branded as a **Citgo** (the "Branded Oil Company") retail petroleum products sales facility and is subject to the contracts and agreements described in Article II.G.

**ARTICLE I  
TERM**

**A. Term of Agreement.** This agreement is effective as to each Party upon execution by all Parties and shall remain in effect for the term of a fixed period of **Seven (07)** years beginning on the execution date of this agreement.

**B. Extension of Agreement.** Subject to Article I.C., this Agreement shall automatically renew from year to year after the expiration of the original term.

**C. Termination Rights.** Luke and the Dealer shall each have the right to terminate this Agreement upon ninety (90) days written notice.

**ARTICLE II  
PURCHASE OF MOTOR FUELS**

**A. Purchase Requirement.** Dealer shall (1) purchase exclusively from Luke and from no other wholesaler or jobber, all of Dealer's needs and requirements for motor fuels to be sold at retail by the Dealer from the Marketing Premises, (2) use Dealer's good faith and best efforts to maximize the sale of such motor fuel at the Marketing Premises and, (3) purchase exclusively from Luke not less than an average of **40,000** gallons of motor fuels each full calendar month.

**B. Prices.** Luke agrees to charge **Donia Inc.** the Luke Oil established branded wholesale prices as posted at time of delivery, for each grade of motor fuel, plus all applicable taxes as imposed by any government authority. This price will be based on the posted rack price of **Citgo**, **Hammond** Terminal, plus freight or transportation.

**C. Terms of Payment.** Except as provided in Article II, Paragraph D, all amounts due Luke under this Agreement are payable by Dealer, as specified by Luke, through electronic funds transfer (EFT), according to instructions issued by Luke from time to time or such other payment terms or methods, including prepayment, as and where Luke may specify. Luke

  
Initials

\_\_\_\_\_  
Initials

2007 06 04 24

STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORD  
2007 JUN 12 11:38 AM  
MICHAEL J. BOGGS  
RECORDER



reserves the right to charge Dealer fees permitted by law for any checks or bank debits submitted by Dealer which are not honored by the bank or are otherwise returned by the bank. Cash discounts, if any, are not applicable to taxes, freight charges or container charges.

**D. Credit; Security.** Luke may extend credit to Dealer on such terms and conditions as Luke may determine in its sole discretion. If requested, Dealer will provide and maintain a letter of credit or will deposit, assign or pledge, as security to Luke, cash, savings accounts, stocks and bonds or other collateral, in such amounts and forms as Luke may determine from time to time, sufficient to secure payment for one or more loads of motor fuel, as determined solely by Luke. Dealer agrees that Luke may use, without prior demand on Dealer, any or all of such security to satisfy any indebtedness or other obligation to Luke including, but not limited to, (1) any indebtedness evidenced by a Promissory Note delivered to Luke under Article II.H. below, and/or (2) any indebtedness arising from purchases of motor fuels or other goods or products under this Agreement, or under any other agreement between Luke and Dealer. Following the expiration or termination of this Agreement, and all other agreements between Luke and Dealer, Luke will return to Dealer any remaining portion of such security not required to satisfy any indebtedness or other obligation to Luke.

Dealer further hereby grants, conveys and transfers to Luke a security interest in all of Dealer's assets, tangible and intangible, and wherever located, as security for the obligations described above and elsewhere herein, and this Agreement shall constitute a security agreement and shall be enforceable as such in accordance with the Indiana Uniform Commercial Code (the "IUCC"). Dealer hereby grants unto Luke the right, without Dealer's signature or consent or approval hereafter, to file any and all Financing Statements which Luke deems appropriate in order to perfect the security interests granted herein. In the event Dealer defaults in the payment of any indebtedness to Luke including, but not limited to, (1) any indebtedness evidenced by a Promissory Note delivered to Luke under Article II.H. below, and/or (2) any indebtedness arising from purchases under this Agreement, or under any other agreement between Luke and Dealer, or otherwise fails to comply with any credit terms imposed by Luke, Luke will have the right, in addition to any other rights, to immediately suspend deliveries of all products, to apply any security which Dealer may have given to Luke to the payment of any such indebtedness, to realize upon its security interest in accordance with the IUCC, and to exercise any right or remedy available to Luke under Article VIII, or at law or in equity.

