

SALES AGREEMENT

This Sales Agreement is made this 27th day of December, 2002, by and between Higginbotham Oil Company, Inc. ("Seller") and A.K.F., Inc. ("Buyer").

WITNESSETH

WHEREAS, Seller is in the business of selling gasoline and petroleum products; and

WHEREAS, Buyer desires to purchase certain gasoline and petroleum products from Seller upon the terms and conditions hereinafter provided.

NOW, THEREFORE, in consideration of the premises and the mutual agreements contained herein, and other good and valuable consideration, the parties hereto agree as follows:

1. DEFINITIONS.

- (A) "Seller's Product(s)" shall mean Exxon or any other branded regular unleaded gasoline, Exxon or any other branded plus unleaded gasoline, Exxon or any other branded premium unleaded gasoline and Exxon or any other branded diesel fuel, or other substitutes therefore made in accordance with this Agreement.
- (B) "Product(s)" shall have the same meaning as "Seller(s) Products" defined above.
- (C) "Contract Period" shall mean that period of time during which this Agreement is in effect, plus any applicable renewals or extensions.
- (D) "Premises" shall mean land and improvements operated as a convenience store selling Products at 1042 Highway 31 South, Saginaw (Alabaster), Alabama 35040, (a legal description is attached as Exhibit A) or such similar business operation thereon.

2. TERM.

The term of this Agreement shall be for a period of twelve (12) years commencing on December 27, 2002, and shall be renewable, at the option of Buyer, for a period of three (3) years thereafter on the same terms and conditions as herein stated (provided Buyer gives Seller written notice of renewal no less than one hundred eighty (180) days prior to expiration of the initial twelve (12) year term). Notice to the Seller shall be made by certified mail to: Higginbotham Oil Company, Inc., 562 Cahaba Valley Road, Pelham, AL, 35124 and to the Buyer at 1042 Highway 31 South, Saginaw (Alabaster), Alabama 35040

3. PURCHASE REQUIREMENTS.

In consideration of the Exxonmobil Branded Distributor Loan Agreement ("Exxon Agreement") previously entered into by Seller, and the other considerations and terms, conditions and premises of this Agreement, Seller shall sell to Buyer, and Buyer shall purchase from Seller, such quantities of Seller's Products as shall satisfy all of the Buyer's requirements for resale at the

Premises of such Seller's Products, or any similar products, during the Contract Period. Buyer acknowledges that in connection with the Exxon Agreement, Seller has been granted an allowance for the transition of the Premises to an Exxon station, which allowance is among other things subject to repayment pursuant to the Exxon Agreement under certain terms and conditions. In the event that the Buyer, or any subsequent purchaser, lessee, transferee or owner or operation of the Premises, ceases to continue to utilize the Premises as an Exxon station pursuant to the Exxon Agreement, for a period of ten (10) years from the date hereof, the Buyer shall be responsible for any and all reimbursement obligation(s) which Seller is obligated to make under the Exxon Agreement.

4. PURCHASE PRICE.

The purchase price of the respective Products to be purchased by Buyer from Seller pursuant to this Agreement shall be as provided on Exhibit B attached hereto and incorporated herein by reference.

5. TERMS OF PAYMENT.

The terms of payment shall be cash on delivery or such credit terms as may be extended by Seller, which credit terms may be altered or revoked by Seller at any time, all without setoff or counterclaim by Buyer against Seller; provided, however, that any such alteration or revocation shall only be effective for Products delivered after notification of any such alteration or revocation is given by Seller to Buyer.

Buyer hereby agrees that payments not received by Seller upon delivery of the Products, and/or any amounts due under this Agreement still owing more than ten (10) days past the due date, will bear interest at the lesser of eighteen percent (18%) per annum or the maximum lawful rate per annum. In the event payment is not made when due, Seller may suspend making all further delivery of Products until all indebtedness is paid in full. If, on account of any breach or default by Buyer of its obligations under this Agreement, it becomes necessary or appropriate for Seller to enforce or defend any of Seller's rights or remedies under this subparagraph or this Agreement, Buyer agrees to pay any and all reasonable costs associated with such enforcement or defense including but not limited to attorney's fees and expenses incurred by Seller. Any suspension of deliveries made under this Agreement will not act as a termination of this Agreement, which shall continue to remain in full force and effect for its term.

6. RESALE.

Once Buyer has purchased the Products from the Seller, and paid Seller in full for same, Buyer will be free to resell or otherwise deal in the Products for such prices and upon such terms and conditions as Buyer may see fit, but subject to the terms and conditions of this Agreement and all terms and conditions of any and all documents referred to in this Agreement.

7. UNAVAILABILITY OF PRODUCTS.

It is expressly agreed and understood that Seller will give Buyer notice of the unavailability of any of the Products, which notice may be given after Seller has received a purchase order from Buyer. Notwithstanding anything contained in this Agreement to the contrary, Seller will not be liable to Buyer or any other party, and Seller will not be considered in breach or default of this Agreement, for Seller's inability or failure to supply any Product, or for delay in delivery of any Product, resulting from any such unavailability provided that such unavailability is beyond the reasonable control of Seller.

