

OPTION TO PURCHASE.

AN AGREEMENT Made and entered into this 1st day of February, 1939, by and between Pure Oil Co. of the Carolinas, Inc., a North Carolina Corporation with its general offices in the City of Charlotte, hereinafter referred to as party of the first part, and L. L. Echols, operating as Echols Oil Company, Greenville, S. C., hereinafter referred to as party of the second part.

WITNESSETH:

FOR AND IN CONSIDERATION of the sum of Five Dollars (\$5.00) this day paid to the party of the second part by the party of the first part, receipt of which is hereby acknowledged, party of the second part hereby gives and grants, unto the party of the first part the right and option to purchase all of its corporate assets, both real and personal, at any time within One (1) year from Feb. 1, 1939, including all the corporate assets now owned or hereafter acquired by the party of the second part during the term of this option, upon one basis or the other hereinafter set out, and the party of the first part shall have the sole right and option to elect upon which basis it will purchase said corporate assets.

BASIS No. 1. Under Basis No. 1 the purchase price which the party of the first part shall pay for all the corporate assets of the party of the second part shall be the net book value of the actual physical assets of the party of the second part, as reflected by its books, exclusive of any value that might be placed on Good Will and the like.

BASIS No. 2. Under Basis No. 2 the purchase price which the party of the first part shall pay and which the party of the second part shall accept for all the corporate assets of the party of the second part shall be arrived at in the following way and manner; The party of the first part shall appoint an appraiser and the party of the second part shall appoint an appraiser and the two appraisers so appointed shall appoint a third appraiser and these three appraisers shall appraise the actual physical assets of the party of the second part, without taking into consideration or placing any value on Good Will, leases, sales agreements and other contracts belonging to or entered into by the party of the second part, and the value so placed on the assets, appraised, by a majority of the three parties making the appraisal, shall be the price which the party of the first part shall pay and which party of the second part shall accept for all the corporate assets belonging to the party of the second part.

IT IS FURTHER and definitely agreed between the parties that if the party of the first part elects to purchase the corporate assets of the party of the second part either under Basis No. 1 or Basis No. 2 that all leases, sales agreements and supply contracts entered into by the party of the second part shall be considered a part of the corporate assets of the party of the second part and shall be transferred along with the other corporate assets unto the party of the first part and the only consideration from the party of the first part to the party of the second part therefor shall be that the party of the first part shall be required to assume all the obligations of the party of the second part under each of said contracts, provided that in no event shall the party of the first part be required to assume any of the obligations of the party of the second part under any lease agreement where the rental is exorbitant in the sole judgment of the party of the first part; nor shall the party of the first part be required to assume any of the obligations of the party of the second part under any Sales Agreement or supply contract which was entered into by the party of the second part for a period longer than one year.

This Option to Purchase covers assets, both real and personal, belonging to the party of the second part and situated in the State of South Carolina and mainly in the county or counties of Greenville.

In Consideration of the premises and the further sum of One Dollar (\$1.00) this day paid to the party of the second part by the party of the first part, receipt of which is hereby acknowledged, it is agreed that this Option shall renew itself from year to year on the same terms and conditions, beginning with the expiration of the original term hereof, subject to the right of the party of the second part to prevent this Option from renewing itself for an additional year at the expiration of the original term hereof, or at the expiration of any yearly period thereafter, by giving unto party of the first part sixty (60) days' written notice, prior to the expiration of the period in effect.

IN THE EVENT the party of the second part is an individual and not a corporation, it is specifically agreed and understood between the parties hereto that this Option shall cover only the assets of the party of the second part used in the conduct of his petroleum business that is now owned or hereafter acquired during the term of this Option or any extension or renewal hereof, including, but not by way of limitation, service stations, pump and tank equipment, sales and supply contracts, leases and rolling equipment.

In witness whereof the parties hereto have duly executed this Agreement.

Witness: C. L. Lippard
Estelle Biles



PURE OIL CO. OF THE CAROLINAS, INC.

BY: W. L. MOORE

President.

Attest: J. C. Hogan,

Secretary & Treasurer.