**E. Deliveries.** Deliveries will be made at the Marketing Premises in quantities and at times in accordance with Luke policy. Dealer will take all actions necessary to facilitate the prompt receipt of deliveries, including prompt removal of snow and ice from all fill cap areas. Luke will not be obligated to, but may at its option, make single deliveries of gasoline or diesel fuel of less than the standard delivery, as defined by Luke. Luke will be excused from making deliveries at any time it believes the underground storage and delivery system may be leaking or contaminated by water or other foreign substance.

**F. Terms and Conditions of Sale.** Luke may, at any time, change the grade, specifications or characteristics of any product sold by Luke under this Agreement, and such products as so changed will be subject to this Agreement. Luke may discontinue the sale of any product.

MLC  
Initials

\_\_\_\_\_  
Initials

Any such discontinuation will not affect the minimum purchase requirements set forth in this Article II or any other rights or obligations of Luke and Dealer set forth in this Agreement.

**G. Brand Obligations Assignment.** As a material inducement to Luke to enter into this Agreement, Luke hereby assigns to Dealer all of Luke's liabilities and obligations to the Branded Oil Company, including, but not limited to, (a) all fees, assessments, costs and charges made and invoiced by the Branded Oil Company in connection with the use of the Branded Oil Company's trademarks, trade dress, and all other intellectual property at the Marketing Premises, (b) all obligations and liabilities directly or indirectly related to the operation of the business at the Marketing Premises, and (c) all obligations to reimburse or to pay the Branded Oil Company in the event that the Marketing Premises is debranded for any reason (the "Debrand Obligations"), under all agreements, contracts and other undertakings between Luke and the Branded Oil Company (the "Branded Oil Company Agreements"). Dealer hereby acknowledges that Dealer has been provided with a copy of each of the Branded Oil Company Agreements, and that Dealer has had a reasonable opportunity to read, understand, and obtain legal and financial advice as to, and to ask Luke and the Branded Oil Company questions regarding, each of the Branded Oil Company Agreements. If Luke executes and enters into a Branded Oil Company Incentive / Rebate agreement on behalf of Dealer, the expiration date of the Motor Supply and Security agreement between Luke and Dealer shall be extended and shall remain in effect until the expiration date of the Branded Oil Company Incentive / Rebate Agreement and all of its terms and conditions have been met.

**H. Loan Obligations.** In the event that Dealer (a) receives funds from Luke or from the Branded Oil Company as an incentive to maintain and operate the Marketing Premises under a certain brand or trademark, or for any other purpose, or (b) receives the benefit of any improvements made to the Marketing Premises by Luke or the Branded Oil Company, Dealer shall execute and deliver to Luke a Promissory Note for the full amount or value thereof, which shall be secured by a Mortgage on Dealer's interest in the Marketing Premises, in Luke's sole discretion, which Promissory Note and Mortgage shall be in form and substance as determined by Luke in its sole discretion.

### ARTICLE III RIGHT OF ENTRY; UNDERLYING LEASE

**A. Right of Entry.** Dealer hereby grants to Luke and to its authorized agents, contractors and representatives the right to enter the Marketing Premises at any reasonable time to make inspections, to stick tanks, to read meters, to take product samples and to take any other action to preserve the quality and purity of Luke products. Luke will not be liable for any interference with Dealer's business for loss of business or profits arising out of the exercise of such right of entry.

**B. Underlying Lease.** Dealer represents and agrees that if the Marketing Premises are subject to an underlying lease, or leases, Dealer is not in violation or breach thereof and that Dealer has, and will maintain, the right to remain in possession of the Marketing Premises for the duration of this Agreement.

**C. Other Agreements.** Dealer represents and warrants that the execution and delivery of this Agreement will not violate the terms or provisions of any other agreement, contract or undertaking to which Dealer is a party, including, but not limited to, other supply agreements with other suppliers.