8. FORCE MAJEURE.

In addition to and without limiting the generality of Paragraph 7, notwithstanding anything contained in this Agreement to the contrary, Seller will not be liable nor considered in breach or default of this Agreement for delay in performance or nonperformance caused by unavailability of any Products, fire, flood, storm, earthquake or other act of God, war, rebellion, riot, nuclear accident, terrorism, failure of carriers to furnish transportation, strikes, lockouts or other labor disturbances, supplier conditions, nationalization of companies, acts of governmental authority, inability to obtain material or equipment or any other cause of like or different nature which is beyond the reasonable control of Seller.

9. SUBSTITUTION OF PRODUCTS.

With respect to the conditions, or combinations of conditions, or force majeure referred to in this paragraph 9, or the unavailability of Products referred to in Paragraph 7, which conditions or unavailability are beyond the reasonable control of Seller, Seller will and shall be permitted to provide Buyer with substitute Products reasonably satisfactory to Buyer. In the event that Seller is not able to provide Buyer with a reasonably satisfactory substitute within seven (7) days, Buyer shall be free to purchase the Products on the open market or from any other source of its choosing until such time as Seller is again able to provide Buyer with the Products or a reasonable substitute therefore. In the event that Seller's inability to provide Buyer with the Products or a satisfactory substitute therefor continues for a period of thirty (30) days, then at Buyer's option and as Buyer's sole remedy, this Agreement may be terminated by Buyer by written notice to Seller provided such notice is given before Seller again makes delivery under this Agreement.

10. PRODUCT CHANGE AND DISCONTINUANCE.

Seller, with the consent of Buyer, which consent shall not be unreasonably withheld, shall have the right, at any time, to change the grade, specifications, characteristics, delivery package, brand or trade name or other distinctive designation of the Products covered by this Agreement, and any Product as so changed shall become and remain fully subject to this Agreement. In the event Seller does change the brand or trade name of the Products covered by this Agreement, it will provide Buyer, at no cost to Buyer, a sign or signs designating such replacement brand or trade name. Seller shall have the right, at any time, to discontinue the sale of any Product covered by this Agreement and be relieved of further obligations hereunder with respect to such discontinued Product; provided, however, that in the event Seller does discontinue the sale of any Product covered by this Agreement, Seller will provide Buyer with a substitute of any such Product reasonably satisfactory to Buyer. In the event that Seller is not able to provide Buyer with a

reasonably satisfactory substitute, Buyer shall be free to purchase any such discontinued Product on the open market or from any other source of its choosing.

11. SERVICE OF EQUIPMENT.

Seller shall, during the Contract Period, provide labor on occasion (as determined by Seller), for the maintenance and repair of Buyer's Exxon signs and gasoline dispensing equipments and shall invoice Buyer at Seller's costs. Buyer shall be solely responsible for payment of the costs of any required parts or other materials and shall reimburse Seller for same, or pay same directly at the direction of Seller.

12. RELATIONSHIP BETWEEN THE PARTIES.

The relationship between Seller and Buyer under this Agreement is intended to be that of Buyer and Seller. Buyer, and its agents and employees, shall, under no circumstances, be considered agents or representatives of the Seller and, except as Seller may specifically authorize or direct in writing signed by one of its authorized executives, Buyer shall have no right and shall not attempt to enter into contracts or commitments in the name of, or on behalf of, Seller or to bind Seller in any respect whatsoever. Furthermore, subject to the terms and conditions of this Agreement and any agreements and documents referred to herein, Buyer shall act on its own account as an independent contractor and shall sell Seller's Products in Buyer's own name.

13. TERMINATION.

If either party shall fail to perform any material part of this Agreement for any reason other than the unavailability of Products referred to in paragraph 7 or conditions of force majeure referred to in Paragraph 8, which unavailability or conditions are beyond the reasonable control of Seller, the other party may give the breaching party thirty (30) days written notice of its intention to terminate this Agreement. If the breaching party does not cure the breach within said thirty (30) day period, this Agreement shall terminate at the option of the non-breaching party upon the date provided in such notice, without prejudice to the collection of monies then due and owing to Seller. Seller shall also be entitled to terminate this Agreement at any time on ninety (90) days prior written notice to Buyer, subject to the obligations pursuant to paragraph 3 and 11 for which the Buyer will be responsible.

Upon the effective date of termination or expiration of this Agreement, Buyer shall continue to be obligated to pay all monies and perform all obligations due by it under this Agreement, including any obligations assumed by Buyer hereunder pursuant to Paragraph 3 under the Exxon or any other similar incentive agreement executed subsequently hereto by Seller or any of its affiliates.

14. INCENTIVE PROGRAM.

By execution below, Buyer and any guarantor(s), jointly and severally, expressly acknowledge and agree that each has received a copy of the Exxon Agreement and agree to be bound by all terms and conditions of the Exxon Agreement the same as if Buyer and guarantor(s), jointly and severally, had been an original party thereto with the same duties and obligations as Seller except to the extent a Termination results from any act or omission of Seller in breach of the terms of the Exxon Agreement or otherwise. Further, Buyer and guarantor(s) expressly agree that Seller shall be entitled to enforce the terms and conditions of the Incentive Program against Buyer or Guarantor, jointly or severally, as if Buyer and Guarantor had been original party(ies) thereto with the same duties and obligations as Seller.

