

TITLE TO REAL ESTATE

OPTION TO PURCHASE

WHEREAS, in the course of business between the UNDERSIGNED and PURE OIL COMPANY OF THE CAROLINAS, INC., there exists certain contractual relationships, including a right and option held by said Company to purchase the properties and assets of the Undersigned: and

WHEREAS, THE PURE OIL COMPANY, an Ohio corporation, hereinafter called "PURE", has succeeded to all properties, rights and assets of said Company and contemporaneously herewith has entered into certain agreements and undertaken certain obligations relating to the continuation and improvement of the course of business heretofore existing between the Undersigned and said Company.

NOW, THEREFORE in consideration of the premises, as an inducement therefor and other good and valuable considerations, the receipt and sufficiency of which the Undersigned and Pure hereby confess and acknowledge, the Undersigned hereby grants unto Pure the right and option, exercisable at any time within a period of One (1) year from the date hereof, to purchase all of the assets, both real and personal, belonging to or which hereafter may be acquired by the Undersigned in the conduct of the petroleum business, including, but not by way of limitation, all service stations, pump and tank equipment, sales and supply contracts, leases and rolling equipment.

Upon the exercise of such option, Pure shall have the right to examine all assets, books and accounts of the Undersigned; and within a reasonable time after such examination shall have been completed Pure shall have the absolute right and election to exclude from the assets to be acquired by it any lease agreement which provides for rental payments considered exorbitant by Pure or which theretofore has not been expressly approved or authorized in writing by Pure or Pure Oil Company of the Carolinas, Inc., any physical property acquired by the Undersigned without the express written approval or authorization by Pure or Pure Oil Company of the Carolinas, Inc., and any sales agreement or supply contract which extends beyond a period of one year from the date of the exercise of such option by Pure.

In consideration for the assets to be so acquired by it and at the time of the conveyance thereof to Pure, Pure shall assume all obligations of the Undersigned under each of the leases, agreements and contracts to be conveyed to Pure and accruing subsequent to such conveyance and shall pay to Undersigned, for the assets acquired by Pure, an amount equal to value of the actual physical properties (exclusive of good will, leases, sales agreement and contracts) so conveyed to Pure reduced by the aggregate amount of accounts payable. The value of such actual physical properties shall be fixed and determined, at the sole election of Pure, by (a) the aggregate of the cost of each such actual physical property as shown by the books of the company depreciated at the applicable rate of depreciation as specified or provided in connection with the Federal Internal Revenue Code for the period during which such asset has been held by the Undersigned, or, (b) the aggregate of the fair market value of each such physical property (the price at which such property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell) as determined by a current appraisal. Pure, after its examination of the assets, books and accounts of Undersigned, shall make its election as to the manner of determining the consideration to be paid, and if Pure shall choose an appraisal, such appraisal shall be made in the following manner: Pure and the Undersigned, each, shall appoint an appraiser and the two appraisers so appointed shall appoint a third appraiser and these three appraisers, acting as a committee and under the control of a majority thereof, shall appraise the actual physical assets to be conveyed to Pure, without taking into consideration or placing any value upon good will, leases, sales agreements and other contracts, and the value of such assets so determined by appraisal shall be the price which Pure shall pay for all the assets to be conveyed to Pure.

Accounts receivable shall not be considered in determining the consideration to be

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