2007 000424

FILED FOR RECORD

2007 JUN 12 PM 2:33

ARTICLE IV

MAINTENANCE AND PRODUCT QUALITY CONTROL

MICHAEL A. BROWN  
RECORDER

**A. Maintenance Obligations - Dealer.** Dealer shall: (1) at Dealer's expense, maintain the Marketing Premises in good, safe and operating condition and promptly make all necessary repairs or replacements; and (2) at Dealer's expense, operate and maintain all emission control equipment in accordance with the instructions of the manufacturer, replace as necessary, and comply with all applicable law.

**B. Underground Storage Tanks.** Dealer will, at Dealer's expense, maintain all underground storage tanks, and all equipment used for the storage, handling or dispensing of motor fuel, in good, safe and operating condition; or replace as necessary; or put any tanks or equipment not so maintained safely out of service, all in accordance with applicable law.

**C. Product Quality Control.** Dealer will exercise the highest degree of care and diligence in the handling, storage and sale of all products delivered to the Marketing Premises and will protect the quality of those products, including protecting them from contamination by water or any other substance or adulteration. Dealer will inspect all storage tanks daily for water accumulation and will notify Luke immediately if water exceeds 3/4 inch depth in any tank. Dealer will take such action as Luke may direct until such time as Luke is able to correct the situation. Luke may, in its sole discretion, refuse to make motor fuel deliveries into any affected tank or tanks until the fault is corrected.

**D. Laws and Regulations.** Dealer will comply with all federal, state and municipal laws, rules, regulations, use permits and the like with regard to Dealer's activities relating hereto. Without limiting the foregoing, Dealer will comply with all requirements of federal, state and local occupational health and safety agencies and environmental protection agencies concerning the receipt, storage and dispensing of motor fuels, the disposal of waste materials, and Dealer's other activities, including particularly those governing recovery of vapors, segregated storage for unleaded gasolines, nozzle sizes for leaded and unleaded gasolines, and the like. Dealer shall comply with all of the obligations imposed on it by the following Federal Clean Air Act regulations and any state counterparts thereto, and as amended: (1) 40 C.F.R. Part 80, Subpart D, regarding reformulated gasoline, (2) 40 C.F.R. Part 80, Subpart C, regarding oxygenate gasoline, (3) 40 C.F.R. Part 80, Subpart B (specifically 40 C.F.R. Sections 80.27 and 80.28), regarding gasoline volatility, (4) 40 C.F.R. Part 80, Subpart B (specifically 40 C.F.R. Sections 80.29 and 80.30), regarding sulfur content in diesel fuel, and (5) 40 C.F.R. Part 80, Subpart G, regarding deposit control additives in gasoline.

**E. Lead-Free Products.** Dealer will comply at all times with Luke's established procedures for controlling the quality of Luke's branded lead-free products. Dealer will indemnify Luke

against any penalty, loss or liability of any nature whatsoever resulting from failure of Dealer to maintain lead-free specifications of Luke's lead-free products.

LAKE COUNTY  
FILED FOR RECORD  
ARTICLE V

2007 000424

**ENVIRONMENTAL PROTECTION**

**A. Inventory Reconciliation.** Dealer acknowledges that the Marketing Premises contain underground tanks owned or controlled by Dealer for the storage of petroleum products and that the release of such products into the environment can cause serious damage. Dealer acknowledges that it is Dealer's personal responsibility to take steps to detect tank or piping leaks so as to safeguard the environment and prevent loss to either Dealer or Luke. Dealer understands that inventory reconciliation is a legal requirement and the importance of inventory reconciliation in preventing product loss, leakage, contamination or environmental impairment. Dealer will immediately report to Luke, as well as to federal, state, and/or local authorities as required by law, any detected or suspected contamination or shortage. To the extent that requirements relating to environmental protection, including sampling of monitoring wells, preparing records or reports, or complying with notification requirements, are communicated by Luke to Dealer, Dealer will fully comply with all such requirements. Dealer will maintain all required records or reports on the Marketing Premises for a period of three (3) years, or such longer period as required by applicable law, and such records or reports will also be available for inspection by Luke and by government authorities, as required by applicable law.