15. ASSIGNABILITY.

This Agreement shall not be assigned by Buyer or have this agreement assigned by operation of law except with the prior written consent of the Seller. Each party will give notice to the other party in the event that control or ownership of said party changes. Subject to the foregoing limitation, the provisions of this Agreement will be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. This Agreement shall be in recordable form and run with the Premises and shall not be terminated upon transfer, assignment, lease, sale or conveyance by Buyer without the express prior written consent of Seller, which consent may be withheld for any reason whatsoever.

This Agreement shall be subordinate to the Mortgage and Security Agreement to CIT Small Business Lending Corporation executed simultaneously herewith (collectively referred to herein as the "CIT Mortgages") its successor(s) and/or assign(s) executed in connection with the CIT Mortgages.

16. DELIVERY, TITLE, AND RISK OF LOSS:

Seller, or its agents, shall deliver Products to Buyer at Buyer's designated delivery point(s) as agreed to by Seller in a separate notice furnished to Buyer. Seller may determine the method of transportation and the type of equipment in which such deliveries are made. For bulk Products, title and risk of loss shall pass to Buyer when the Products pass the fill tube connection into Buyer's equipment. For drummed and packaged Products, title and risk of loss shall pass to Buyer upon the unloading of such drummed or packaged Products from Seller's transportation equipment. Buyer shall bear the cost of transportation to Buyer's designated delivery points. The cost of transportation shall, at Seller's discretion, be included in the schedule price or be included as a separate item on the invoice.

Orders for Products must specify at least the minimum quantities required at Seller's shipping point for the applicable method of delivery unless otherwise agreed by Seller. Seller may make delivery in smaller quantities at Seller's discretion.

17. BREACH:

Notwithstanding other breaches of this Agreement which could occur, Buyer will commit a material breach of this Agreement if Buyer sells Product that has been commingled, mislabeled, misbranded, or contaminated. The occurrence of this event will be immediate grounds for termination by Seller, and Buyer agrees (1) that Seller can immediately enter Buyer's facility to remove Seller's identification, at Buyer's expense and (2) to pay all costs related to or associated

with the testing of Product.

18. LEGAL REQUIREMENTS:

Buyer shall comply fully and require its facility to comply fully with all applicable laws, regulations, judicial and administrative orders, and guidelines of any governmental authority regarding the receipt, handling, storage, dispensing, disposal, labeling, advertising, promotion, and sale of Exxon branded Products and other products and services sold by Buyer or the facility. Without limiting the foregoing, such compliance shall include all requirements of the Clean Air Act, 42, U.S.C. 7401 et seq. And all requirements of the Americans with Disabilities Act, 42, U.S.C. 12101 et seq.

19. ENVIRONMENTAL LAWS:

(A) Buyer and the Premises will remain in compliance with all applicable laws, ordinances, and regulations (including consent decrees and administrative orders) relating to public health and safety and protection of the environment, including those statutes, laws, regulations, and ordinances identified in subparagraph (G), all as amended and modified from time to time (collectively, "Environmental Law"). All governmental permits relating to the use or operation of the Premises required by applicable Environmental Laws are and will remain in effect, and Buyer will comply with them.

(B) Buyer will not permit to occur any release, generation, manufacture, storage (excluding gasoline property stored on the Premises in full compliance with all federal, state and local environmental and other laws), treatment, transportation, or disposal of "hazardous material," as that term is defined in subparagraph (G), on, in, under, or from the Premises. Buyer will promptly notify Seller, in writing, if Buyer has or acquires notice or knowledge that any hazardous material has been or is threatened to be released, discharged, disposed of, transported, or stored on, in, under, or from the Premises (excluding gasoline property stored on the Premises in full compliance with all federal, state and local environmental and other laws); and if any hazardous material is found on the Premises, Buyer, at its own cost and expense, will immediately take such action as is necessary to contain the spread of and remove the hazardous material to the complete satisfaction of Seller and the appropriate governmental authorities.

(C) Buyer will immediately notify Seller and provide copies upon receipt of all written complaints, claims, citations, demands, inquiries, reports, or notices relating to the condition of the Premises or compliance with Environmental Laws. Buyer will promptly cure and have dismissed with prejudice any of those actions and proceedings to the satisfaction of Seller. Buyer will keep the Premises free of any lien imposed pursuant to any Environmental Laws.

(D) Seller will have the right at all reasonable times and from time to time to conduct environmental audits of the Premises, and Buyer will cooperate in the conduct of those audits. The audits will be conducted by a consultant of Seller's choosing, and if any hazardous material is detected or if a violation of any of the warranties, representations, or covenants contained in this paragraph is discovered, the fees and expenses of such consultant will be borne by Buyer and will be paid by Buyer on demand by Seller.

