

SUPPLY AGREEMENT

This Supply Agreement ("Agreement") is made between _____ ("Dealer") and Sandhu Petroleum, Inc., an Illinois corporation ("Supplier").

1. **PRODUCT, QUANTITY AND EXCLUSIVITY:** Supplier agrees to sell and deliver to Dealer such quantities of Supplier's gasoline, petroleum and petroleum products ("Gasoline") as Dealer may require for resale to the motoring public at Dealer's place of business, located at: _____ ("Station"), and, except as provided herein, Dealer agrees to buy only and exclusively from Supplier all Gasoline which Dealer requires in connection with the operation of the Station during the Term of this Agreement.

2. **SIGNS:** Supplier, at Supplier's expense, may, in Supplier's sole discretion, erect signs on the building at the Station, and a sign on the street side of the Station of normal and reasonable size, for the purpose of advertising the brand of gasoline being sold at the Station. Supplier shall, at Supplier's expense, change the signs if Supplier changes its source of Gasoline being sold by Dealer. The signs are and shall remain the property of Supplier. Dealer will be solely responsible for any and all fees imposed by any taxing body for the signs located at the Station.

3. **TERM:** This Agreement shall be for a term of ten (10) years commencing _____, 20__, and expiring on _____, 20__.

4. **GRADE:** The Gasoline provided by Supplier to Dealer shall be Supplier's regular commercial grades generally offered to Supplier's customers for similar use and sale from time to time and in the geographical region which encompasses the Station. Supplier has the right, in Supplier's sole discretion, to change or discontinue from time to time, any such brands or grades of Gasoline.

5. **DELIVERY:** Deliveries of the Gasoline shall be made by Supplier pursuant to orders placed by Dealer in single deliveries of not less than _____ gallons. Upon receipt of an order from Dealer, Supplier shall make deliveries within two (2) business days.

6. **PRICE:** Dealer shall pay to Supplier for each delivery of Gasoline hereunder, at Supplier's applicable purchase price in effect at the time of receipt of Dealer's order for the geographical region of delivery for the particular grade, quantity and type of delivery involved. The prices to be paid by Dealer to Supplier for Gasoline shall not exceed the prices (exclusive of delivery charges) charged by Supplier to other dealers in the geographical region of the Station doing business with Supplier.

7. PAYMENT: The purchase price of Gasoline delivered hereunder shall be paid in lawful money of the United States of America without discount at time of delivery or upon such other terms as Supplier may from time to time reasonably require. If Dealer shall fail to make any payment when due, Supplier may suspend deliveries hereunder until such payment is made. Nothing herein contained shall limit Supplier's remedies in the event of a breach of the Agreement by Dealer.

8. SECURITY DEPOSIT: Dealer has deposited with Supplier the sum of _____ and ___/100 Dollars (\$_____) (the "Deposit"). The Deposit shall be held by Supplier as security for the faithful performance by Dealer of all of the provisions of this Agreement to be performed or observed by Dealer. If Dealer fails to pay any amount due under this Agreement or other charges due hereunder, or otherwise defaults with respect to any provision of this Agreement, then, upon ten (10) days prior written notice to Dealer, Supplier may use, apply or retain all or any portion of the Deposit for the payment of any amounts due under this Agreement or other charge in default, or for the payment of any other sum to which Supplier may become obligated by reason of Dealer's default and/or in order to cure Dealer's default, including without limitation, attorneys' fees and costs, or to compensate Supplier for any loss or damage which Supplier may suffer thereby. If Supplier so uses or applies all or any portion of the Deposit, Dealer shall, within ten (10) days after written demand therefor by Supplier, deposit cash with Supplier in an amount sufficient to restore the Deposit to the full original amount thereof, and Dealer's failure to do so shall be a material breach of this Agreement. Supplier shall not be required to keep the Deposit separate from its general accounts. If Dealer performs all of Dealer's obligations hereunder, the Deposit, or so much thereof as has not theretofore been applied by Supplier, shall be returned, without payment of interest or other increment for its use, to Dealer within ten (10) days after the expiration or termination of this Agreement. No trust relationship is created herein between Supplier and Dealer with respect to the Deposit.

9. TAXES: The amount of any tax, excise or charge ("Taxes") now or hereafter imposed on Supplier by any governmental authority upon, incident to, or as a result of the manufacture, storage, withdrawal from storage, transportation, distribution, sale or handling of the gasoline delivered hereunder or measured by the proceeds of such distribution or sale shall be added to the purchase price and be paid upon demand by Dealer to Supplier.

10. RESALE PROVISIONS: Dealer agrees to resell all Gasoline hereunder provided only under Supplier's brands or Supplier authorized brands, trademarks and names on the pumps and other facilities through which said gasolines are dispensed at the Station. Such signs and pumps are governed by the provisions of Paragraph 2 of this Agreement. Dealer shall not mix, substitute or adulterate Gasoline provided by Supplier with any other gasoline or materials.

11. CREDIT CARDS: Dealer further agrees to comply with all credit card requirements of the major oil company whose brand is being advertised at the Station. All fees, discounts and/or charges, including charge-backs associated with the use of the credit cards, will be at the sole expense of the Dealer.