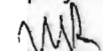
**B. Notice; Remedy.** Dealer will advise Luke immediately by telephone call, and by written notice to Luke, by certified mail return receipt requested, within twenty-four (24) hours thereafter, of any failure in any tanks or equipment used for the storage, handling or dispensing of motor fuel at the Marketing Premises. Luke may, in its sole discretion, refuse to make motor fuel deliveries into any affected tank or tanks until the fault is corrected, and will not be liable for lost business or profits, or for incidental or consequential damages, arising from any such refusal to make deliveries.

**C. Compliance with Law.** Dealer will comply fully with all applicable law with respect to water, soil and air environmental protection, including waste disposal.

**ARTICLE VI  
TAXES; EXPENSES; PERMITS**

**A. Taxes.** Dealer will pay to Luke any present or future tax, duty, fee or governmental charge on Luke which is on or measured by (1) this Agreement; (2) the products purchased pursuant to this Agreement; (3) the raw materials or constituent materials from which such products are derived; or (4) the importation, refining, manufacture, sale, use, possession, transportation, handling or disposal of said raw materials, products or constituent materials. Such tax, duty, fee or other governmental charge will be paid by Dealer to Luke unless such charge is included in the price of the products purchased under this Agreement or unless Dealer is required to pay such charge directly to the governmental taxing authority.

**B. Expenses.** Except as otherwise provided in this Agreement, or in any agreement between the parties covering the Marketing Premises, Dealer will pay all expenses, taxes

  
\_\_\_\_\_  
Initials

\_\_\_\_\_  
Initials

and fees including, but not limited to, business use taxes, licenses, inspection fees, gross receipt taxes, and occupation, privilege or other taxes upon or with respect to the maintenance and operation of the Marketing Premises, the conduct of the business thereon, and the management of the Franchise.

**C. Permits.** Dealer will obtain and keep in good standing all permits and licenses required for the management and operation of the Franchise at the Marketing Premises, obtain all required renewals or extensions, and comply with all applicable law.

## ARTICLE VII ALLOCATION OF RISK

**A. General Contingencies; Force Majeure.** Luke will not be liable for loss, damage or demurrage due to any delay or failure in performance arising out of any cause which Luke determines is beyond its reasonable control when acting in good faith and in the ordinary course of business including, but not limited to (1) compliance with an action, order, direction, request or control of any governmental authority or person purporting to act therefore or (2) interruption, unavailability or inadequacy of the supply of products or of any facility of production, manufacture, storage, transportation, distribution or delivery contemplated by Luke for any reason including, but not limited to, wars, hostilities, public disorders, acts of enemies, acts of terrorism, sabotage, strikes, lockouts, labor or employment difficulties, fires, floods, acts of God, accidents or breakdowns, plant shutdowns for repairs, maintenance or inspection, or weather conditions. Luke will not be required to remove any such cause or replace the affected source of supply or facility if it will involve additional expense or a departure from its normal practices. Dealer will not be liable for failure to receive products if Dealer is prevented from receiving and using them in Dealer's customary manner by any cause beyond Dealer's reasonable control.

**B. Allocation.** If there is, or Luke believes in its reasonable opinion there may be, a shortage of supplies, for whatever reason, so that Luke is or may be unable to meet the demands of some or all of its customers, Luke may allocate to and among its retail dealers such quantities of product as Luke determines in the exercise of its ordinary business judgment it has available for distribution from any given terminal or point of supply, provided that Luke's plan of allocation will not unreasonably discriminate between Dealer and Luke's other retail dealers which are supplied by the same terminal or point of supply. Luke will not be required to make up any deliveries or quantities omitted pursuant to the provisions of this Article VII including, but not limited to, deliveries or quantities omitted pursuant to Luke's right to allocate product among its retail dealers, nor will Luke be liable for any damages or losses in connection with such omitted deliveries or quantities. In the event of any such allocation, the minimum purchase obligations set forth in Article II, Paragraph A will be adjusted proportionately. In all situations of perceived or actual supply shortages, Luke may join or comply with any voluntary or non-mandatory price, supply, allocation or delivery restriction systems or programs designed and/or supported by any governmental authority. Any decision or determination made by Luke pursuant to this Article VII will be made in Luke's sole discretion when acting in the ordinary course of business.