(E) If Buyer fails to comply with any of the foregoing warranties, representations, and covenants, Seller may cause the removal (or other cleanup acceptable to

Seller) of any hazardous material from the Premises. The costs of hazardous material removal and any other cleanup (including transportation and storage costs) will be paid by Buyer on demand by Seller, whether or not a court or other authority has ordered the cleanup, and those costs will become due and payable by Buyer on demand by Seller. Buyer will give Seller, its agents and employees access to the Premises to remove or otherwise clean up any hazardous material. Seller, however, has no affirmative obligation to remove or otherwise clean up any hazardous material, and this Agreement will not be construed as creating any such obligation.

(F) Buyer agrees to indemnify, defend (with counsel reasonably acceptable to Seller and at Buyer's sole cost), and hold Seller and Seller's affiliates, shareholders, directors, officers, employees, and agents free and harmless from and against all losses, liabilities, obligations, penalties, claims, litigation, demands, defenses, costs, judgments, suits, proceedings, damages (including consequential damages), disbursements, or expenses of any kind (including attorneys' and experts' fees and expenses and fees and expenses incurred in investigating, defending or prosecuting any litigation, claim, or proceeding) that may at any time be imposed upon incurred by, or asserted or awarded against Seller or any of them in connection with or arising from or out of:

- (1) any hazardous material on, in, under, or affecting all or any portion of the Premises;
- (2) any misrepresentation, inaccuracy, or breach of any warranty, covenant, or agreement contained or referred to in this paragraph;
- (3) any violation or claim of violation by Buyer of any environmental law; or
- (4) the imposition of any lien for the recovery of any costs for environmental cleanup or other response costs relating to the release or threatened release of hazardous material.

This indemnification is the personal obligation of Buyer and will survive termination of this Agreement. Buyer, its successors, and assigns waive, release, and agree not to make any claim or bring any cost recovery action against Seller under CERCLA, as that term is defined in subparagraph (G), or any state equivalent or any similar law now existing or enacted after this date. To the extent that Seller is strictly liable under any such law, regulation, ordinance, or requirement, Buyer's obligation to Seller under this indemnity will also be without regard to fault on the part of Buyer with respect to the violation or condition that results in liability to Seller.

(G) For purposes of this Agreement, "hazardous material" means:

- (1) "hazardous substances" or "toxic substances" as those terms are defined by the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), 42 U.S.C. #9601, et seq., or the Hazardous Materials Transportation Act, 49 U.S.C. # 1802, both as amended to this date and as amended after this date;
- (2) "hazardous wastes," as that term is defined by the Resource Conservation and Recovery Act (RCRA), 42 U.S.C. # 6902 et seq., as amended to this date and as amended after this date;
- (3) any pollutant, contaminant, or hazardous, dangerous, or toxic chemical, material, or substance within the meaning of any other applicable federal, state, or local law, regulation,

- ordinance, or requirement (including consent decrees and administrative orders) relating to or imposing liability or standards of conduct concerning any hazardous, toxic, or dangerous waste substance or material, all as amended to this date or as amended after this date;
- (4) crude oil or any fraction of it that is liquid at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds per square inch absolute);
 - (5) any radioactive material, including any source, special nuclear, or by-product material as defined at 42 U.S.C. #2011, et seq., as amended to this date or as amended after this date;
 - (6) asbestos in any form or condition; and
 - (7) polychlorinated biphenyls (PCB's) or substances or compounds containing PCB's.

20. HANDLING, STORAGE AND SALE:

- (A) Buyer will allow Seller or licensor, their employees, agents or designees, to enter the Premises at any reasonable time to obtain any samples or conduct any tests or inspections as are necessary in order to determine if any unleaded motor fuels sold by Seller to Buyer comply with all applicable state and federal regulations relating to unleaded motor fuel.
- (B) Buyer will allow Seller or licensor, their employees, agents or designees, but Seller shall not be obligated to enter the Premises at any reasonable time, on a frequent and regular basis, to sample and test the lead content of Buyer's unleaded motor fuel storage facilities. If these tests indicate the presence of lead in any unleaded motor fuel storage facility which is in excess of amounts allowed by law, Seller or licensor shall so notify the Buyer, and Buyer shall immediately cease selling said motor fuel as unleaded. In the event of discovery of any such contamination, the Buyer will correct the deficiencies in its motor fuel storage and handling facilities. Seller is further authorized to suspend this Agreement until such time as all corrective action is completed.
- (C) Buyer shall not mix, commingle, adulterate or otherwise change the composition of any of the Products purchased from Seller hereunder and resold by Buyer under such names, marks, labels, insignia, symbols or imprints as referenced herein.

