

LEASE AGREEMENT

THIS LEASE AGREEMENT (this "lease") made as of the 1st day of July, 1992, by and between _____, as Trustee under the Melina Fiorella Trust, P. O. Box 283, Pelham, Alabama 35124 (hereinafter called "Lessor"), and James D. Wadsworth, P. O. Box 1417, Clanton, Alabama 35045, (hereinafter called "Lessee").

1. DEMISE OF PREMISES. Lessor does hereby demise and let unto Lessee, on the terms and conditions and for the rents herein provided, the following described premises being situated in the Town of Pelham, Shelby County, Alabama, more particularly described as follows, to wit:

A tract of land lying partly in the NW¼ of the SW¼, Section 6, Township 20S, Range 2 West, and partly in the NE¼ of the SE¼, Section 1, Township 20S, Range 3 West, and fronting 200 feet on the east side of New Highway 31, with depth of approximately 218 feet, comprising one (1.0) acre, shown in red on Exhibit "A" to said Lease.

Together with all improvements owned or controlled by Lessor, and located thereon, all rights, alleys, rights of way, easements, appurtenances thereunto belonging or in any wise appertaining, and all rights of Lessor in and to any public thoroughfares abutting the above described premises, all being hereinafter referred to as the "demised premises," but subject to existing easements, if any, and applicable regulatory laws and ordinances.

2. USE. The demised premises are to be used by Lessee as a gasoline service station and convenience store and for no other or different use without Lessor's written consent, except that Lessee may add a car wash facility at its option without prior written consent.

3. TERM. The initial Term of this lease shall be ten (10) years, commencing July 1, 1992, and ending June 30, 2002, unless sooner terminated or further extended as herein provided.

4. QUIET ENJOYMENT, CONDITION OF PREMISES. Lessor covenants to keep Lessee in possession and quiet enjoyment of the demised premises during said Term, and all extensions thereof, provided Lessee shall not be in default hereunder. Lessee is familiar with the demised premises and, without relying on any representation of Lessor as to the physical condition, accepts same in the condition in which they presently exist.

5. RENT. (a) Lessee agrees to pay Lessor as rental for the demised premises, a sum equal to the greater of Seven Hundred Dollars (\$700.00) per month or two cents (2¢) per gallon on all petroleum products sold per month. Such rental shall be due and payable on or before the fifteenth day of the calendar month next succeeding the month in which such petroleum products are sold as aforesaid.

(b) All rental payments may be made by check payable and delivered to Lessor personally or by mail to the address stated above, together with a certified report of all such petroleum products during the month for which rental payment is made; and Lessor shall have the right at its option to examine the records of Lessee in this regard, at Lessee's place of business, during normal working hours upon reasonable notice.

(c) Lessor acknowledges that Lessee will be required by applicable law during the term of the lease to upgrade and make certain changes to the existing underground fuel storage tanks and related systems, which changes will require Lessee to discontinue fuel sales for a period of time (the "UST Upgrade Period"). Lessor hereby agrees that the \$700.00 minimum monthly rent provided for in (a) above shall be inapplicable for a period not to exceed two months during the UST Upgrade Period, so that the rent due and payable for said period of inapplicability shall be the above-stated 2¢/gallon on petroleum products sold during the period, if any.

6. PERMITS. Lessor hereby sets over and assigns to Lessee, with right of Lessee to reassign to others, all of Lessor's licenses, consents, and permits to maintain and operate a gasoline service station on the demised premises; such assignment to be effective only during the term of this lease, and all renewals and extensions thereof.

In case Lessee, its assigns or sublessee, shall be unable to obtain from municipal or other public authorities, any permit or license necessary for the operation of a gasoline service station upon said premises, or in case any such permit or license, if obtained, be afterward revoked without fault of Lessee, its assignee or sublessee, or if the use of said premises be restrained or enjoined by judicial process, then and in such event or any thereof Lessee shall have the right to cancel this lease by giving Lessor at least ten days notice of its intention so to do.