WF

Initials

\_\_\_\_\_  
Initials

**C. Indemnity.** Dealer will defend, indemnify and hold harmless Luke, including its agents, servants, directors, employees, subsidiaries, affiliates, successors and assigns, from and against each and every loss, cost, claim, obligation, damage, liability, payment, fine, penalty, cause of action, lien or expense including, but not limited to, attorneys' and expert witness fees and other litigation expenses, which result from or arise out of or are attributable in any way to any of the following, regardless of whether caused in part by the negligence of Luke, excluding only those which result from Luke's sole negligence: (1) any violations of law caused by any act or omission, whether negligent or otherwise, of Dealer; (2) any environmental contamination or occurrence affecting or arising out of the Marketing Premises, or any environmental contamination or occurrence arising out of any breach by Dealer of the provisions of Article V of this Agreement; (3) any failure by Dealer to comply with Dealer's maintenance obligations as set forth in this Agreement ("failure" shall include unreasonable delay); (4) death, personal injury, property damage or any other injury or claim arising out of Dealer's use, occupancy, operation or maintenance of the Marketing Premises, including adjacent sidewalks, drives and curbs; (5) operation of Dealer's business or the operation of the Marketing Premises; (6) Dealer's employment of personnel in connection with Dealer's operation of the Marketing Premises or the conduct of Dealer's business or businesses; (7) activities of any third parties acting on behalf of Dealer with respect to the Marketing Premises or the conduct of Dealer's business or businesses; (8) any claims by creditors of Dealer; (9) any failure to obtain or keep current the amounts and types of insurance required by this Agreement or to comply with the terms and conditions of the insurance obtained; and/or (10) any and all claims by any other motor fuel supplier that such supplier has the exclusive right to sell motor fuel to Dealer. "Dealer" will include Dealer and any of Dealer's employees, agents or others acting under or on behalf of Dealer.

**D. Liquidated Damages.** It is understood that Luke is relying on sales to Dealer of the minimum product quantities set forth in Article II, Paragraph A, and that any repudiation of this Agreement and failure to purchase those minimum product quantities by Dealer will result in serious losses to Luke. Dealer and Luke acknowledge that the amount of those losses is and will be difficult to determine. It is agreed, therefore, that upon any repudiation or breach of this Agreement by Dealer, Dealer will pay to Luke, as liquidated damages to compensate for such losses, Two Cents (\$0.02) per gallon multiplied by the minimum number of gallons set forth in Article II, Paragraph A, measured from the time of repudiation to the end of the term of this Agreement. The liquidated damages here are confined to losses resulting from Dealer's repudiation of this Agreement, and will not affect such other rights and remedies as Luke may have under this Agreement and under applicable law.

**E. Notice of Claims.** Luke will have no liability to Dealer for any defect in quality, or shortage in quantity, of any products delivered. Any other claim by Dealer of any kind, based on or arising out of this Agreement or otherwise, will be waived and barred unless Luke is given written notice within ninety (90) days after the event, action or inaction to which such claim relates. Notwithstanding notice by Dealer to Luke, any claim by Dealer will be waived and barred unless asserted by the commencement of a lawsuit in a court of competent jurisdiction within twelve (12) months after the event, action or inaction to which such claim relates.

**F. Limitation of Liability.** In no event will Luke be liable for prospective profits or special, incidental, indirect, punitive or consequential damages.

Initials

Initials

**G. Release.** In consideration of Luke's execution of this Agreement and the parties' mutual covenants, Dealer expressly releases Luke from any and all claims which Dealer may have against Luke on the date of this Agreement, except only those claims, if any, expressly reserved by Dealer in a schedule which may be attached hereto.

