FRANCHISE DISCLOSURE DOCUMENT

SUNOCO RETAIL LLC
a Pennsylvania Limited Liability Company
8111 Westchester Drive, Suite 600, Dallas, Texas 75225
215.977.3000
www.sunocolp.com
www.sunoco.com

You will operate a franchised business as a part of the APLUS franchise system which consists of full-line retail grocery convenience stores, with or without a gasoline fueling station, that offer fast foods, prepackaged foods, beverages, sundries, and other convenience store goods, identified principally by the service mark and service name "APLUS."

This franchise disclosure document offers three types of APLUS franchise options. A leased premises option, which is an APLUS Store leased from the Franchisor, a non-leased option, which is an APLUS Store that you either own or you lease from a third party, and a captive market option, which is an APLUS Store located in a specific venue such as a turnpike, thruway, or toll road. At your option, you may choose to operate a gasoline fueling station that dispenses Sunoco or other branded gasoline at your APLUS Store, but you are not required to do so.

Information about our area representative franchise program is contained in a separate disclosure document. If you seek an area representative franchise, you must receive a copy of our area representative franchise disclosure for the purpose of enabling you to evaluate that franchise opportunity.

The total investment necessary to begin operation of a leased APLUS Store is $239,850 to $726,700. This includes $25,000 to $36,000 that must be paid to the franchisor or affiliate. The total investment necessary to begin operation of a non-leased APLUS Store is $513,350 to $1,973,600. This includes $25,000 to $36,000 that must be paid to the franchisor or affiliate. The total investment necessary to begin operation of a captive market leased APLUS Store is $241,140 to $1,129,400. This includes $25,000 to $51,000 that must be paid to the franchisor or affiliate The total investment necessary to begin operation of a captive market non-leased APLUS Store is $810,640 to $2,270,400. This includes $25,000 to $36,000 that must be paid to the franchisor or affiliate.

The total investment necessary to begin operation of four leased APLUS Store franchises is $262,350 to $749,200. This includes $37,500 that must be paid to the franchisor or affiliate. The total investment necessary to begin operation of four non-leased APLUS Store franchises is $535,850 to $1,996,100. This includes $37,500 that must be paid to the franchisor or affiliate. The minimum number of units to be developed under the multi-unit development agreement is four.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Mallory Raleigh, 8111 Westchester Drive, Suite 600, Dallas, Texas 75225, (214) 840-5270, mallory.raleigh@sunoco.com.

The terms of your contract will govern your franchise relationship. Do not rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your

mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising. There may also be laws on franchising in your state. Ask your state agencies about them.

Issuance date: April ~~24, 2025~~28, 2026

How To Use This Franchise Disclosure Document

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits, or losses. You should **also** try to obtain this information form others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit C.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit H includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only APLUS business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be an APLUS franchisee?	Item 20 or Exhibit C lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What you Need To Know About Franchising *Generally*

Continuing responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Suppler restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit D.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About *This* Franchise

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution**. The franchise agreement and development agreement require you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Texas. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Texas than in your own state.

2. The franchise agreement and development agreement state that Texas law governs the agreement, and this law may not provide the same protections and benefits as local law. You may want to compare these laws.

3. **Mandatory Minimum Payments**. You must make minimum royalty or advertising payments regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

MICHIGAN NOTICE

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU:

a. ~~(a)~~ A prohibition on the right of a franchisee to join an association of franchisees.

b. ~~(b)~~ A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel that deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

c. ~~(c)~~ A provision that permits a franchisor to terminate a franchise before the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity that in no event need be more than 30 days, to cure such failure.

d. ~~(d)~~ A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials that have no value to the franchisor and inventory, supplies equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area after to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

e. ~~(e)~~ A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

f. ~~(f)~~ A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

g. ~~(g)~~ A provision that permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

   (i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

   (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

   (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

   (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

h. ~~(h)~~ A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

i. ~~(i)~~ A provision that permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the Franchisee unless provision has been made for providing the required contractual services.

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.

Any questions regarding this notice should be directed to: Michigan Department of Attorney General, Consumer Protection Division, Franchise Section, 525 W. Ottawa Street, G. Mennen Williams Building, ~~1st~~5th Floor, Lansing, Michigan 48913 (517) 373-7117.

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EXHIBITS

A. APLUS Franchise Agreement
1. Key Terms:
a. ~~A.~~ Leased APLUS Store
b. ~~B.~~ Non-Leased APLUS Store
c. ~~C.~~ Captive Market APLUS Store
2. ~~2.~~Non-Disclosure Agreement
3. ~~3.~~Unlimited Guaranty and Assumption of Obligations
4. ~~4.~~Holders of Legal or Beneficial Interest in Franchisee; Governing Persons
5. ~~5.~~Electronic Funds ~~Transfer~~ Authorization
6. ~~6.~~Premises Lease (if applicable)
7. ~~7.~~Equipment and Construction Funding Agreement (if applicable)
8. ~~8.~~State Specific Amendment to Franchise Agreement (if applicable)
B. Development Agreement
C. List of Current and Former Franchisees
D. List of State Administrators
E. List of Agents for Service of Process
F. Franchise Disclosure Questionnaire
~~G. Manual Table of Contents~~
G. Reserved
H. Financial Statements
I. State Specific Addenda
J. State Effective Dates
K. Receipt

ITEM 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this disclosure document, the words "we," "our," and/or "us" refer to Sunoco Retail LLC, a Pennsylvania limited liability company, the franchisor of this business. "You" and "your" refer to the person who buys the franchise, the franchisee, whether you are a corporation, limited liability company, or other business entity. If you are a corporation, limited liability company or other business entity, certain provisions of this disclosure document also apply to your owners where noted.

The Franchisor

We were formed on December 18, 2015. Our principal business address is 8111 Westchester Drive, Suite 600, Dallas, Texas 75225. We do business under our corporate name. Our agents for service of process are listed in Exhibit E to this disclosure document.

We have been offering APLUS franchises since May 1993. We or our affiliates have operated a similar business as the one being offered to you in this disclosure document for over 30 years.

We engage in two lines of APLUS convenient store business: (1) we franchise the right to operate a business as a part of the APLUS franchise system which consists of full-line retail grocery convenience stores, with or without gasoline facilities, that offer fast foods, prepackaged foods, beverages, sundries, and other convenience store goods, and (2) the offering of an area representative franchise through which the area representative is authorized to solicit, screen, and evaluate prospective APLUS franchisees, and provide support and other services to specific APLUS stores located in the area representative's territory ("Area Representative Program"). The Area Representative Program is offered under a separate disclosure document. If you choose to be an area representative, and if you meet our criteria of an area representative, you will receive a separate franchise disclosure document and sign a separate area representative agreement. This disclosure document contains information for your operation of APLUS convenience store only.

We have been offering Area Representative Program franchises since April 2023.

You may purchase an APLUS convenience store franchise with or without a fueling station. You are not restricted from converting a fueling station to a SUNOCO fueling station after purchase of an APLUS convenience store franchise or purchasing the rights to an APLUS franchise after initially only purchasing a SUNOCO fueling station franchise. If you choose to operate a SUNOCO fueling station, you will receive a separate SUNOCO fueling station agreement. You must independently qualify to operate each brand, and we reserve the right to deny your application to purchase the remaining brand even if you qualify to franchise the other brand.

Our franchisees conduct business primarily under the trade name "APLUS" and may acquire the right to use the trade name "SUNOCO", and use other related service marks, trademarks, and logos (collectively, our "Marks") and our standards, methods, procedures, and specifications as related to each franchise system (our "System").

We do not engage in any other business activities or offer franchises in any other lines of business. Our affiliates sell gasoline, diesel fuel and motor oils to certain franchisees who have gasoline facilities, distributors, independent business people who operate service stations leased from us, or one our affiliates or subsidiaries, or service stations owned or leased by them from a third party. We or one of our affiliates or subsidiaries also sells products directly to consumers through various company operated service stations.