21. BUYER'S AGREEMENT TO INDEMNIFY AND HOLD HARMLESS:

TO THE MAXIMUM EXTENT PERMITTED BY LAW, BUYER, AND GUARANTOR(S), JOINTLY AND SEVERALLY, SHALL DEFEND, PROTECT, INDEMNIFY, AND HOLD HARMLESS SELLER, ITS SUCCESSOR(S) AND ASSIGNS AND SELLER'S SHAREHOLDERS, PARENT, AFFILIATE, AND SUBSIDIARY COMPANIES, AND THEIR RESPECTIVE OFFICERS, EMPLOYEES DIRECTORS, AND AGENTS ("INDEMNIFIED PARTIES"), AGAINST ALL CLAIMS, DEMANDS OR CAUSES OF ACTION, SUITS, DAMAGES, LIABILITIES, JUDGEMENTS, LOSSES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES AND COSTS OF LITIGATION, WHETHER INCURRED FOR AN INDEMNIFIED PARTY'S PRIMARY DEFENSE OR FOR ENFORCEMENT OF ITS INDEMNIFICATION RIGHTS) WHICH MAY BE

INCURRED BY AN INDEMNIFIED PARTY OR ASSERTED BY AN INDEMNIFIED PARTY (INCLUDING, WITHOUT LIMITATION, AN INDEMNIFIED PARTY'S EMPLOYEES, CONTRACTORS, CUSTOMERS AND AGENTS) OR BY ANY THIRD PARTY ON ACCOUNT OF ANY PERSONAL INJURY, DISEASE OR DEATH OF ANY PERSON(S), DAMAGE TO OR LOSS OF ANY PROPERTY OR MONEY DAMAGES OR SPECIFIC PERFORMANCE OWED TO ANY THIRD PARTY (BY CONTRACT OR OPERATION OF LAW), AND ANY FINES PENALTIES, ASSESSMENTS, ENVIRONMENTAL RESPONSE COSTS, OR INJUNCTIVE OBLIGATIONS CAUSED BY, ARISING OUT OF, OR IN ANY WAY INCIDENTAL TO OUR IN CONNECTION WITH, ACTIONS OR OMISSIONS OF BUYER OR ANY GUARANTOR (INCLUDING, WITHOUT LIMITATION, BUYER'S OR ANY GUARANTOR'S EMPLOYEES, CONTRACTORS, CUSTOMERS AND AGENTS) OR ANY THIRD PARTY INCLUDING, WITHOUT LIMITATION, (1) THE SOLE NEGLIGENCE, FAULT, OR STRICT LIABILITY OF BUYER OR ANY GUARANTOR AND (2) THE CONCURRENT NEGLIGENCE, FAULT, OR STRICT LIABILITY IN ANY COMBINATION OF THE INDEMNIFIED PARTIES AND/OR BUYER OR ANY GUARANTOR AND/OR ANY THIRD PARTY; AND ANY BREACH OF ANY REPRESENTATION, WARRANTY OR COVENANT OR AGREEMENT CONTAINED IN THIS AGREEMENT. IT IS THE INTENTION OF THE PARTIES THAT THE OBLIGATIONS OF BUYER AND GUARANTORS UNDER THIS PARAGRAPH ARE WITHOUT REGARD TO WHETHER THE NEGLIGENCE FAULT, OR STRICT LIABILITY OF AN INDEMNIFIED PARTY IS A CONTRIBUTORY FACTOR, AND SUCH OBLIGATIONS ARE INTENDED TO PROTECT THE INDEMNIFIED PARTIES AGAINST THE CONSEQUENCES OF THEIR OWN NEGLIGENCE, FAULT, OR STRICT LIABILITY. ONLY THOSE MATTERS WHICH ARE DETERMINED BY A FINAL NONAPPEALABLE JUDGEMENT TO BE A RESULT OF THE SOLE NEGLIGENCE, FAULT, OR STRICT LIABILITY OF AN INDEMNIFIED PARTY AND NOT CAUSED OR CONTRIBUTED TO THE NEGLIGENCE, FAULT OR STRICT LIABILITY OF BUYER OR ANY GUARANTOR OR ANY THIRD PARTY SHALL BE EXCLUDED FROM BUYER'S OR ANY GUARANTOR'S DUTY TO INDEMNIFY AND HOLD HARMLESS THE INDEMNIFIED PARTIES. IN SUCH CASES, BUYER AND GUARANTORS, JOINTLY AND SEVERALLY, AGREE TO REIMBURSE SELLER FOR SELLER'S REASONABLE ATTORNEYS' FEES, LITIGATION EXPENSES, AND COURT COSTS. THE INDEMNIFIED PARTIES EXPRESSLY RESERVE THE RIGHT TO PARTICIPATE IN THEIR DEFENSE WITH COUNSEL OF THEIR OWN CHOOSING. BUYER'S AND GUARANTORS' OBLIGATIONS UNDER THIS PARAGRAPH SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT FOR A PERIOD OF TWO (2) YEARS.

22. LIMITATION OF DAMAGES: Seller shall not be liable for any indirect, special, incidental, consequential, or punitive damages of Buyer whether under tort, contract, strict liability, statute or otherwise and no party shall accrue or inure to any rights and remedies as a third party beneficiary of the Buyer

23. NOTICES: Any notice or communication with respect to this Agreement shall be given in writing, sent by (i) personal delivery, (ii) expedited delivery service with proof of delivery, (iii) United States mail, postage prepaid, registered or certified mail, or (iv) prepaid telegram, telex or telecopy, addressed to each party hereto at its address set forth below its signature hereon or to such other address or to the attention of such other Person as hereafter shall be designated in writing by the applicable party sent in accordance herewith. Any such notice or communication shall be deemed to have been given either at the time of personal delivery or, in the case of delivery service or mail, as of the date of first attempted delivery at the address and in the manner provided herein, or in the case of telegram, telex or telecopy, upon receipt.