**H. Types of Insurance Required.** Dealer will obtain, renew and keep current during the term of this Agreement all insurance required by applicable law and, in addition, insurance satisfactory to Luke including, but not limited to, (1) commercial general liability insurance with limits of not less than \$1,000,000 per occurrence, and with Luke named as an additional insured, which includes coverage for (a) contractual liability; (b) the sale of food and beverages (unless no sales of food and beverages are made at the Marketing Premises, in which event such coverage is not required by this Agreement); (c) vehicles owned or operated in the course of Dealer's business; (d) property damage; (e) premises and operations; (f) medical expense; and (g) personal injury; (2) workers' compensation insurance to provide full coverage for any statutory benefits required by all laws applicable to Dealer's employees; and (3) environmental impairment liability insurance covering acts or omissions of Dealer (including Dealer's agents, servants and employees), in whole or in part, in an amount not less than \$100,000 per occurrence, or as required by law, with Luke named as an additional insured, to the extent such insurance is reasonably available as determined solely by Luke.

**I. Evidence of Insurance.** Binders of coverage evidencing insurance required by this Agreement will be provided to Luke no later than the commencement of the term of this Agreement, and certificates evidencing such insurance will be provided to Luke no later than sixty (60) days after the effective date of the policy or renewal policy.

#### ARTICLE VIII REMEDIES

In the event of any default by Dealer or any failure or refusal by Dealer to perform any of the agreements, covenants, conditions or provisions of this Agreement, Luke may, in addition to its right to terminate or non-renew this Agreement, Luke shall have the right to suspend all deliveries of products to Dealer until such default has been corrected or remedied. The rights and remedies given to Luke in this Agreement are distinct, separate and cumulative, and no one of them, whether or not exercised by Luke will be deemed to be in exclusion of any others provided for in this Agreement, or by law or equity. Dealer will pay Luke's attorneys' and expert witness fees and costs in the event Luke successfully enforces any of the provisions of this Agreement.

#### ARTICLE IX ASSIGNMENT

**A. Assignment by Dealer.** Dealer acknowledges that this Agreement is personal to Dealer. Any attempt by Dealer to transfer this Agreement, or any interest therein, in whole or in part, by assignment, sale, gift, mortgage, pledge or other means, without Luke's prior written approval, will constitute a default of this Agreement and any such transfer will be void. Any proposed transferee must meet Luke's normal standards including, but not limited to, credit,

financial condition, business and personal qualifications, and business obligations. Acceptance of checks, course of dealing, correspondence, interviews or business counseling by Luke, from or with persons other than Dealer, or the successful completion of any dealer training by the proposed transferee, will not be deemed to be a consent or acquiescence to an attempted or proposed transfer. Dealer will comply strictly with any applicable state law governing assignment.

**B. Right of First Refusal.** It is further agreed that in the event Dealer seeks to assign, transfer or sell Dealer's interest in the Marketing Premises to a third party, Luke will have the option to meet any third party's offer acceptable to Dealer, which option, if exercised by Luke, will result in Dealer selling the Marketing Premises to Luke on the same terms and conditions as those contained in the third party's offer. No later than ninety (90) days prior to the proposed sale or closing date, Dealer will present to Luke a copy of the third party's offer. Such offer must be bona fide, in writing and contain all terms and conditions of the proposed assignment, transfer or sale. Dealer will also present Luke with all qualifications of the third party so as to enable Luke to evaluate the proposed transferee in accordance with the provisions of Article IX, Paragraph A. Luke will, upon being presented with such information, have thirty (30) days within which to evaluate the third party's qualifications and offer, and to advise Dealer whether Luke wishes to exercise its right of first refusal. If Luke chooses to exercise its right of first refusal, the closing and the effective date of termination will be the proposed sale or closing date set forth in the third party's offer, or as the parties may agree. If (1) Luke chooses not to exercise its right of first refusal, and (2) Luke notifies Dealer that the proposed transferee meets Luke's standards, then Dealer may proceed with the transfer only in accordance with the terms as offered to Luke. Dealer will provide Luke with documentation satisfactory to Luke that the assignment, transfer or sale was completed in accordance with the terms of the third party's offer which was presented to Luke. Luke will have the rights set forth above with respect to any third party's offer or series of third-party offers including, but not limited to, any renegotiations of such offers. Each offer or renegotiation will be deemed a separate offer entitling Luke to a right of first refusal. Should any third party fail to meet Luke's normal standards for assignment, Luke may, in lieu of rejecting any assignment or exercising its option, substitute another third party whose qualifications meet Luke's normal standards and whose offer meets that of Dealer's third party. Failure to exercise Luke's option on one or more occasions (1) will not affect Luke's option rights on other occasions whether or not involving the same property, and (2) will in no event be deemed a consent by Luke to an assignment of this Agreement.