Our Parent, Predecessors and Affiliates

Our parent is Sunoco LP, a Delaware limited partnership ("Sunoco"), which was formed on June 11,

2012. Sunoco shares our principal business address. Sunoco has never offered franchises in any line of business. As noted in Item 21, Sunoco is our guarantor. As of the date of this disclosure document Sunoco Retail LLC has operated 19 Sunoco APLUS convenience stores as company units. These company-operated units are frequently referred to as "Co-Op" units.

Our affiliate, Sunmarks, LLC, a Delaware limited liability company ("Sunmarks"), was formed on May 23, 1990, and owns certain Marks and licenses us the right to use them and to sub-license their use to franchisees. Sunmarks shares our principal business address. Sunmarks has never offered franchises in any line of business.

Our affiliate, Sunoco, LLC, a Delaware limited liability company, was formed on November 19, 2013 and provides certain petroleum products and services to our franchisees and its dealers and distributors. Sunoco, LLC shares our principal business address, and has never offered franchises in any line of business.

Our affiliate, Sunoco GP, LLC a Delaware limited liability company ("Sunoco GP"), was formed on June 11, 2012 and provides certain other APLUS services to our franchisees. Sunoco GP shares our principal business address. Sunoco GP has never offered franchises in any line of business.

The APLUS Franchise Program

All APLUS franchises utilize the "APLUS Program" or the "APLUS System." As of the date of this disclosure document, there were ~~6,125~~6095 Sunoco branded fueling sites. However, for purposes of this disclosure document, these outlets are not considered for reporting under Item 20, which is strictly provided for reporting APLUS branded outlets, whether company-owned or franchised.

APLUS Program Options

The term "APLUS Store" is used to describe an APLUS franchised location. The size of an APLUS Store ranges from less than 1,000 square feet to 4,200 ~~Cosquare~~square feet, and supports the APLUS full line convenience store design, plan, and program.

If you lease the premises from us (a "Leased APLUS Store"), we pay the costs of, and oversee the conversion or construction of the APLUS Store. If you do not lease the premises from us (a "Non-Leased APLUS Store"), you may, if you choose, participate in our Equipment/Construction Funding Program described in this disclosure document. Further, you may choose to operate either a Leased APLUS Store or Non-Leased APLUS Store in a Captive Market. "Captive Market" means venues that service a captive market, including, but not limited to, turnpikes, thruways, toll roads, airports, travel plazas, arenas, convention centers, military bases, or venues at which food and/or beverage service rights are contracted to a third party.

You are not required to operate your APLUS franchise along with a gasoline fueling station. If you choose to pair with a fueling station, you may convert it to dispense Sunoco fuel, but it is not a requirement. Qualified operators who sell motor fuels brands other than Sunoco are eligible to operate an APLUS Store.

We may choose to approve you to offer certain proprietary APLUS or SUNOCO food service business(es) and convenience store product offerings at your APLUS Store which are not offered at other APLUS Stores. Additionally, we may, at our discretion, approve the operation of other optional branded or proprietary food service offerings, certain other third-party franchises, or Sunoco approved marketing concepts, such as a car wash facility or Ultra Service Center (collectively, "Concurrent Operations") and are to be operated at the same premises as a franchised APLUS Store. Any such Concurrent Operations shall be conducted only with our prior written approval. You may incur additional royalty and other fees or charges imposed by other franchisors and/or by us for such Concurrent Operations.

Development Agreement

If we approve your application to develop multiple APLUS Stores, you will sign our standard development agreement ("Development Agreement," see Exhibit B). The Development Agreement will state the number of APLUS Stores to be developed and will establish a development timetable. You will sign a separate franchise agreement for each APLUS Store that you develop. You will receive a separate agreement if you choose to develop a SUNOCO fueling station. The franchise agreement for your first APLUS Store will be our current form of franchise agreement (see Exhibit A). The franchise agreement for your second and each additional APLUS Store will be the form then being offered to new franchisees, which may be materially different than our current franchise agreement.

Equipment and Construction Funding

We offer an equipment and construction funding ("Equipment and Construction Funding") program for Non-Leased APLUS Stores. If you accept funding for your store from us ("Funded Amount"), we agree to use the Funded Amount to offset the cost of equipment and construction at the site and to pay invoices on your behalf to third parties. If any portion of the Funded Amount remains after payment of the subject construction and equipment is made, we will convert the remaining funds to a credit to your account with us. You may use this credit for amounts you owe to us, such as royalties and other fees. The amount of funding offered to you will depend on your APLUS Store's projected monthly merchandise sales.

If you choose to accept the Funded Amount, you will be required to execute the Equipment and Construction Funding agreement attached as Attachment 7 to the Franchise Agreement. The funded amount will be amortized monthly in equal installments during the term of the franchise agreement.

For a converted APLUS Store, the Funded Amount is generally 8.33% of the gross sales of the previous 12-month period. For example, $1,200,000 in gross sales of the previous 12-month period would qualify you for a maximum of $100,000. For a newly constructed APLUS Store, the Funded Amount is determined by a net present value and internal rate of return calculation based on the monthly sales volume projection provided by an independent market analysis company.

General Description of the Market and Competition

The convenience store business is very competitive. You will be competing with a variety of well-established, strong national chains, independent outlets, grocery stores, and other petroleum companies with convenience stores at their service stations. You will also be competing with us, our affiliates, and other franchisees, as well as independently owned and other franchised convenience stores. While this is not a seasonal business, you may experience peak months due to increased travel and certain weather conditions.

Industry-Specific Laws & Regulations

In addition to laws and regulations that apply to businesses generally, your APLUS Store is subject to federal, state, and local regulations and guidelines governing the convenience store and retail gasoline industries. You are required to be knowledgeable of, and comply with, all federal, state, and local environmental laws and safety regulations requiring certain safety and security procedures and equipment, including laws applicable to the storage, handling and dispensing of gasoline, if applicable, and those specifying a certain number of employees to be present during business hours for safety reasons. We also require you to be knowledgeable of and comply with federal, state, county, and local laws with respect to the sale of restricted products such as tobacco, alcohol, and certain over-the-counter drugs or similar substances including, but not limited to, minimum age restrictions for purchasers, qualifications of your employees to sell these items (i.e., minimum age, training and licensing requirements), and any other requirements for sale as mandated by law. You should also be aware of federal, state, and local labor regulations, including, but not limited to, minimum age and minimum wage laws. You alone are responsible for complying with all applicable laws and regulations for the operation of your franchise.

ITEM 2
BUSINESS EXPERIENCE

Joseph Kim

Chief Executive Officer and President

Mr. Kim has served as Chief Executive Officer and President for us and Sunoco GP in Dallas, Texas since January 2018.

Karl Fails

Chief Operations Officer

Mr. Fails has served as Chief Operations Officer for us and Sunoco GP in Dallas, Texas since February 2019.

Dylan Bramhall

Chief Financial Officer

Mr. Bramhall has served as Chief Financial Officer for us and Sunoco GP in Dallas, Texas since October 2020. He has also served as Group CFO for Energy Transfer Partners, LLC in Dallas, Texas since November 2022. He served as EVP Finance & Group Treasurer for Energy Transfer Partners, LLC in Dallas, Texas from January 2021 to November 2022. He served as SVP Finance & Treasurer for Energy Transfer Partners, LLC in Dallas, Texas from July 2016 to January 2021.

Scott Grischow

Senior Vice President Finance and Treasury

Mr. Grischow has served as Senior Vice President Finance and Treasury for us and Sunoco GP in Dallas, Texas since December 2022. He served as Vice President of Treasury and Investor Relations for us and Sunoco GP in Dallas, Texas from January 2019 to December 2022.

Edward Pak

Assistant General Counsel

Mr. Pak has served as Assistant General Counsel for us and Sunoco GP in Dallas, Texas since June 2023. Prior to that Mr. Pak served as Chief Counsel for us and Sunoco GP in Dallas, Texas from November 2021 through May 2023. Mr. Pak served as Senior Counsel for us and Sunoco GP in Dallas, Texas from April 2016 through October 2021.