(a) To the Seller Higginbotham Oil Company, Inc
Post Office Box 1807,
Pelham, AL, 35124

Cc: Bruce L. Gordon, Esq.
Gordon & Associates L.L.C.
2450 SouthTrust Tower
Birmingham, Alabama. 35203

(b) To Purchaser: A.K.F., Inc.
1042 Highway 31 South
Saginaw, Alabama ~~35040~~ 35137



or at such other address as shall be furnished by either party to the other by notice in writing as herein provided.

24. **GOVERNING LAW:** This Agreement shall be interpreted, construed and governed according to the laws of the State of Alabama.

25. **PARAGRAPH HEADINGS:** The paragraph headings contained in this Agreement are for convenience only and shall in no manner be construed as part of this Agreement.

26. **MERGER PROVISION:** This agreement represents the final and entire agreement of the parties related to this subject matter and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties. No modification or amendment of or supplement to this agreement or to any such other written agreement shall be valid or effective unless the same is in writing and signed by the party against whom it is sought to be enforced.

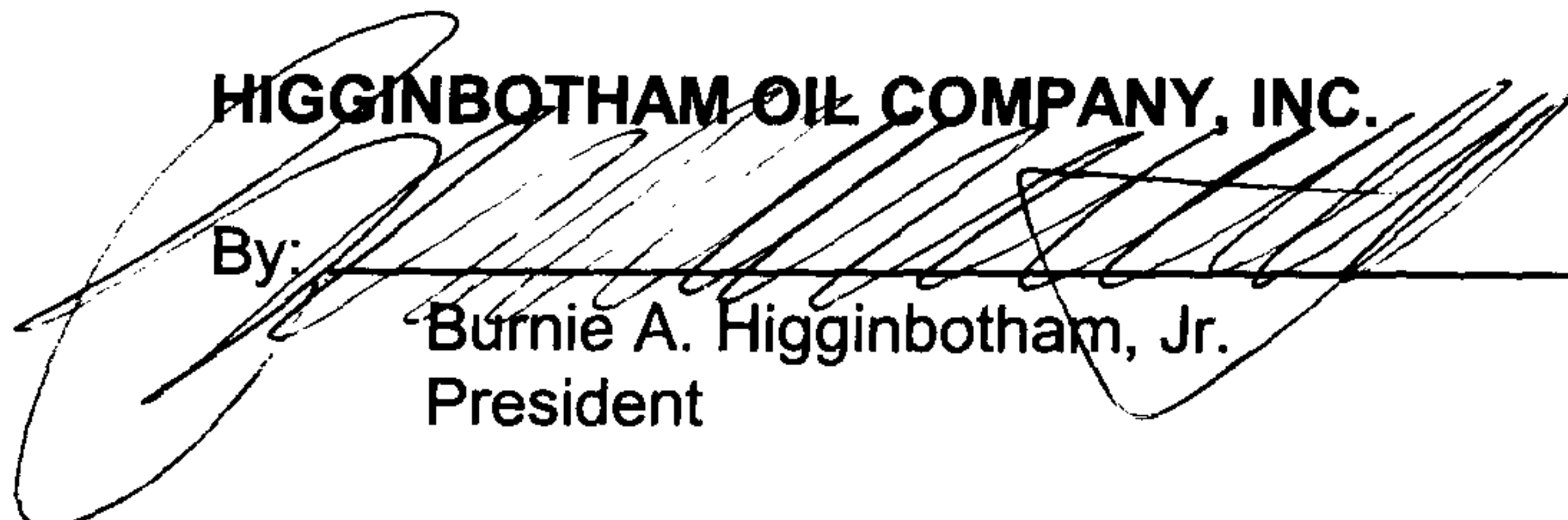
IN WITNESS WHEREOF, the parties hereto have executed this agreement effective as of the date first above written.

SELLER:

HIGGINBOTHAM OIL COMPANY, INC.