7. IMPROVEMENTS; NO LIENS. (a) Lessee shall have the right, at its option, to construct such additional buildings and/or any other structures and signs, including the installation of such pumps, above and underground tanks, and other equipment, and make such improvements on the demised premises, and to alter, repair, or reconstruct the same, as it may deem necessary in the conduct of the business on the demises premises. With the exception of all permanent buildings constructed on the premises, any temporary buildings and all equipment such as signs, tanks, pumps, etc., shall be and remain the property of the Lessee, with the right, under this lease and all extensions thereof, at its option, at any time before the expiration or termination of the lease and for a reasonable time thereafter to remove the same, provided, that Lessee shall remove same within a reasonable time after said expiration or termination if Lessor so requests in writing prior to termination or expiration of the lease. However, Lessee shall not remove any of the improvements, goods, ware, or merchandise of the Lessee from said premises other than in the regular course of the Lessee's trade or business without having first paid all rent due or to become due under the terms of this lease. In the event the Lessee removes any such equipment from the premises, he agrees to restore the land to a condition reasonably satisfactory to the Lessor.

(b) Lessee has no right under this lease to subject Lessor's interest in the demised premises to liens or other encumbrances. In the event a lien is filed against the premises by a contractor, materialmen or other of its creditors, Lessee shall cause same to be discharged or bonded off within forty-five (45) days of such filing.

8. **REPAIRS, INSPECTION.** Lessor shall not be obligated or required to make any repairs, unless and only to the extent herein agreed. Lessee will keep the demised premises and improvements thereon clean and in a good state of repair, and as required by applicable laws and ordinances. Lessee covenants and agrees it will not permit any nuisance to be created, maintained, or carried on upon said premises. Lessor reserves the right to visit and inspect said premises at all reasonable times, and the right to show said premises to prospective tenants and purchasers, and the right to display "For Sale" and "For Rent" signs on said premises.

9. **OPTION TO EXTEND; AUTOMATIC RENEWAL.** Lessee shall have the option to extend this lease past the initial Term for a total of three (3) successive periods of five (5) years each upon the terms and conditions in effect as stated in this lease, provided, that the rent shall increase to two and one-half cents (2½¢) per gallon effective upon the first day of the first five-year extension, which rate shall remain in effect for any subsequent extensions of the lease as provided in this paragraph.

Lessee shall be deemed to have exercised one of said options to extend, and the lease shall automatically be extended for five years without necessity of execution of a new lease or amendment of this lease, unless Lessee shall give to Lessor a written notice of its intention not to extend at least thirty (30) days prior to the expiration of the then-current period, and upon sending of such notice this lease shall expire and terminate at the end of the then-current period.

10. **FIRST OPTION TO PURCHASE.** Should the Lessor, or the Lessor's heirs, executors, grantees, successors, or assigns, at any time during the term of this lease or any extension thereof, receive an offer to purchase the demised premises, and desires to accept said offer, or should Lessor during any such time make an offer to sell the demised premises, Lessor shall give the Lessee thirty (30) days notice in writing of such offer, setting forth the name and address of the proposed purchaser, the amount of the proposed purchase price, and all other terms and conditions of such offer, and Lessee shall have the first option to purchase the premises which are the subject of the offer by giving written notice to Lessor of its intention to purchase within said thirty-day period at the same price and terms of any such offer, it being understood that in the event the Lessee does not give notice of its intention to exercise said option to purchase within said period, this lease and all of its terms and conditions shall nevertheless remain in full force and effect and Lessor and any purchaser or purchasers of the demised premises, shall be bound thereby, and in the event that the premises set forth in the offer are not sold for any reason, Lessee shall have, upon the same conditions and notice, the continuing first option to purchase the demised premises, upon the terms of any subsequent offer or offers to purchase. In the event any of said options is exercised, Lessor shall convey a merchantable title to said real estate by good and sufficient warranty deed, free of all encumbrances except easements, restrictions and rights of way of record that would have been permitted by the proposed

purchaser, together with a title insurance policy by a reputable company, and normal prorations of rents, taxes and insurance.