Brian A. Hand

Senior Vice President Chief Sales Officer

Mr. Hand has served as Senior Vice President Chief Sales Officer for us and Sunoco GP in Dallas, Texas since March 2019.

~~**Sandra Deiters**~~

~~Vice President Business Development and Race Fuels~~

~~Ms. Deiters has served as Vice President Business Development and Race Fuels for us and Sunoco GP in Dallas, Texas since June 2022. She served as Senior Director, Product Marketing & Customer Marketing for us and Sunoco GP in Dallas, Texas from January 2022 to June 2022. She served as Senior Director, Marketing & Customer Support for us and Sunoco GP in Dallas, Texas from January 2018 to December 2021.~~

Mark Burford

Vice President of Account Management

Mr. Burford has served as Vice President of Account Management for us and Sunoco GP in Newtown Square, Pennsylvania since August 2023. He served as Senior Director, Account Management for us and Sunoco GP in Newtown Square, Pennsylvania from November 2019 to August 2023. He served as Senior Director, Marketing for us and Sunoco GP in Newtown Square, Pennsylvania and in Dallas, Texas from November 2016 to November 2019.

Mallory Raleigh

Senior Director Sales Support

Ms. Raleigh has served as Senior Director Sales Support for us and Sunoco GP in Dallas, Texas since November 2023. She served as Senior Manager - Customer Accounts for us and Sunoco GP in Dallas, Texas from October 2021 to November 2023. She served as Manager- Customer Accounts for us and Sunoco GP in Dallas, Texas from August 2018 to November 2021.

Duane Tabor

Senior Manager, Division Sales Ops

Mr. Tabor has served as Senior Manager, Division Sales Ops for us and Sunoco GP since April 2020 in Dallas, Texas. He served as Operations Manager for Alimentation Couche Tard in ~~Columbus, Indiana~~Dallas, Texas and San Antonio, Texas from July 1987 to April 2020.

Patrick White

Senior Manager, Franchise Onboard

Mr. White has served as Senior Manager, Franchise Onboard for us and Sunoco GP since 2024 in Dallas, Texas. He served as an APlus Area Manager from August 1996 to October 1999 in Buffalo, NY and an APlus Division Manager from May 2002 to March 2007 in New York City. He also served as Franchise Manager from March 2007 to June 2016.

Area Representatives

None

ITEM 3
LITIGATION

Pending Litigation

Sunoco (R&M), LLC and Sunoco, LLC vs. Pennsylvania National Mutual Casualty Insurance Company, Greyhound Aramingo Petroleum Co., Inc., and Sergey Gorlov

Originally filed in Court of Common Pleas of Philadelphia County, First Judicial District of

Pennsylvania, Civil Trial Division, Commerce Program, No. 00271; now at the Superior Court of Pennsylvania, No. 1532 EDA 2023, No. 1404 EDA 2023, and No. 1403 EDA 2023

In June of 2020, Plaintiffs Sunoco (R&M), LLC and Sunoco, LLC (collectively "Sunoco") filed an action for breach of contract and indemnification against Pennsylvania National Mutual Casualty Insurance Company ("Penn National"), franchisee Greyhound Aramingo Petroleum Co., Inc. ("Greyhound") and Sergey Gorlov arising out of defendants' failure to perform their respective contractual duties to Sunoco with respect to litigation arising out of an accident occurring on September 25, 2014, at a Sunoco-branded gas station located at 2750 Aramingo Avenue in the City of Philadelphia. In its complaint, Sunoco alleges that Defendant Greyhound and non-party SG II, LLC (both of which are owned or controlled by Defendant Gorlov) entered into a dealer franchise agreement with Sunoco and undertook indemnity and insurance obligations as it pertains to the above-referenced accident. For the Greyhound agreement, Defendant Gorlov also executed a personal guaranty that he too would be personally responsible for any monetary liabilities or obligations that Defendant Greyhound owed Sunoco. In accordance with their obligations under the dealer franchise agreements, both SGII and Defendant Greyhound purchased insurance policies that named Sunoco as an additional insured; SG II purchased its policy through Defendant Penn National. Sunoco alleges that Penn National, Greyhound, and Mr. Gorlov have all breached their contractual obligations to Sunoco with respect to a settlement of the personal injury litigation surrounding the above-referenced accident. Sunoco further brought a claim against Defendant Penn National for bad faith in unreasonably refusing to pay for Sunoco's loss incurred as a result of the personal injury litigation and settlement. Sunoco brought this suit to recover actual damages sustained, plus consequential damages, attorneys' fees, and pre and post-judgment interest to the extent permitted by law. After discovery and motion practice at the trial court level, the judge granted Sunoco's motion for summary judgment for breach of contract against Greyhound. At the same time, the judge granted Penn National and Sergey Gorlov's motions for summary judgment against Sunoco, which negated Sunoco's claims against Penn National and Gorlov as a matter of law. A damages trial was set on Sunoco's damages as a result of Greyhound's breach of contract. At the trial, the judge awarded Sunoco all of the damages it sought in its breach of contract case against Greyhound for failure to defend/indemnify Sunoco in the underlying personal injury case. Specifically, the judge awarded $1.5MM for the underlying settlement amount that Sunoco had to pay, $409,344.07 for unreimbursed defense costs for the underlying litigation, and $379,458.69 for attorney's fees to prosecute this breach of contract claim. The total verdict was $2,288,802.76. Greyhound appealed the verdict to the Superior Court of Pennsylvania. Sunoco also appealed the order granting Penn National's and Gorlov's motions for summary judgment to the same court. ~~The appeals are all still pending~~On February 7, 2025, the Supreme Court of Pennsylvania denied Sunoco's petitions for review, which exhausts Sunoco's appeals. However, the verdict against Greyhound has been affirmed, and enforcement efforts to try to collect the unpaid judgment are currently ongoing.

Completed Actions

Kiran Park Newsstand Inc. v. Sunoco, Inc.

United States District Court, Eastern District of New York, No. 1:17-cv-03817(AMD)(VMS)

Plaintiff Kiran Park Newsstand Inc. brought an action against Sunoco, Inc. alleging that Sunoco owed Kiran Park $79,218.01 (representing funds for the return of a collateral security deposit) after the termination of Kiran Park's franchise with Sunoco. After removing the action to federal court, Sunoco was contacted by counsel for station manager Azhar Saeed who claimed that Saeed was also entitled to some or all of the funds sought by former franchisee Kiran Park in the lawsuit. Sunoco filed an answer, counterclaim, and third-party complaint in interpleader asserting that it held $79,218.01 in an account referencing prior franchisee Kiran Park. Sunoco offered to deposit the funds into the registry of the court and be dismissed with prejudice, as neither Kiran Park nor Saeed disputed that the amount held

by Sunoco was the correct total to be returned. On November 7, 2017, Sunoco paid the funds into the registry of the court, and on February 8, 2018, Sunoco was dismissed with prejudice from the action. The case is now closed.

ITEM 4
BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item.

ITEM 5
INITIAL FEES

Initial Franchise Fee

You will pay us an initial franchise fee of $15,000. The franchise fee is payable in full when you sign the franchise agreement. The initial franchise fee is refundable if we do not execute the franchise agreement for any reason, or if we are unable to timely fulfill certain obligations during construction of a Leased APLUS Store. The initial franchise fee is otherwise fully earned upon receipt and is non-refundable.

The initial franchise fee is generally calculated uniformly for all franchisees; however, if a location is a conversion operating under a different trade name/trademark; or a proposed location is a market with limited APLUS stores; or a Franchisee enters into a motor fuel business relationship with us or our affiliate; or where the APLUS franchise operation is located in a Captive Market, we reserve the right to modify or waive the initial franchise fee.