**C. Assignment by Luke.** Luke may assign this Agreement without Dealer's consent. Such assignment will not affect Dealer's rights and obligations under his Agreement in any way.

## ARTICLE X MISCELLANEOUS

**A. Significance of Terms and Conditions.** LUKE REPRESENTS THAT THE TERMS AND CONDITIONS OF THIS AGREEMENT ARE OF MATERIAL SIGNIFICANCE TO LUKE AND WILL REGARD ANY BREACH OF SUCH TERMS AND CONDITIONS AS SUBSTANTIAL.



DEALER ACKNOWLEDGES NOTICE OF THE SIGNIFICANCE LUKE ATTACHES TO EACH TERM AND CONDITION.

**B. Entire Agreement.** This instrument, including any documents incorporated herein, contains the entire agreement covering the subject matter and supersedes any prior agreement between the parties with respect to the Marketing Premises. THERE ARE NO ORAL UNDERSTANDINGS, REPRESENTATIONS OR WARRANTIES AFFECTING THIS AGREEMENT WHICH ARE NOT FULLY SET FORTH HEREIN.

**C. Notices.** Except as otherwise specifically provided in this Agreement, all notices hereunder will be in writing and will either be delivered personally, or posted by certified mail to the address specified herein unless changed by notice. Notice will be deemed furnished on the date such notice is personally delivered or deposited in the United States mail, postage prepaid, and properly addressed.

**D. Severability.** If any provision of this Agreement or portion thereof, or the application thereof to any person or circumstance, is finally determined by a court of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this Agreement.

**E. Headings.** The headings and organization of the Articles and paragraphs of this Agreement are for convenience only and in no way limit, amplify or otherwise affect the terms and conditions herein.

**F. Strict Performance.** Luke's right to require strict performance will not be affected by any previous waiver or course of dealing.

**G. Waiver.** Unless a specific time requirement is set forth in this Agreement, no failure or delay on the part of Luke or Dealer in exercising any of their respective rights under this Agreement will operate as a waiver of such rights. No single or partial exercise of any rights under this Agreement will preclude any other or further exercise of such rights or the exercise of any other right under this Agreement.

**H. Amendments.** No modification of this Agreement will be binding on Luke unless in writing and signed by a corporate officer of Luke.

**I. Approval and Execution By Luke.** This Agreement will not be binding on Luke until approved and signed on Luke's behalf by a corporate officer of Luke.

**J. Independent Business.** (1) Except as provided in this Agreement, none of the provisions of this Agreement will be construed as reserving to Luke the right to exercise any control or direction over the general business activities of Dealer conducted upon the property. It is understood and agreed that Dealer will have no authority to employ any person as agent or employee for or on behalf of Luke for any purpose, and that neither Dealer nor any other person performing any duties or engaging in any work at the request of Dealer upon the Marketing Premises will be deemed to be an employee or agent of Luke. (2) Dealer will not erect, maintain or permit any sign, insignia, or other advertising device upon or near the Marketing Premises which would indicate that Luke is the owner or

2007 JUN 24  
FILED  
RECORDED  
MICHIGAN  
COUNTY  
REGISTERED  
MICHELE BROWN  
REGISTERED

  
Initials

\_\_\_\_\_  
Initials

operator of the business conducted upon the Premises. (3) Dealer will at all times maintain a sign upon the Marketing Premises, clearly visible to persons upon the Marketing Premises clearly identifying Dealer as an "Independent Dealer".

**K. Other Provisions.**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2007  
000424

Executed as of the 10 day of July, 2006.

