



TERMINAL GUARANTY AGREEMENT

THIS AGREEMENT entered into as of the _____ day of _____, 2004, by and between LION OIL COMPANY, EL DORADO, ARKANSAS, hereinafter referred to as "LION" and _____, hereinafter referred to as "CUSTOMER".

WHEREAS, LION conducts business at product terminals, hereinafter called "the terminal", from which it delivers products to customers, carriers, jobbers, distributors, and others; and

WHEREAS, CUSTOMER, among other activities, is engaged in transporting such products from the terminal for distribution and is desirous of having access to the terminal for the purpose of loading cargoes into transport trucks and driving such loaded trucks away from the terminal (hereinafter referred to as "terminalling privileges"); and

WHEREAS, LION is agreeable to granting such rights and privileges subject to the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth in this agreement to be faithfully kept and performed, and further, in consideration of the benefits and advantages flowing to LION and to CUSTOMER, the parties do agree as follows:

1. Until further notice, CUSTOMER and such carriers, jobbers, distributors and other customers as it may designate in writing have been granted, and hereby are granted, the right and privilege of access to the terminal whether it is attended or unattended by LION employees, for the sole purpose of loading cargoes authorized by LION, from time to time, into transport trucks and driving such loaded trucks away from the terminal. It is agreed and understood that each person designated by CUSTOMER to have the privilege of access to the Terminal shall be deemed for all purposes under this Agreement to be the Agent of the CUSTOMER. CUSTOMER shall be responsible for its Agents and their compliance with the terms and conditions of this Agreement. LION shall furnish CUSTOMER such keys or cards authorization as may be necessary to enable it to enter the terminal and load products. Such keys or cards shall not be duplicated by CUSTOMER without the written consent of LION and shall be returned to LION immediately upon termination of this agreement.
2. CUSTOMER has agreed, and does hereby agree, to abide by all rules and regulations promulgated by LION or the operator or the terminal with respect to use of the terminal as herein provided. It is understood and agreed that such rules and regulations may be changed, amended, or modified by LION or the operator of the terminal at any time and from time to time during the life of this agreement. CUSTOMER agrees that its employees and Agents shall be fully aware of and knowledgeable in respect to such rules and regulations and CUSTOMER further agrees to furnish cards to only those employees and Agents properly instructed in characteristics and safe handling methods associated with any refined petroleum products to be hauled. All such changes, amendments and modifications shall become binding upon CUSTOMER as soon as they are conspicuously posted at the terminal. Additionally, CUSTOMER shall be required to furnish transportation equipment and drivers that comply with all applicable U.S. Department of Transportation and Environmental Protection Agency regulations, requirements and standards as well as any other federal, state or local laws and regulations.
3. It is understood and agreed that the terminalling privileges herein granted are temporary in nature and may be revoked by LION, in its sole discretion, in whole or part, at any time by serving notice of termination upon CUSTOMER. Any such notice may be delivered by LION to any agent of CUSTOMER or may be served by registered or certified mail by sending a copy thereof to CUSTOMER at the address herein set forth for CUSTOMER.
4. CUSTOMER shall protect, defend, indemnify, and hold LION (including any company affiliated with LION in the ownership, leasing and/or operation of the Terminal) harmless of and from any and all claims, demands, actions, damages, causes of action, and expenses (including attorney's fees) for injury to or death of any persons, including employees of CUSTOMER or LION and from loss of or damage to any property, in any way occurring, incident to or arising out of CUSTOMER's presence or activities at the Terminal, except to the extent that such claim, expense, loss or damage is the result of sole negligence or willful misconduct of LION and is not contributed to by any act of, or by any omission to perform some duty imposed by law or contract on CUSTOMER.
5. CUSTOMER hereby agrees to be financially responsible for any products withdrawn from the terminal by use of any of the keys or cards delivered by LION to CUSTOMER or any person deemed agents of CUSTOMER, provided, however, that CUSTOMER shall not be financially responsible for any such product which is withdrawn after LION has received written notice from CUSTOMER of the loss or theft of any of said keys or cards. CUSTOMER shall reimburse LION for any and all costs reasonably incurred by LION to replace any of said keys or cards and to secure the terminal which may arise from or are caused by the loss or theft of any of said keys or cards.