If you choose to operate your franchise in a Captive Market, we may charge a supplemental franchise fee ("Supplemental Franchise Fee") ranging from $15,000 to $300,000 depending on the location of your APLUS Store within the Captive Market. You may pay additional fees to state, county, or other government agency for your right to operate in a Captive Market. The amount and applicability of such a fee is determined solely by us based on a number of factors, including, but not limited to, historical store performance, sales volume, the amount paid by us or an affiliate to purchase the APLUS Store and the value of the goodwill of the APLUS Store.

Collateral Deposit

Prior to opening your APLUS Store, you will pay us a Collateral Security Deposit that ranges from $10,000 to $21,000 dependent upon your credit rating. The Collateral Security Deposit shall be held by us as one general, continuing, collateral security for the discharge and payment of the whole, or any part of any present, past, or future obligation indebtedness, or liability of you to us. Under certain circumstances, such as after termination, nonrenewal, or expiration of the franchise agreement, the unused portion of the Collateral Security Deposit is refundable to you.

Development Agreement

If we grant you multi-unit development rights to operate APLUS with or without a fueling station, you will sign our Development Agreement and pay us a non-refundable development fee ("Development Fee") equal to 100% of the initial franchise fee payable under the franchise agreement for the first APLUS Store (i.e., $15,000), plus 50% percent of the discounted initial franchise fee for each additional APLUS Store to be developed. For example, if you sign a development agreement for four APLUS Stores, you will pay a development fee of $37,500 [$15,000 + ($7,500 x 3) = $37,500].

When you sign the Development Agreement, you also will sign a franchise agreement for the first APLUS Store and/or SUNOCO fueling station, and we will credit part of your development fee payment to fully satisfy the initial franchise fee due under that agreement. As you get ready to develop additional APLUS Stores and/or SUNOCO fueling stations, you will sign our then-current form of franchise agreement and/or fueling station agreement. The terms of our then-current form of franchise agreement may be materially

different than the terms of our current franchise agreement, but the initial franchise fee will be locked in at the rate described above. When you sign the second or subsequent franchise agreements, we will credit $7,500 of your development fee payment toward payment of the initial franchise fee due under the franchise agreement, and you will pay us the $7,500 balance.

ITEM 6
OTHER FEES

Leased APLUS Store

Type of Fee	Amount	Due Date	Remarks
Royalty Fee[1]	6% of Gross Sales or such other amount as we may mutually agree.	Monthly on the 20th of the month	
Minimum Monthly Royalty ~~Fee[1]~~ Fee	~~Up to~~ The greater of 6% of Gross Sales ~~The difference between the monthly Royalty Fee paid and up to~~or $2,000 ~~("Minimum Monthly Royalty Fee")~~per month.	~~Monthly on the 20th of the month~~ Monthly on the 20th day of the month payable with the Royalty Fee	Payable regardless of Gross Sales volume. If the percentage royalty is less than $2,000, you must pay the difference to meet the Minimum Monthly Royalty Fee amount.
Royalty Fee (Captive Market Locations)	Up to 15% of Gross Sales The difference between the actual monthly Royalty Fee paid and up to $2,000	Monthly on the 20th Monthly on the 20th day of the month payable with the Royalty Fee	For Captive Market locations, this increased Royalty Fee applies instead of the regular Royalty Fee.
Alcoholic Beverages Assessment	1% of Gross Sales	Monthly	Due only if you are prohibited by regulation or statute from selling alcoholic beverages or otherwise chooses not to offer or cannot offer for sale alcoholic beverages.
Designated Wholesale Provider Non-Compliance Fee	~~Additional 1% of Gross Sales or actual costs of enforcement, whichever is~~	~~Monthly~~Upon demand	~~Due if you receive two default notices in any 12-month period.~~Payable if you fail to make required weekly purchases of food service

Type of Fee	Amount	Due Date	Remarks
	~~higher~~$500 per week until the non-compliance is cured		products, perishables, and specified inventory from our Designated Wholesale Provider. The fee begins on the 31st day following a written warning of non-compliance if the deficiency is not cured. This fee is in addition to, and not in lieu of, any other remedies available to us.
Rent[2]	$5,000 to $34,000	Monthly or Semi-Monthly as required by lease terms	
Marketing Fee	Up to $1,500 or 2% of Gross Sales (whichever is less), currently $750	Monthly on the 10th	
Kerosene Fee (if applicable)	$250 per month	Monthly	Not all APLUS Stores are allowed to offer kerosene for resale to the public.
Transfer Fee[3]	Percentage of Transfer Consideration	When you submit your request for transfer	100% transfer of all businesses operated at the APLUS Store.
Transfer Fee (for convenience)[4]	$1,500	When you submit your request for transfer	
Transfer Evaluation Fee	$1,000	When billed	We have the right to charge this fee to cover our costs for evaluating the proposed transfer.
Audit Fee (standard audit)	6% of the underreported amount plus interest	When billed	Payable if any audit reveals an underreporting (regardless of the amount of under reporting) of Gross Sales or any other required financial metric. The underreported amount plus interest at the maximum legal rate (or 18% per annum), plus an Audit Fee of 6% of the underreported amount.
Audit Cost	All costs and expenses	When billed	Due if your books or records are missing or incomplete at

Type of Fee	Amount	Due Date	Remarks
	associated with the audit, plus amount of outstanding fees due, if any		the time of the audit; and/or if it is determined that you underreported the amounts by ~~5~~3% or more. ~~See Note 5~~This amount is in addition to the Audit Fee of 6% of the underreported amount.
Failure to Operate Minimum Hours	Additional 1% of Gross Sales per day until deficiency is cured	Monthly	Payable only if you fail to operate the APLUS Store in accordance with the hours designated in your franchise agreement any day during any calendar month, except for one holiday per year of your choosing, or unless you are prohibited by law.
Accounting System	Then-current fees charged by third-parties plus our reasonable cost to provide them to you, not to exceed $100 per month for Sunoco's costs.	Monthly	If you choose, you may take advantage of certain accounting systems that we may provide.
Annual Physical Inventory Review	Cost of review	When billed	Due if you cancel or postpone the scheduled physical inventory review without providing a 24-hour advance notice to us to reschedule
Annual Physical Inventory Review Wait Fee	$100	When billed	Due if (a) you are late for the review, (b) unorganized areas impede the review, (c) excessive inventory impedes the review, (d) inability to access systems during the review and/or (e) you request a second inventory which determines the results of the first inventory were correct.
Insurance Procurement	Cost to obtain missing insurance policies plus our costs, which our costs are not to exceed $1,000	When billed	Due only if you do not procure the required insurance policies and we elect to procure the missing policies on your behalf.
Additional	$1,000 per week	When billed	

Type of Fee	Amount	Due Date	Remarks
Training	for each third or more attendee each year, plus your related expenses		
On-Site Training Cancellation Fee	Our then-current on-site training cancellation fee	Upon demand	May vary depending upon the type of scheduled training program and how far in advance you notify us in writing of the cancellation. See Item 11 for more details.
EPOS/Data Transmission Telecommunication Equipment Rental	$125 to $600	Monthly	The monthly rental fee is dependent upon the type of equipment installed and the number of units at your APLUS Store. This monthly rental fee is subject to change upon thirty (30) days' notice during the term of your APLUS Agreement. We may change or require you to change your telecommunications format in order to facilitate the transfer of data to and from your APLUS Store.
Technology Fee	$330 to $600	Monthly	This covers our providing to you required software licenses, access to our back office system, helpdesk support, and a website~~, e-mail set up, and email hosting for one email address~~. We reserve the right to reduce this fee, and upon written notice to you we may increase this fee.
Failure to Open Fee	Prorated Leased APLUS Store Minimum Monthly Royalty Fee per day for each calendar day you fail to open the APLUS Store for business	When billed	You must take possession and open the APLUS Store on the agreed upon commencement date. If you do not, we reserve the right to charge you the Failure to Open Fee.
Liquidated Damages[5]	See Note 5	Upon demand	Payable if the APLUS Franchise Agreement is

Type of Fee	Amount	Due Date	Remarks
			terminated early.
Collateral Security Deposit[6]	$10,000 minimum and up to $21,000	Before opening your APLUS Store	The Collateral Security Deposit varies based on your credit rating. If you operate an APLUS Franchise in a Captive Market, we may charge a higher Collateral Security Deposit.
National or Regional Conference	Up to $800 per person	Upon demand	We encourage but do not require your attendance at any regional or national conference. If you send an employee to our conference, you are responsible for his or her travel, wages, food, conference fee, and other costs related to attending.
Indemnification	Amount of loss or damages plus costs	As incurred	You must defend, indemnify and hold us and our related parties harmless from all fines, suits, proceedings, claims, demands, obligations or actions of any kind (including costs and reasonable attorneys' fees) arising from your ownership, operation or occupation of your APLUS Store, performance or breach of your obligations, breach of any representation or acts or omissions of you or your employees.
Default Fee	$1,500 per event ~~of default~~, plus $1,500 for each month the ~~cost~~default continues; or our actual costs of reinspection and ~~cost of enforcing compliance~~enforcement, whichever is greater.	Within 3 days of demand	Applies if you are in default or non-compliant under the terms your franchise agreement or our system standards and specifications. This fee is in addition to, and not in lieu of, any other remedies available to us.