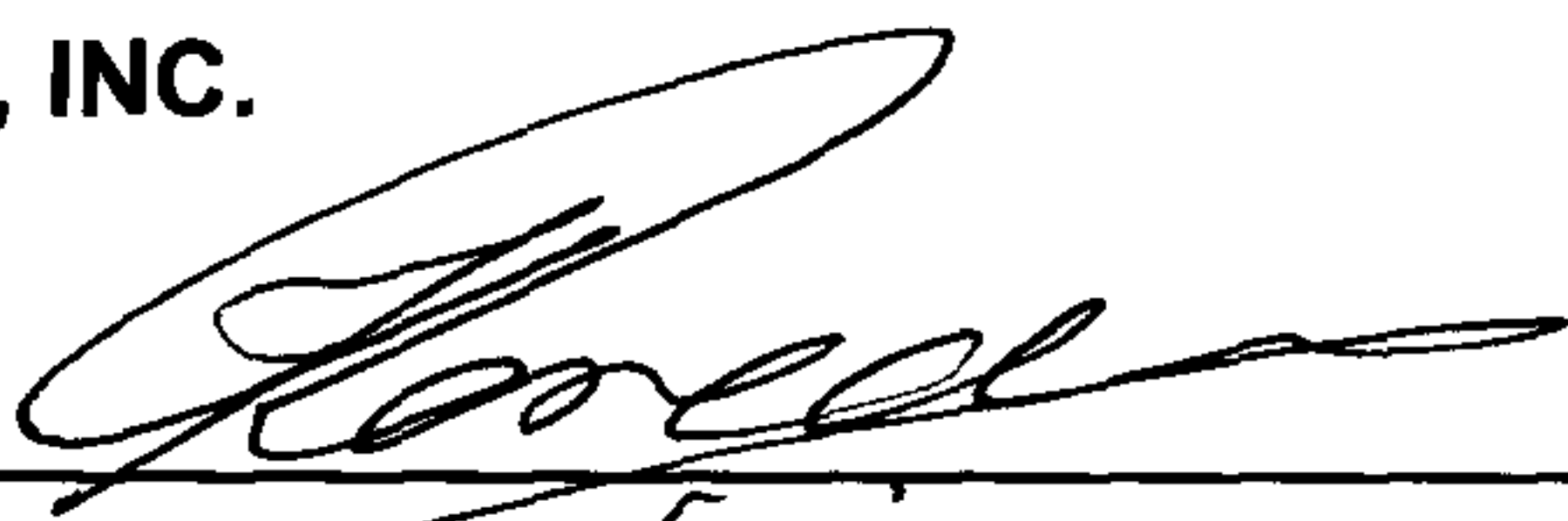
By: _____

Burnie A. Higginbotham, Jr.
President



BUYER:

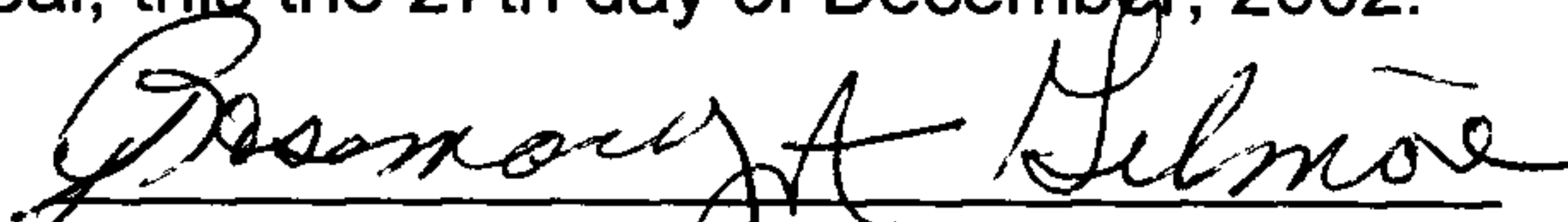
A.K.F., INC.

By: 
Faiaz R. Daredia
Its: President

STATE OF ALABAMA
COUNTY OF JEFFERSON

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Burnie A. Higginbotham, Jr., whose name as President of Higginbotham Enterprises Inc., an Alabama corporation, 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, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal, this the 27th day of December, 2002.

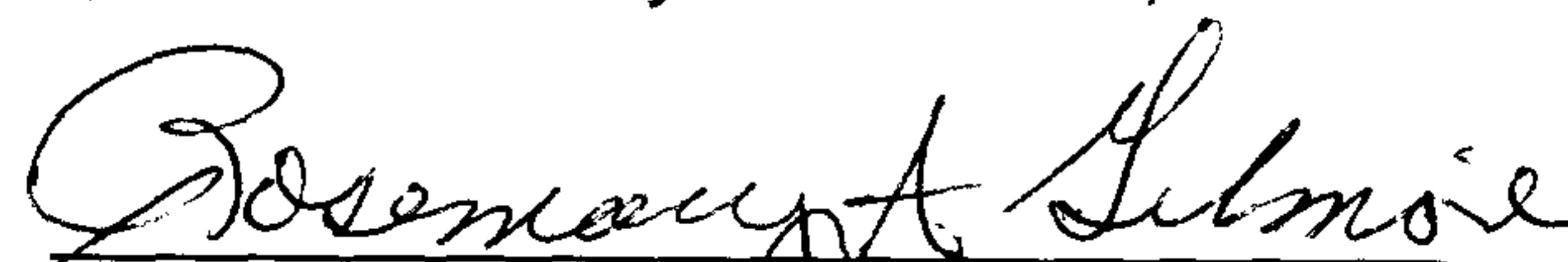

Notary Public

NOTARY PUBLIC STATE OF ALABAMA AT LARGE
MY COMMISSION EXPIRES: Oct 13, 2006
BONDED THRU NOTARY PUBLIC UNDERWRITERS

STATE OF ALABAMA
COUNTY OF JEFFERSON

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Faiaz R. Daredia, whose name as President of A.K.F., Inc., an Alabama corporation, is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal, this the 27th day of December, 2002.