6. CUSTOMER shall obtain and furnish to LION at its office in El Dorado, Arkansas, certificates reflecting that CUSTOMER have in force and effect the following insurance and reflecting that LION is indicated as an additional insured therein:
 - a. CUSTOMER's compliance with all applicable state and/or federal laws regarding workers' compensation insurance, employer's liability insurance and occupational disease insurance.
 - b. Comprehensive general public liability insurance with a combined single limit of not less than \$1,000,000.00 as to any one occurrence for bodily injury and property damage, said insurance to be endorsed to cover the contractual liability assumed by CUSTOMER in Articles 4 and 11 hereof;
 - c. Automotive public liability insurance covering each of CUSTOMER's vehicles with a combined single limit of not less than \$1,000,000.00 for bodily injury and property damage, including environmental restoration, as to any one accident;
 - d. Umbrella liability in excess of "a", "b", and "c" of \$1,000,000.00 (combined single limit). CUSTOMER or its agents further agrees to carry any such higher limits for "b" and "c" above and/or such other types of insurance that might be required by any federal, state or local law or regulation during the term of this Agreement. Further, such certificates evidencing the insurance required by this Article shall provide there shall be no material change in or cancellation of the policy or policies until LION shall have been given (30) days notice in writing by CUSTOMER's insurer(s) of the contemplated change or cancellation. Such policy shall be endorsed to name LION as an additional insured for "b" and "c" and to provide that each underwriter waive its right of subrogation against LION. CUSTOMER shall maintain the insurance coverage for which provision is made herein at their sole cost and expense at all times during the term of this Agreement.
 - e. In the event CUSTOMER is self-insured, LION at its option, may accept satisfactory evidence of CUSTOMER's financial responsibility in lieu of certificate(s) for which provision herein is made, or LION may accept evidence of financial responsibility from CUSTOMER's designated carrier.
7. This instrument contains the entire agreement between the parties with respect to CUSTOMER's terminalling privileges at the terminal and no other or prior agreement in respect thereof, written or verbal, shall be of any force or effect unless embodied herein.
8. The terms, provisions and conditions hereof shall extend to, be binding upon and inure to the benefit of the parties hereto, their successors and assigns; provided however, that CUSTOMER shall not assign any of its rights, privileges, duties or obligations hereunder without the prior written consent of LION.
9. Prior to transporting any refined petroleum product received hereunder, CUSTOMER's or its Agent's driver shall make the following certification on LION's bill of lading or meter ticket, as the case may be:

This is to certify that the above named materials are properly classified, described, packaged, marked and labeled, and are in proper condition for transportation, according to the applicable Department of Transportation regulations as well as any applicable state and local laws or regulations.
10. In the exercise of the privileges and rights herein granted, CUSTOMER and its Agents shall not in any event nor for any purpose whatsoever be deemed to be the agent, servant or employee of LION.
11. CUSTOMER recognizes that LION may be required to comply with governmental laws and regulations applicable to CUSTOMER's and its Agent's transport trucks and the loading of such transport trucks hereunder and agrees to hold LION harmless from and against all liability and expense of noncompliance of CUSTOMER or any Agent arising therefrom. Furthermore, CUSTOMER agrees to hold LION harmless from and against any and all claims, causes of action, damages, suits, cost, losses and expenses arising out of or resulting in whole or in part from the overloading by CUSTOMER, its employees and Agents of transport trucks as prescribed by any applicable governmental laws and regulations.
12.
 - a. CUSTOMER shall pay, or cause to be paid all taxes and charges ("Taxes) levied by any governmental authority on or in anyway applicable to the receipt, delivery, storage, or removal of refined petroleum products delivered into or from or otherwise contained in the Terminal. CUSTOMER agrees to report and pay such Taxes directly to the proper taxing authorities.
 - b. CUSTOMER agrees to indemnify and to hold LION harmless from any Taxes paid by LION that are applicable to refined petroleum products as described in paragraph 12(a) above.

IN WITNESS WHEREOF, this Agreement is executed in duplicate at EL DORADO, ARKANSAS, each copy for all purposes to be deemed as an original, as of the day and year first above written.

CUSTOMER

LION OIL COMPANY

By _____

By Tommie J. Crossland

Title _____

Title Manager, Product Supply & Distribution