NOTES:

Note 1: "Gross Sales" means total amount of your sales and any merchandise inventory variation including the total amount of consideration, valued in U.S. currency, received by you for sales from or in the APLUS Store from: (a)

merchandise, (b) services, (c) equipment rentals, and (d) merchandise inventory variation, if any, as further described ~~in the Systems Manual~~on SunocoNet, without deduction on account of any of the following: (a) the cost of goods sold, including taxes paid by you in procuring goods for resale; (b) the cost of material used, labor or service cost, interest paid or any other expense; or (c) the cost of transportation of the goods. Gross Sales include all barter and exchange transactions for which you furnish services or products in exchange for goods or services to be provided by the vendor, supplier or customer will be valued at the full retail value of the goods and services bartered in exchange for the good or services provided to you. Gross Sales also includes the proceeds of any business interruption insurance paid to you. Gross Sales also includes any payments you receive from vendors. Chargebacks are not deducted from Gross Sales. At our sole discretion, the definition of Gross Sales may also include all revenue from car wash operations and any ancillary services. No other deductions are permitted unless expressly authorized by us in writing.

The following are not included in Gross Sales: (a) gasoline, diesel, and other fuel sales (if applicable, when operating a fueling station), (b) the amount of tax imposed by the United States or any city, county, state, or other governmental entity or agency or instrumentality thereof upon or with respect to retail sales of tangible personal property measured by a stated percentage of sales price or gross receipts, whether imposed upon you as a seller or upon the customer as a purchaser; (c) any deposits refunded to customers; (d) the sale price of returned merchandise by customers when the full sale price is refunded either in cash or credit, but this exclusion shall not apply in any instance when the customer, in order to obtain the refund, is required to purchase other property at a price equal to or greater than the amount charged for the property which is returned. For purposes of calculating Gross Sales, refund or credit of the entire amount shall be deemed to be given when the purchase price, less re-handling and restocking costs, is refunded or credited to the customer; (e) lottery and other commissions; (f) money orders (face value); (g) ATM income from fees, commissions, and rentals; (h) money order fees; (i) prepaid product sales and commissions on products from designated supplier; (j) federal, state and local excise taxes on cigarettes. For purposes of this excise tax exclusion, the calculation and deduction of the above taxes shall be calculated based on the tax rate that is in effect on the first day of the month, and is only applicable to cigarette products that are authorized as a part of the ~~APLUS cigarette planograms; (k) car wash and~~Designated Service Provider's order guide; (k) automotive repairs; and (l) proprietary SUNOCO food service businesses and convenience store product offerings from which no royalty is collected in accordance with the terms of the applicable participation agreement.

Note 2: Rent will vary based on numerous factors including, but not limited to, the premises' fair market value, location, traffic patterns, and applicable taxes. If you operate a Captive Market APLUS Franchise, your monthly rent may range from $5,300 to $86,000.

Note 3: Transfer Consideration means the total transfer price for assignment for all businesses conducted at the APLUS Store, less the amount of consideration paid for the transfer of inventories at cost and equipment at fair market value.

(a) If the capital we spent on major projects at the premises within the past 10 years prior to the transfer or assignment *is equal to, or less than*, $400,000, the transfer fee shall be the greater of 10% of the Transfer Consideration, or $15,000.

(b) If the capital we spent on major projects at the premises within the past 10 years prior to the transfer or assignment *is greater than* $400,000, you shall pay a transfer fee as follows:

Years Since Capital Spending (Site Specific)	**Transfer Fee**
Year 1	50% of the Transfer Consideration with a minimum of $15,000
Year 2	45% of the Transfer Consideration with a minimum of $15,000
Year 3	40% of the Transfer Consideration with a minimum of $15,000
Year 4	30% of the Transfer Consideration with a minimum of $15,000
Year 5	25% of the Transfer Consideration with a minimum of $15,000

Year 6	20% of the Transfer Consideration with a minimum of $15,000
Year 7	15% of the Transfer Consideration with a minimum of $15,000
Year 8+	10% of the Transfer Consideration with a minimum of $15,000

Note 4: With respect to any of the following types of transfer, the Transfer Fee shall be reduced:

(1) Transfer from a sole proprietor to a wholly owned corporation, limited liability company, or other corporate entity (a "Corporate Entity") in which 100% of the shares or ownership interest of the Corporate Entity is held by the former sole proprietor.

(2) Transfer to a Corporate Entity where there are only two shareholders, members, partners, or stakeholders (each referred to herein as an "Owner") and you will be the 51% Owner.

(3) Transfer of the minority stock of a Corporate Entity with multiple Owners with one Owner being the 51% majority Owner. One person must retain 51% ownership of the Corporate Entity.

(4) The dissolution of a two-partner partnership or a two-Owner Corporate Entity resulting in one of the former partners or Owners remaining as a sole proprietor

(5) Corporate name change (only) subject to our receipt of all information we require to evaluate the request.

Note 5: If the APLUS Franchise Agreement is terminated prior to the end of its stated term, you must pay us liquidated damages. For the period from the earlier of the early termination date or the last month in which Royalty Fees were paid to us, through and including the end of the term of the APLUS Franchise Agreement you shall pay us a Liquidated Damage Royalty Fee equal to the higher of:

~~(a)~~(1) the running average Monthly Royalty Fee for the 12-month period immediately preceding the early termination date or the running average for such shorter duration where the APLUS Franchise Agreement has not been in effect for twelve (12) months; or

~~(b)~~(2) the Monthly Royalty Fee calculated based upon the Annual Gross Sales Requirement set forth in your APLUS Franchise Agreement.

Note 6: We may use the Collateral Security Deposit to satisfy in whole or in part any indebtedness or liability to us that you might incur. If we utilize any portion of the Collateral Security Deposit, you must pay to us the amount necessary to restore the whole amount of the Collateral Security Deposit. Under certain circumstances, such as after termination, nonrenewal, or expiration of the franchise agreement, the unused portion of the Collateral Security Deposit is refundable to you.

Note 7: All fees are imposed and collected by us.