11. **TAXES.** Lessor covenants that it is well seized of the demised premises, has a good right to lease them and hereby warrants and agrees to defend the title thereto and to reimburse and to hold the Lessee harmless from any loss by reason of any defect in the title. Lessee covenants to pay all taxes and assessments of every nature upon the demised premises, including the land and all improvements of Lessee thereon, and agrees to notify Lessor immediately upon any default in the payment of taxes or other liens upon the demised premises, and Lessor shall have the right to make such defaulted payments for the account of Lessee. Any sums so advanced by Lessor, including the costs and attorney's fees incurred by Lessor in defending any suits and protecting its rights herein involved, shall bear interest at the rate of ten (10%) percent per annum, and shall be a charge against the Lessee and unless paid in full within a period of ninety (90) days, the Lessor may at its option, terminate this lease.

12. **DEFAULT.** Upon the happening of any one or more of the events as expressed in this paragraph, the Lessor shall have the right, at the option of the Lessor, to either annul and terminate this lease upon two days written notice to Lessee and thereupon re-enter and take possession of the premises; or the right upon two days written notice to the Lessee to re-enter and re-let said premises, from time to time, as agents of the Lessee, and such re-entry or re-letting or both, shall not discharge the Lessee from any liability or obligation hereunder, except that rents (that is, gross rents less the expense of collecting and handling, and less commission) collected as a result of such re-letting shall be credited on the Lessee's liability up to the amount due under the terms of this lease and the balance, if any, credited to the Lessor. Nothing herein, however, shall be construed to require the Lessor to re-enter and re-let, nor shall anything herein be construed to postpone the right of the Lessor to sue for rents, whether matured by acceleration or otherwise, but on the contrary, the Lessor is hereby given the right to sue therefor at any time after default. The events of default referred to herein are: failure of the Lessee to pay any one or more of the installments of rent, or any other sum, provided for in this lease as and when the same become due, within ten (10) days after written demand for the payment thereof is made by Lessor upon Lessee; the removal, attempt to remove or permitting to be removed from said premises, except in the usual course of trade, the goods, furniture, effects or other property of the Lessee or any assignee, or sub-tenant of the Lessee; the levy of an execution or other legal process upon the goods, furniture, effects or other property of the Lessee brought on the leased premises or upon the interest of the Lessee in this lease; the filing of a Petition of Bankruptcy, a Petition for an Arraignment or reorganization by or against the Lessee; the appointment of a receiver or trustee, or other court officer, for the assets, of the Lessee; the execution of an assignment for the benefit of creditors of the Lessee; the vacation or abandonment by the Lessee of the leased premises or the use thereof for any purpose other than the purpose for which the same are hereby let or (if the rental herein is based in whole or in part on the percentage of Lessee's sales) failure of the Lessee to exercise diligent effort to produce the maximum volume of sales; the assignment by Lessee of this lease or the re-letting or sub-letting by the Lessee of the leased premises or any part thereof without notifying the Lessor in writing within ten (10) days thereafter; the violation by the Lessee of any other of the terms, conditions or covenants on the part of the Lessee herein

contained and failure of the Lessee to remedy such violation within ten (10) days after written notice thereof is given by the Lessor to the Lessee. The Lessee will pay Lessor a reasonable attorney's fee in the event Lessor employs an attorney to collect any rents due hereunder by Lessee, or to protect the interest of Lessor in the event the Lessee is adjudged a bankrupt, or legal process is levied upon the goods, furniture, effects or personal property of the Lessee upon the said premises, or upon the interest of the Lessee in this Lease or in said premises, or in the event the Lessee violates any of the terms, conditions, or covenants on the part of the Lessee herein contained. In order to further secure the prompt payments of said rents, as and when the same mature, and the faithful performance by the Lessee of all and singular the terms, conditions and covenants on the part of the Lessee herein contained, and all damages, and costs that the Lessor may sustain by reason of the violation of said terms, conditions and covenants, or any of them, the Lessee does hereby waive any and all rights to claim personal property as exempt from levy and sale.