Notary Public

NOTARY PUBLIC STATE OF ALABAMA AT LARGE
MY COMMISSION EXPIRES: Oct 13, 2006
BONDED THRU NOTARY PUBLIC UNDERWRITERS

GUARANTY

THE UNDERSIGNED (the "Guarantor"), in consideration of One and No/100 Dollars (\$1.00) and other good and valuable consideration, hereby guaranty to Seller, and Seller's heirs, legal representatives, successors and assignees, the prompt payment when due of all amounts due by Buyer under the Sales Agreement above, dated December 27, 2002, by and between Higginbotham Enterprises, Inc. and A.K.F., Inc., whether at maturity, by acceleration or otherwise, and the performance of each and every obligation of Buyer contained in said Sales Agreement. This is an absolute and unconditional guaranty and shall remain in full force and effect until and all sums of money due by Buyer under the Sales Agreement above are paid in full, and the Guarantor hereby waives any right to indemnification and subordination or other rights of reimbursement that the Guarantor may have against Seller. It is understood, that, upon default in any of the terms and conditions of the Sales Agreement above, Seller may proceed in the first instance against the Guarantor to collect any amounts due thereunder, without first proceeding against the Buyer as identified in the Sales Agreement.

IN WITNESS WHEREOF, the Guarantor has hereunto set his hand on this the 27th day of December, 2002.

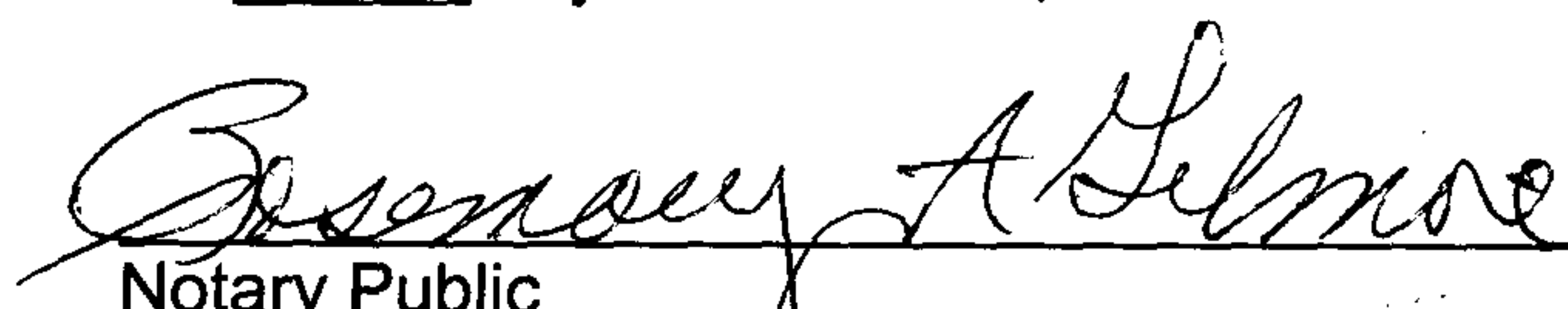


Faiaz R. Daredia

STATE OF ALABAMA
COUNTY OF JEFFERSON

I, the undersigned notary public in and for said state and county, hereby certify that Faiaz R. Daredia, whose name is signed to the foregoing document, and who is known to me, acknowledged that, being informed of the contents of said document, he executed the same voluntarily.

Sworn to and subscribed before me this 27th day of December, 2002.



Notary Public
NOTARY PUBLIC STATE OF ALABAMA
MY COMMISSION EXPIRES: Oct 10, 2006
BONDED THRU NOTARY PUBLIC UNDERWRITERS

EXHIBIT A

THE PURCHASE PRICE OF THE PRODUCTS SHALL BE, AT THE TIME OF DELIVERY, THE SUM OF THE FOLLOWING AMOUNTS:

1. POSTED "RACK PRICE" AT TERMINAL WHERE PRODUCE IS AVAILABLE TO HIGGINBOTHAM OIL CO., INC., OR THE "DOCUMENTED PRICE" OF PRODUCT FROM ANY OTHER SUPPLY SOURCE, PLUS, IN EITHER CASE, ONE AND ONE-HALF CENTS (1 1/2¢) PER GALLON; plus
2. TRANSPORTATION OR FREIGHT COST, FOB BIRMINGHAM, ALABAMA, CURRENTLY FOR GASOLINE .01502 AND FOR DIESEL .01725 POINTS; plus
3. FEDERAL, STATE AND LOCAL GASOLINE TAXES OR OTHER GOVERNMENTAL FEES OR INSPECTION FEES, REGARDLESS OF THE NAME OF SUCH "TAX" OR "FEE".

Higginbotham Oil Company, Inc.

BY


Burnie A. Higginbotham, Jr.
Its President

A.K.F., INC.

BY


Faiaz R. Daredia
Its President