Non-Leased APLUS Store

Type of Fee	Amount	Due Date	Remarks
Royalty Fee[1]	Up to 4% of Gross Sales or such other amount as we may mutually agree.	Monthly on the 20th of the month	
Minimum Monthly Royalty ~~Fee[1]~~ Fee	~~Up to~~ The greater of 4% of Gross Sales	~~Monthly on the 20th of the month~~	Payable regardless of Gross Sales volume. If the percentage royalty is less than $1,000, you

Type of Fee	Amount	Due Date	Remarks
	~~The difference between the actual monthly Royalty Fee paid and up to~~or $1,000 ~~("Minimum Monthly Royalty Fee")~~per month.	Monthly on the 20th day of the month payable with the Royalty Fee	must pay the difference to meet the Minimum Monthly Royalty Fee amount.
Royalty Fee (Captive Market Locations)	Up to 15% of Gross Sales The difference between the actual monthly Royalty Fee paid and up to $2,000	Monthly on the 20th Monthly on the 20th day of the month payable with the Royalty Fee	For Captive Market locations, this increased Royalty Fee applies instead of the regular Royalty Fee.
Alcoholic Beverages Assessment	1% of Gross Sales	Monthly	Due only if you are prohibited by regulation or statute from selling alcoholic beverages or otherwise chooses not to offer or cannot offer for sale alcoholic beverages.
Designated Wholesale Provider Non-Compliance Fee	~~Additional 1% of Gross Sales or actual costs of enforcement, whichever is higher~~$500 per week until the non-compliance is cured.	~~Monthly~~Upon demand	~~Due if you receive two default notices in any 12-month period~~Payable if you fail to make required weekly purchases of food service products, perishables, and specified inventory from our Designated Wholesale Provider. The fee begins on the 31st day following a written warning of non-compliance if the deficiency is not cured. This fee is in addition to, and not in lieu of, any other remedies available to us.
Marketing Fee	Up to $1,500 or 2% of Gross Sales (whichever	Monthly on the 10th	

Type of Fee	Amount	Due Date	Remarks
	is less), currently $750		
Equipment and Construction Funding[2]	An amount that you and we agree, up to $150,000	At the time of execution of the agreement	You pay us the agreed upon amount, which we will then spend on your behalf on required equipment for and construction of your APLUS Store.
Kerosene Fee (if applicable)	$250 per month	Monthly	Not all APLUS Stores are allowed to offer kerosene for resale to the public.
Transfer Fee	$15,000	When you submit your request for transfer	100% transfer of all businesses operated at the APLUS Store.
Transfer Fee (for convenience)[3]	$1,500	When you submit your request for transfer	
Transfer Evaluation Fee	$1,000	When billed	We have the right to charge this fee to cover our costs for evaluating the proposed transfer.
Audit Fee (standard audit)	6% of the underreported amount plus interest	When billed	Payable if any audit reveals an underreporting (regardless of the amount of under reporting) of Gross Sales or any other required financial metric. The underreported amount plus interest at the maximum legal rate (or 18% per annum), plus an Audit Fee of 6% of the underreported amount.
Audit Cost	All costs and expenses associated with the audit, plus amount of outstanding fees due, if any	When billed	Due if your books or records are missing or incomplete at the time of the audit; and/or if it is determined that you underreported the amounts by ~~5~~3% or more. ~~See Note 5~~This amount is in addition to the Audit Fee of 6% of

Type of Fee	Amount	Due Date	Remarks
			the underreported amount.
Failure to Operate Minimum Hours	Additional 1% of Gross Sales per day until deficiency is cured	Monthly	Payable only if you fail to operate the APLUS Store in accordance with the hours designated in your franchise agreement any day during any calendar month, except for one holiday per year of your choosing, or unless you are prohibited by law.
Accounting System	Then-current fees charged by third-parties plus our reasonable cost to provide them to you, not to exceed $100 per month for Sunoco's costs.	Monthly	If you choose, you may take advantage of certain accounting systems that we may provide.
Annual Physical Inventory Review	Cost of review	When billed	Due if you cancel or postpone the scheduled physical inventory review without providing a 24-hour advance notice to us to reschedule.
Annual Physical Inventory Review Wait Fee	$100	When billed	Due if (a) you are late for the review, (b) unorganized areas impede the review, (c) excessive inventory impedes the review, (d) inability to access systems during the review and/or (e) you request a second inventory which determines the results of the first inventory were correct.
Insurance Procurement	Cost to obtain missing insurance policies plus our costs, which our costs are not to	When billed	Due only if you do not procure the required insurance policies and we elect to procure the missing policies on your behalf.

Type of Fee	Amount	Due Date	Remarks
	exceed $1,000		
Additional Training	$1,000 per week for each third or more attendee each year, plus your related expenses	When billed	
On-Site Training Cancellation Fee	Our then-current on-site training cancellation fee	Upon demand	May vary depending upon the type of scheduled training program and how far in advance you notify us in writing of the cancellation. See Item 11 for more details.
EPOS/Data Transmission Telecommunication Equipment Rental	$125 to $600	Monthly	The monthly rental fee is dependent upon the type of equipment installed and the number of units at your APLUS Store. This monthly rental fee is subject to change upon thirty (30) days' notice during the term of your APLUS Agreement. We may change or require you to change your telecommunications format in order to facilitate the transfer of data to and from your APLUS Store.
Technology Fee	$330 to $600	Monthly	This covers our providing to you required software licenses, access to our back-office system, helpdesk support, a website~~, e-mail set up, and email hosting for one email address.~~. We reserve the right to reduce this fee, and upon written notice to you we may increase this fee.
Failure to Open Fee	Prorated Non-Leased Minimum	When billed	You must take possession and open the APLUS Store on the

Type of Fee	Amount	Due Date	Remarks
	Monthly Royalty Fee per day for each calendar day you fail to open the APLUS Store for business		agreed upon commencement date. If you do not, we reserve the right to charge you the Failure to Open Fee.
Liquidated Damages[4]	See Note 4	Upon demand	Payable if the APLUS Franchise Agreement is terminated early.
Collateral Security Deposit	$10,000 minimum and up to $21,000	Before opening your APLUS Store	The Collateral Security Deposit varies based on your credit rating. If you operate an APLUS Franchise in a Captive Market, we may charge a higher Collateral Security Deposit.
National or Regional Conference	Up to $800 per person	Upon demand	We encourage but do not require your attendance at any regional or national conference. If you send an employee to our conference, you are responsible for his or her travel, wages, food, conference fee, and other costs related to attending.
Indemnification	Amount of loss or damages plus costs	As incurred	You must defend, indemnify, and hold us and our related parties harmless from all fines, suits, proceedings, claims, demands, obligations or actions of any kind (including costs and reasonable attorneys' fees) arising from your ownership, operation or occupation of your APLUS Store, performance or breach of your obligations, breach of any representation or acts or omissions of you or your employees.
~~Deficiency~~Default Fee	$1,500 per event ~~of default~~, plus	Within 3 days of demand	Applies if you are in default or non-compliant

Type of Fee	Amount	Due Date	Remarks
	$1,500 for each month the ~~cost~~default continues; or our actual costs of reinspection and ~~cost of enforcing compliance~~enforcement, whichever is greater.		under the terms your franchise agreement or our system standards and specifications. This fee is in addition to, and not in lieu of, any other remedies available to us.

NOTES:

Note 1: "Gross Sales" means total amount of your sales and any merchandise inventory variation including the total amount of consideration, valued in U.S. currency, received by you for sales from or in the APLUS Store from: (a) merchandise, (b) services, (c) equipment rentals, and (d) merchandise inventory variation, if any, as further described ~~in the Systems Manual~~on SunocoNet, without deduction on account of any of the following: (a) the cost of goods sold, including taxes paid by you in procuring goods for resale; (b) the cost of material used, labor or service cost, interest paid or any other expense; or (c) the cost of transportation of the goods. Gross Sales include all barter and exchange transactions for which you furnish services or products in exchange for goods or services to be provided by the vendor, supplier or customer will be valued at the full retail value of the goods and services bartered in exchange for the good or services provided to you. Gross Sales also includes the proceeds of any business interruption insurance paid to you. Gross Sales also includes any payments you receive from vendors. Chargebacks are not deducted from Gross Sales. -We reserve the right to include car wash sales in the calculation of Gross Sales discussed above.