12. **SUSPENSION OF OBLIGATIONS:** The obligation of the parties hereto to deliver and receive Gasoline hereunder shall be suspended and excused: (a) if Supplier is prevented from or delayed in producing, manufacturing, transporting or delivering in its normal manner any Gasoline hereunder or the materials from which such Gasoline is manufactured because of acts of God, earthquake, fire, flood or the elements, malicious mischief, riots, strikes, lockouts, boycotts, picketing, labor disputes or disturbances or compliance with any directive, order or regulation of any governmental authority; or (b) if there is a loss or shortage of any Gasoline due to reasons beyond Supplier's reasonable control; or (c) if there is a loss, shortage or delay because of Supplier's own transportation or delivery; or (d) for any reason beyond Supplier's or Dealer's reasonable control. Whenever such causes in Supplier's judgment require restriction of deliveries, Supplier reserves the right in its discretion to restrict deliveries to Dealer. In the event that Supplier is prevented from or delayed in transporting and delivering Gasoline to Dealer, Dealer shall have the right to seek alternative sources of Gasoline until such time as Supplier is able to resume the required delivery of Gasoline, provided that Dealer first notifies Supplier in writing of the same and gives Supplier the right to cure the failure to make timely deliveries within two (2) business days of receipt of said written notice.

13. **NOTICE:** All notices and demands which may or are required to be given by either party to the other hereunder shall be in writing. All notices and demands by Supplier to Dealer shall be delivered personally or sent by United States certified mail, return receipt requested, postage prepaid, or by any reputable overnight or same-day courier, addressed to Dealer at the Station, or to such other place as Dealer may from time to time designate by notice to Supplier hereunder. All notices and demands by Dealer to Supplier shall be sent by United States certified mail, return receipt requested, postage prepaid, or by any reputable overnight or same-day courier, addressed to Supplier at 301 North Hough Street, Barrington, Illinois 60010 or to such other place as Supplier may from time to time designate by notice to Dealer hereunder. Notices delivered personally or sent same-day courier will be effective immediately upon delivery to the addressee at the designated address; notices sent by overnight courier will be effective one (1) business day after acceptance by the service for delivery; notices sent by United States mail will be effective four (4) business days after mailing.

14. **TIME; WAIVER; APPLICABLE LAW:** Time is of the essence of this Agreement. This Agreement shall be governed by and construed in accordance with the laws of the state of Illinois, and each party hereto consents to the jurisdiction and venue of the federal and state courts of the state of Illinois, county of Cook, with respect to any action arising out of or related to this Agreement. The waiver of any breach of this Agreement shall not be deemed to be a waiver of any other or subsequent breach of this Agreement.

15. **DAMAGE SUFFERED:** In the event of a breach of this Agreement by Dealer, Supplier may seek damages from Dealer for any and all amounts due hereunder, including without limitation, reimbursement for Supplier's reasonable attorneys' fees and costs. In the event of any action or proceeding brought by Supplier or Dealer against the other to enforce any provision of this Agreement, if the party bringing such an action or proceeding prevails, it shall be entitled to recover its reasonable attorneys' fees and costs; further, in the event of breach of this Agreement by Dealer, Supplier is entitled to recover as liquidated damages (and not as a penalty) a sum equal to its average monthly profit up until the time of said breach times the

number of months left in the current term of this Agreement, plus Twenty Thousand and 00/100 Dollars (\$20,000.00), not as a penalty, but in consideration of the branding of the Station. Either party after receiving notice in writing shall have ten (10) days to cure any breach of this Agreement alleged by either party.

16. ENTIRE AGREEMENT; BINDING EFFECT: This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter contained in this Agreement. This Agreement will inure to the benefit of and bind the respective successors and permitted assigns of the parties hereto.

17. MODIFICATION: This Agreement cannot be changed, waived, discharged or terminated except by a writing signed by parties hereto.

18. ASSIGNMENT: This Agreement shall not be assigned by Dealer or by operation of law without Supplier's prior written consent.

19. INSPECTION: Dealer agrees to allow a representative of the Supplier, at all reasonable times, on the Station for the purposes of permitting Supplier to read the pump meters.

20. LIEN: Dealer hereby grants, assigns and transfers to Supplier a security interest in and to all of Dealer's furniture, fixtures, equipment and personal property located at the Station and otherwise, as well as Dealer's general intangibles, inventory, deposit accounts, Dealer's monies, accounts receivable and any and all other property and interests in property of Dealer now or hereafter coming into the actual possession, custody or control of Dealer (collectively, the "Collateral"), and this Agreement shall constitute a security agreement pursuant to the Illinois Uniform Commercial Code with respect to the Collateral. Dealer as "debtor" does hereby authorize Supplier as "secured party" to file such financing statements or other instruments as Supplier shall deem advisable to further evidence and/or perfect such security interest. Dealer represents and warrants to Supplier that Dealer has not previously encumbered the Collateral, and that pursuant to the foregoing Supplier holds a first priority security interest in and to and lien upon the Collateral.

21. RIGHT OF FIRST REFUSAL: Supplier has the option to purchase the Station under the same terms and conditions as are contained in any bona-fide offer to purchase the Station or any other agreement whose purpose is to convey Dealer's fee interest in the Station to a third party ("Offer"). Dealer shall provide Supplier with an executed copy of the Offer within ten (10) business days of its receipt thereof. Supplier shall then have ten (10) business days from the receipt thereof to either accept or reject the Offer. If Supplier exercises its option to accept the Offer, then it shall give notice of such acceptance to Dealer, and the sale of the Station shall

proceed as provided in the Offer as if Supplier were the original purchaser under the Offer.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this _____
day of _____ 20__.

DEALER:

By: _____

Print Name: _____

Title: _____

SUPPLIER:

SANDHU PETROLEUM, INC., an
Illinois corporation

By: _____

Harjinder Singh, President

301 North Hough Street
Barrington, Illinois 60010