13. **TRANSFER OR ASSIGNMENT.** Each and every transfer or assignment of this lease, or any interest therein, and each and every sub-letting of said premises, or any part thereof, or any interest therein, shall be null and void, except an assignment or subletting to Wadsworth Oil Company of Clanton, Inc. or other entity owned or contracted by Lessee, unless the prior written consent of Lessor be obtained, which comment shall not unreasonably be withheld. As a condition precedent to Lessor's consent to such transfer or sub-letting, etc., the assignee or sub-lessee must assume, in writing, all of the obligations of the Lessee hereunder, but such assumption shall not operate to release the Lessee from any agreement or understanding on the part of the Lessee expressed or implied in this lease.

14. **LESSEE HOLD HARMLESS.** Lessee will indemnify and hold Lessor and Lessor's agent free and harmless from all demands, claims, and suits caused by any default committed hereunder on the part of the Lessee. Lessee will further indemnify and save harmless Lessor and Lessor's agent from any loss, cost, damage, and/or expenses caused by injuries to persons or property while in, on or about the demised premises, not attributable to the willfully wrongful act of the Lessor or Lessor's agent. Any property stored in the demised premises shall be at the sole risk of Lessee.

15. **EMINENT DOMAIN, ETC.** In the event of any change in grade of adjoining streets, alleys, or highways; or in the event the demised premises shall be taken by or pursuant to any governmental authority or through the exercise of the right of eminent domain; or in the event any part of said demised premises, or any interest therein, including, but not limited to the right of free access to the demised premises, is so taken or substantially interfered with and the said demised premises after said taking or interference in the opinion of Lessee, is not suitable for the operation of a gasoline service station, this lease, at the option of Lessee, shall terminate without liability on the part of Lessee, or Lessee may continue in possession of the remaining portion of said demised premises, in which event the rent herein shall be reduced in proportion to the reduction of the utilizable area of the premises, but nothing herein shall be deemed a waiver of the sole right of the Lessee to any award for damages to it or to its leasehold interest caused by such taking, whether made separately or as a part of the general award. Lessor shall carry out at its

expense any regrading of the premises and approaches thereto necessary to conform the premises to any change in grade of any adjoining streets, alleys, or highways.

16. **PREVIOUS LEASE.** Lessor and Lessee acknowledge and agree (i) that this lease replaces that certain Lease and Agreement dated December 4, 1972, by and between Melina Fiorella, as Lessor, and H.T. Salter, Jr., as Lessee (collectively, the "Previous Lease") which Previous Lease subsequently, by various assignments, assigned to the parties hereto as Lessor and Lessee respectively and (ii) that said Previous Lease shall be deemed to have expired immediately prior to the effective time of the instant lease.

17. **INSURANCE.** Lessee shall, during the term of the lease, maintain fire and casualty insurance on the permanent buildings on the demised premises for the replacement cost of same and shall maintain general public liability insurance in an amount of at least \$500,000.00 per occurrence, in each case naming Lessor as an additional insured.

IN WITNESS WHEREOF, the Lessor and Lessee have duly signed these presents and affixed their respective seals this day and year first above written.

WITNESS:

Melina Fiorella
Trustee of the Melina Fiorella Trust - Lessor
Samelia Thomas

James D. Wadsworth
James D. Wadsworth - Lessee

(see acknowledgments on page 7)

STATE OF ALABAMA)

Shelby COUNTY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that _____, whose names as Trustee under the Melina Fiorella Trust, are signed to the foregoing instrument, and who are known to me, acknowledged before me on this day that, being informed of the contents of the instrument, they, in their capacity as such Trustees, executed the same voluntarily on the day the same bears date.

Given under my hand and seal of office this 28 day of July, 1992.

Matthew S. Phillips

Notary Public

My Commission Expires: 5/01/93

[NOTARIAL SEAL]

STATE OF ALABAMA)

Shelby COUNTY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that James D. Wadsworth, whose name is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he executed the same voluntarily on the day the same bears date.

Given under my hand and seal of office this 28 day of July, 1992.

Matthew S. Phillips

Notary Public

My Commission Expires: 5/01/93

[NOTARIAL SEAL]