The following are not included in Gross Sales: (a) gasoline, diesel, and other fuel sales (if applicable, when operating a fueling station), (b) the amount of tax imposed by the United States or any city, county, state, or other governmental entity or agency or instrumentality thereof upon or with respect to retail sales of tangible personal property measured by a stated percentage of sales price or gross receipts, whether imposed upon you as a seller or upon the customer as a purchaser; (c) any deposits refunded to customers; (d) the sale price of returned merchandise by customers when the full sale price is refunded either in cash or credit, but this exclusion shall not apply in any instance when the customer, in order to obtain the refund, is required to purchase other property at a price equal to or greater than the amount charged for the property which is returned. For purposes of calculating Gross Sales, refund or credit of the entire amount shall be deemed to be given when the purchase price, less re-handling and restocking costs, is refunded or credited to the customer; (e) lottery and other commissions; (f) money orders (face value); (g) ATM income from fees, commissions, and rentals; (h) money order fees; (i) prepaid product sales and commissions on products from designated supplier; (j) federal, state and local excise taxes on cigarettes. For purposes of this excise tax exclusion, the calculation and deduction of the above taxes shall be calculated based on the tax rate that is in effect on the first day of the month, and is only applicable to cigarette products that are authorized as a part of the ~~APLUS cigarette planograms; (k) car wash and~~Designated Service Provider's order guide.; (k) automotive repairs; and (l) proprietary SUNOCO food service businesses and convenience store product offerings from which no royalty is collected in accordance with the terms of the applicable participation agreement.

Note 2: The Equipment and Construction Funding Agreement, in Attachment 7 to the Franchise Agreement, is an optional program.

Note 3: With respect to any of the following types of transfer, the Transfer Fee shall be reduced:

(1) ~~(1)~~ Transfer from a sole proprietor to a Corporate Entity in which 100% of the shares or ownership interest of the Corporate Entity is held by the former sole proprietor.

(2) ~~(2)~~ Transfer to a Corporate Entity where there are only two Owners and you will be the 51% Owner.

(3) ~~(3)~~ Transfer of the minority stock of a Corporate Entity with multiple Owners with one Owner being the 51% majority Owner. One person must retain 51% ownership of the Corporate Entity.

(4) ~~(4)~~ The dissolution of a two-partner partnership or a two-Owner Corporate Entity resulting in one of the former partners or Owners remaining as a sole proprietor

(5) ~~(5)~~ Corporate name change (only) subject to our receipt of all information we require to evaluate the request.

Note 4: If the APLUS Franchise Agreement is terminated prior to the end of its stated term, you must pay us liquidated damages. For the period from the earlier of the early termination date or the last month in which Royalty Fees were paid to us, through and including the end of the term of the APLUS Franchise Agreement you shall pay us a Liquidated Damage Royalty Fee equal to the higher of:

(1) ~~(a)~~ the running average Monthly Royalty Fee for the 12-month period immediately preceding the early termination date or the running average for such shorter duration where the APLUS Franchise Agreement has not been in effect for twelve (12) months; or

(2) ~~(b)~~ the Monthly Royalty Fee calculated based upon the Annual Gross Sales Requirement set forth in your APLUS Franchise Agreement.

Note 5: We may use the Collateral Security Deposit to satisfy in whole or in part any indebtedness or liability to us that you might incur. If we utilize any portion of the Collateral Security Deposit, you must pay to us the amount necessary to restore the whole amount of the Collateral Security Deposit. Under certain circumstances, such as after termination, nonrenewal, or expiration of the franchise agreement, the unused portion of the Collateral Security Deposit is refundable to you.

Note 6: All fees are imposed and collected by us.

~~*[Remainder of Page Intentionally Left Blank]*~~

Development Agreement

Type of Fee	Amount	Due Date	Remarks
Development Fee	$15,000 + ($7,500 * Number of APLUS Stores)	At time of signing the Development Agreement	You will pay the remaining initial franchise fee upon signing the second and each subsequent franchise agreement.
Transfer Fee – Convenience of Operation	$1,500	Before transfer	Payable if you are an individual transferring to a business entity for convenience of operation, or if your Owners are transferring among themselves a minority ownership interest to one or more third parties.
Transfer Fee – Third Party	$15,000 plus $1,500 for each remaining APLUS Store to be developed	Before transfer	Payable if you are assigning your interest in the development agreement, or your Owners are transferring a controlling interest.
Assignment of Franchise Rights	$2,500	Before signing the Franchise Agreement	Payable only if you assign your right to enter into a franchise agreement to an affiliate.

Type of Fee	Amount	Due Date	Remarks
Indemnification	Amount of loss or damages plus costs	As incurred	You must defend, indemnify, and hold us and our related parties harmless from all fines, suits, proceedings, claims, demands, obligations or actions of any kind (including costs and reasonable attorneys' fees) arising from the performance of your obligations under the Development Agreement.
Administrative Fee	$1,000	As incurred	You must pay us this administrative fee if you fail to obtain minimum insurance requirements and we elect to obtain the missing insurance policies for you.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

LEASED APLUS STORE

Type of Expenditure[1]	~~Amount~~ Leased APLUS Store	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee	$15,000	Lump Sum	At signing of Franchise Agreement	Us
Rent (Three months)[2]	$16,000 to $124,000	As Arranged	As Arranged	Us
Construction Costs[3]	N/A	As Arranged	As Arranged	Suppliers and Vendors
Permitting Costs	N/A	As Arranged	As Arranged	Issuing Agencies
Architectural Drawings[4]	N/A	As Arranged	As Arranged	Architect
Existing Conditions AutoCAD Drawing[5]	N/A	As Arranged	As Arranged	Designated Vendor
Engineering Project Management Fee[6]	N/A	As Arranged	As Arranged	Designated Vendor
Store Fixtures and Equipment[7]	$83,000 to $275,000	As Arranged	Prior to Project Design	Vendors and/or Us

Type of Expenditure[1]	~~Amount~~ Leased APLUS Store	Method of Payment	When Due	To Whom Payment Is To Be Made
Interior Graphics[8]	N/A	As Arranged	As Arranged	Vendors and/or Us
Exterior Graphics[8]	N/A	As Arranged	As Arranged	Vendors and/or Us
Initial Opening Inventory[9]	$42,000 to $125,000	As Arranged	As Arranged	Vendors
Permits (Business)	$3,000 to $12,000	As Arranged	As Arranged	Issuing Agencies
Permits (Beer/Wine)[10]	$500 to $13,000	As Arranged	As Arranged	Issuing Agencies
Technology Fee	$1,100 to $1,900	As Arranged	As Arranged	Designated supplier and/or Us
Uniforms	$150 to $1,100	As Arranged	As Arranged	Vendors
Insurance (Three months)	$4,000 to $6,300	As Arranged	As Arranged	Insurance Carrier
Collateral Deposit[11]	$10,000 to $21,000	Lump Sum	Prior to opening	Us
Misc. Supplies	$500 to $1,700	As Arranged	As Arranged	Vendors
Initial Grand Opening	$3,400	As Arranged	As Arranged	Vendors
Proprietary Items	$2,600 to $6,300	As Arranged	As Arranged	Vendors
Training Expense Travel/Lodging	$2,600 to $6,000	As Arranged	As Arranged	Hotels, Stores, Transportation
Additional Funds[12]	$56,000 to $115,000	As Arranged	As Necessary	Employees, suppliers, and others
TOTALS	$239,850 to $726,700			

NON-LEASED APLUS STORE (CONVERSION)

Type of Expenditure[1]	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee	$15,000	Lump Sum	At signing of Franchise Agreement	Us
Rent (Three months)[2]	N/A	As Arranged	As Arranged	N/A
Construction Costs[3]	$78,000 to $484,000	As Arranged	As Arranged	Suppliers and Vendors
Permitting Costs	$21,000 to $83,000	As Arranged	As Arranged	Issuing Agencies
Architectural Drawings[4]	$21,000 to $63,000	As Arranged	As Arranged	Architect
Existing Conditions AutoCAD Drawing[5]	$3,500	As Arranged	As Arranged	Designated Vendor
Engineering Project Management Fee[6]	$6,000	As Arranged	As Arranged	Designated Vendor
Store Fixtures and Equipment[7]	$213,000 to $254,000	As Arranged	Prior to Project Design	Vendors and/or Us
Interior Graphics[8]	$13,000 to $52,000	As Arranged	As Arranged	Vendors and/or Us
Exterior Graphics[8]	$17,000 to $47,000	As Arranged	As Arranged	Vendors and/or Us
Initial Opening Inventory[9]	$42,000 to $125,000	As Arranged	As Arranged	Vendors
Permits (Business)	$3,000 to $12,000	As Arranged	As Arranged	Issuing Agencies
Permits (Beer/Wine)[10]	$500 to $13,000	As Arranged	As Arranged	Issuing Agencies
Technology Fee	$1,100 to $1,900	As Arranged	As Arranged	Designated supplier and/or Us
Uniforms	$150 to $1,100	As Arranged	As Arranged	Vendors
Insurance (Three months)	$4,000 to $6,300	As Arranged	As Arranged	Insurance Carrier
Collateral Deposit[11]	$10,000 to $21,000	Lump Sum	Prior to opening	Us