**LUKE:**  
LUKE OIL CO., INC.

By: \_\_\_\_\_  
Thomas M. Collins, President  
Address: P.O. Box 96  
Hobart, Indiana 46342

STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORDS  
2007 JUN 12 PM 1:39  
MICHAEL A. BROWN  
RECORDER

DEALER: Donia Inc. DEALER: Mahmoud Khalil

By: Mahmoud Khalil By: \_\_\_\_\_

Signed Name: Mahmoud Khalil Signed Name: Mahmoud Khalil

Title: President Title: \_\_\_\_\_

Location Address: 3501 Broadway Home Address: \_\_\_\_\_

**Witness:**

ALVIN BARNICKEL  
(print)  
[Signature]  
(signature)

MK Initials      \_\_\_\_\_ Initials

2007 000424

STATE OF INDIANA  
LAKE CHARLES  
FILED FOR RECORDS  
2007 JUN 12 PM 2:39  
**GUARANTY OF  
MOTOR FUELS SUPPLY AGREEMENT  
AND RELATED OBLIGATIONS**

In consideration of Luke Oil Co. Inc.'s (herein "Luke") agreeing to enter into that certain Motor Fuels Supply and Security Agreement of even date herewith (the "Agreement") and related agreements and instruments with Donia Inc. and Mahmoud D. Khalil, Individually (hereinafter collectively referred to as "Dealer")

the undersigned Guarantors, jointly and severally, unconditionally guarantee to Luke, its successors or assigns, that Dealer, its successors or assigns, shall well and truly make all payments, pay all charges and perform and execute all of the covenants, terms and conditions that are required to be performed by Dealer under and pursuant to (1) the Supply Agreement, (2) all agreements assigned to Dealer pursuant to Article II.G. of the Supply Agreement, (3) all Promissory Notes and Mortgages executed and delivered to Luke pursuant to Article II.H. of the Supply Agreement, and (4) all other agreements and undertakings between Luke and Dealer, whenever executed or delivered, either before or after the date of this Guaranty, and any renewals or extensions thereof (collectively the "Agreements"). If any default shall at any time be made by Dealer, its successors or assigns, in the performance and payments required to be made by Dealer under and pursuant to the Agreements, then we, the Guarantors, jointly and severally unconditionally promise and agree to pay to Luke, its successors or assigns, any and all obligations that may be due from Dealer, its successor or assigns thereunder, and further to fully satisfy the conditions and covenants to be fulfilled by Dealer under the Agreements and to pay any and all damages that may occur by reason of the nonfulfillment thereof by Dealer, its successors or assigns.

This is a contract of continuing guaranty and shall remain in full force and effect for the entire term of the Agreements, as well as any and all extensions or renewals thereof, if any. The Guarantors further state that they have read the Agreements and fully understand all of the terms and conditions contained therein, and have been advised by independent legal counsel and understand that the Luke would not consider entering into the Agreements with Dealer without the within guaranty.

The liability of the Guarantors shall include reasonable attorneys' and expert witness fees and costs incurred in the enforcement of this Guaranty and said liability shall in no way be affected by any indulgence, compromise, settlement or variation or amendment of the terms of the Agreements; nor shall it be necessary for the Luke to procure the consent of or to give notice to the Guarantors concerning the assignment of the Agreements either by the Luke or Dealer or their respective successors or assigns. It is understood and agreed that notice given to the Dealer shall be deemed to be notice to the Guarantors with regard to non-payment and non-performance by Dealer, its successors or assigns, as well as notice of the amount of indebtedness at any time, and of protest, demand, prosecutions for collections, legal proceeding or possession remedies to which the Luke is entitled. The Guarantors acknowledge and agree that it shall not be necessary for Luke, its heirs, executors, administrators to pursue any remedy for breach of any covenant or condition against Dealer prior to pursuing its remedies against the Guarantors. It is understood and agreed that this is an irrevocable and unconditional guaranty to Luke by the Guarantors for the full, faithful and punctual performance by Dealer of all Dealer's covenants and agreements contained in the

