

4. To indemnify and save the LESSOR harmless from and against all liability, damages and judgments arising from injury to third persons or their property arising during the term of this Lease or any extension thereof and occasioned by the acts or omissions of the LESSEE, or arising from any matter resulting from LESSEE's occupancy hereunder except title matters covered by warranties herein.

5. LESSEE shall keep the sidewalks and driveways in front of and around said premises free from ice, snow, litter, dirt, debris and obstructions.

IV

It is understood and agreed by and between the parties hereto that the LESSEE shall have the right to assign this Lease or any part thereof or to sublet all or any part of the premises covered hereby without prior notice to, or consent of the LESSOR; provided, however, that the Tennessee Production Company shall guarantee the payment of the rent and the performance of the covenants and agreements as provided for in this Lease.

V

Any assignment for the benefit of the creditors or by Operation of Law shall not be effective to transfer any rights thereunder to the said assignee without the written consent of the LESSOR first having been obtained.

It is further agreed between the parties hereto that if LESSEE shall be declared insolvent or bankrupt; or if any assignment of LESSEE'S property shall be made for the benefit of creditors or otherwise, or if LESSEE'S leasehold interest herein shall be levied upon under execution, or seized by virtue of any writ of any Court of Law, or a Trustee in Bankruptcy or a Receiver be appointed for the property of LESSEE, whether under the operation of State or Federal Statutes, then and in any such case, LESSOR may, at its option, immediately with or without notice (notice being expressly waived) terminate this Lease and immediately retake possession of said premises, using such force as may be necessary, without being guilty of any manner of trespass or forcible entry or detainer.

VI

It is understood and agreed by and between the parties that, in case LESSOR, by reason of the failure of the LESSEE to perform any of the agreements or conditions herein contained, shall be compelled to pay, or shall pay, any sum of money, or shall be compelled to do any act which requires payment of money to preserve or protect LESSOR'S estate in said premises or property thereon, the sum so paid or required to be paid, together with all interest, cost and damages necessarily attributable thereto, shall be added to the installment of rent next becoming due, or to any subsequent installment of rent, and shall be collectible as additional rent in the same manner and with the same remedies as if it had been originally reserved.

VII

In the event LESSOR considers that LESSEE had failed to comply with any obligation hereunder, express or implied, LESSOR shall notify LESSEE in writing specifying in what respects LESSOR claims LESSEE has breached this Lease. The service of such notice and the lapse of thirty (30) days without LESSEE'S meeting or commencing to meet the alleged breaches shall be a condition precedent to institution of any action by LESSOR. If, within thirty (30) days after receipt of such notice, LESSEE shall meet or commence to meet the breaches alleged by LESSOR, LESSEE shall not be deemed in default hereunder.

VIII

Except as hereinafter provided, LESSEE or its successors and assigns, at its own and sole expense, may demolish, alter, remove, reconstruct, maintain and operate any existing structures or equipment in, under or upon the leased premises and LESSEE is expressly authorized to construct, rebuild or reconstruct at its own expense, upon the leased premises a service station building and any other necessary or useful structures thereon including concrete or asphalt driveways necessary and suitable for carrying on its service station business for the sale of oil, gasoline, kerosene, liquefiable hydrocarbons, and allied commodities.

IX

During the term hereof all renditions of the leased premises and improvements thereon for ad valorem tax purposes will be made by LESSEE and taxing authorities shall be promptly notified by LESSOR to deliver all notices regarding same to LESSEE. It is agreed that LESSEE will pay the ad valorem taxes assessed against said premises and improvements thereon which are due and payable during the term hereof. LESSEE shall have the right to appear before any taxing or assessing body and to protest their actions and to contest same in any manner.

It is agreed that if LESSEE fails initially to pay said ad valorem taxes as provided above and any penalties or interest are lawfully accrued thereon, that such penalties and interest will be borne by LESSEE and, after delinquency, LESSOR may pay and discharge such taxes and any such accrued interest or penalties thereon; and upon delivering to LESSEE a copy of such tax receipt pertaining thereto, LESSOR shall be entitled to receive with its next rental payment (not theretofore tendered) full reimbursement for all such taxes, applicable penalties, and interest thereon.

X

In the event the leased premises become untenable or the operation of the leased premises for the storage, display, and sale of petroleum products, automobile accessories, and allied products is seriously impaired due to fire or other casualty, then LESSEE shall have the option to do either one of the following:

1. Repair, rebuild, or replace any improvements on the leased premises which have been damaged or destroyed. Rental payments due hereunder shall be suspended during the time required to repair, rebuild, or replace such improvements; providing, however, that rental payments shall not be suspended for any one continuous period for over ninety (90) days; or

2. Deliver to LESSOR at or prior to termination of this Lease the amount of the replacement value of improvements destroyed, such value to be calculated effective as of the date of destruction, which such damaged or destroyed property would have had at the expiration of the Primary Term of this Lease as depreciated upon a twenty-five (25) year straight line depreciation basis but in no event an amount in excess of the net proceeds received by LESSEE in connection with such loss. LESSEE shall, upon exercising such option, be relieved of all obligations under Paragraph III(1) hereof. It is expressly understood that regardless of which option of this Paragraph X is chosen by LESSEE that its rights to utilize the premises shall, subject to the other provisions hereof, continue for the balance of the term of this Lease and its options to extend the term thereof shall not be cancelled or precluded thereby.

XI

Upon the termination of this Lease for any reason LESSEE shall have the right but not the obligation to remove any or all pumps, air compressors, outdoor lighting equipment, advertising signs, all personal property, and all other fixtures not including permanent fixtures and improvements which attach to and become a part of the realty, which have been placed upon the leased premises. All such materials are to be removed by LESSEE within a reasonable period of time after the expiration of this Lease or any renewal or extension thereof. Subject to LESSEE'S rights as aforesaid, all permanent structures and improvements which attach to and become a part of the realty will become the property of the LESSOR upon termination of this Lease.

XII

LESSEE agrees to assume the full responsibility of or connected with any demolition, construction, maintenance or operation of the leased premises and to maintain said premises in accordance with the laws of said state. LESSEE further agrees to pay all fees or penalties imposed by reason of any inspection of the leased premises or the equipment situated thereon and pay all charges accruing for gas, water, electricity and similar charges, and upon LESSEE'S failure to do so, to allow the LESSOR to pay such charges and add same to the rental payable hereunder by LESSEE.

XIII

LESSOR warrants that they (are) the Owner(s) of the full fee simple absolute title to the lands made subject to this Lease and that William H. Squires has full authority and power to lease same and agrees to hold LESSEE free and harmless from any loss or damages incurred by LESSEE should any loss of title be suffered by said LESSOR, their heirs, successors, or assigns with relation to any of the lands covered by this Lease.

XIV

All notices, demands, and payments provided for herein shall be made by mail addressed to the respective party at the following address:

(Continued on Next Page)