Type of Expenditure[1]	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Misc. Supplies	$500 to $1,700	As Arranged	As Arranged	Vendors
Initial Grand Opening	$3,400	As Arranged	As Arranged	Vendors
Proprietary Items	$2,600 to $6,300	As Arranged	As Arranged	Vendors
Training Expense Travel/Lodging	$2,600 to $6,000	As Arranged	As Arranged	Hotels, Stores, Transportation
Additional Funds[12]	$56,000 to $115,000	As Arranged	As Necessary	Employees, suppliers, and others
TOTALS	$513,350 to $1,320,200			

NON-LEASED APLUS STORE (NEW)

Type of Expenditure[1]	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee	$15,000	Lump Sum	At signing of Franchise Agreement	Us
Rent (Three months)[2]	N/A	As Arranged	As Arranged	Us
Construction Costs[3]	$375,000 to $1,100,000	As Arranged	As Arranged	Suppliers and Vendors
Permitting Costs	$21,000 to $83,000	As Arranged	As Arranged	Issuing Agencies
Architectural Drawings[4]	$21,000 to $63,000	As Arranged	As Arranged	Architect
Existing Conditions AutoCAD Drawing[5]	$3,500	As Arranged	As Arranged	Designated Vendor
Engineering Project Management Fee[6]	$6,000	As Arranged	As Arranged	Designated Vendor

Type of Expenditure[1]	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Store Fixtures and Equipment[7]	$213,000 to $293,000	As Arranged	Prior to Project Design	Vendors and/or Us
Interior Graphics[8]	$13,000 to $52,000	As Arranged	As Arranged	Vendors and/or Us
Exterior Graphics[8]	$17,000 to $47,000	As Arranged	As Arranged	Vendors and/or Us
Initial Opening Inventory[9]	$42,000 to $125,000	As Arranged	As Arranged	Vendors
Permits (Business)	$3,000 to $12,000	As Arranged	As Arranged	Issuing Agencies
Permits (Beer/Wine)[10]	$500 to $13,000	As Arranged	As Arranged	Issuing Agencies
Technology Fee	$1,100 to $1,900	As Arranged	As Arranged	Designated supplier and/or Us
Uniforms	$150 to $1,100	As Arranged	As Arranged	Vendors
Insurance (Three months)	$4,000 to $6,300	As Arranged	As Arranged	Insurance Carrier
Collateral Deposit[11]	$10,000 to $21,000	Lump Sum	Prior to opening	Us
Misc. Supplies	$500 to $1,700	As Arranged	As Arranged	Vendors
Initial Grand Opening	$3,400	As Arranged	As Arranged	Vendors
Proprietary Items	$1,200 to $4,700	As Arranged	As Arranged	Vendors
Training Expense Travel/Lodging	$2,600 to $6,000	As Arranged	As Arranged	Hotels, Stores, Transportation
Additional Funds[12]	$56,000 to $115,000	As Arranged	As Necessary	Employees, suppliers, and others
TOTALS	$808,950 to $1,973,600			

CAPTIVE MARKET

Type of Expenditure[1]	Leased APLUS Store	Non-Leased APLUS Store	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee	$15,000 to $300,000	$15,000 to $300,000	Lump Sum	At signing of Franchise Agreement	Us
Rent (Three months)[2]	$16,000 to $258,000	N/A	As Arranged	As Arranged	Us
Construction Costs[3]	N/A	$375,000 to $1,100,000	As Arranged	As Arranged	Suppliers and Vendors
Permitting Costs	N/A	$21,000 to $83,000	As Arranged	As Arranged	Issuing Agencies
Architectural Drawings[4]	N/A	$21,000 to $63,000	As Arranged	As Arranged	Architect
Existing Conditions AutoCAD Drawing[5]	N/A	$3,500	As Arranged	As Arranged	Designated Vendor
Engineering Project Management Fee[6]	N/A	$5,500	As Arranged	As Arranged	Designated Vendor
Store Fixtures and Equipment[7]	$83,000 to $250,000	$213,000 to $293,000	As Arranged	Prior to Project Design	Vendors and/or Us
Interior Graphics[8]	N/A	$12,500 to $53,000	As Arranged	As Arranged	Vendors and/or Us
Exterior Graphics[8]	N/A	$17,000 to $48,000	As Arranged	As Arranged	Vendors and/or Us
Initial Opening Inventory[9]	$42,000 to $125,000	$42,000 to $125,000	As Arranged	As Arranged	Vendors
Permits (Business)	$2,000 to $11,500	$2,000 to $11,500	As Arranged	As Arranged	Issuing Agencies
Permits (Beer/Wine)[10]	$500 to $12,500	$500 to $12,500	As Arranged	As Arranged	Issuing Agencies
Technology Fee	$990 to $1,800	$990 to $1,800	As Arranged	As Arranged	Designated supplier and/or

Type of Expenditure[1]	Leased APLUS Store	Non-Leased APLUS Store	Method of Payment	When Due	To Whom Payment Is To Be Made
					Us
Uniforms	$150 to $1,100	$150 to $1,100	As Arranged	As Arranged	Vendors
Insurance (Three months)	$3,900 to $6,300	$3,900 to $6,300	As Arranged	As Arranged	Insurance Carrier
Collateral Deposit[11]	$10,000 to $21,000	$10,000 to $21,000	Lump Sum	Prior to opening	Us
Misc. Supplies	$500 to $1,700	$500 to $1,700	As Arranged	As Arranged	Vendors
Initial Grand Opening	$3,500	$3,500	As Arranged	As Arranged	Vendors
Proprietary Items	$5,000 to $16,000	$5,000 to $16,000	As Arranged	As Arranged	Vendors
Training Expense Travel/Lodging	$2,600 to $6,000	$2,600 to $6,000	As Arranged	As Arranged	Transportation, Hotels, Stores Vendors
Additional Funds[12]	$56,000 to $115,000	$56,000 to $115,000	As Arranged	As Necessary	Employees, suppliers, and others
TOTALS	$241,140 to 1,129,400	$810,640 to $2,270,400			

NOTES:

Note 1: The amounts you pay are typically non-refundable.

Note 2: If you do not own your own premises, you will pay rent to us or a third-party landlord. Rent for all franchises will vary based on numerous factors including but not limited to the premises' fair market value, location, traffic patterns, and applicable taxes. The rent for Leased APLUS Stores is also based on our incurred cost related to the conversion of the location. The rent of Non-Leased APLUS Stores will depend on the previously indicated factors as well as your ability to negotiate favorable terms with the landlord.

Note 3: Construction costs will vary by type of franchise and whether you choose to convert an existing location or build a new one:

(a) CONVERSIONS: These estimates assume your existing location that you are converting to an APLUS Store is in good condition. If you lease from a third-party, these estimates do not include any landlord allowances. We will provide you with our image and equipment standards. Engineering permits may increase your cost by an additional $20,000 or more.

(b) NEW/REBUILT: These estimates are based on an APLUS Store of approximately 3,000 square feet.

If you are a Non-Leased APLUS Store franchisee and you elect to participate in our Equipment and Construction Funding Program, we will use the funds to offset the cost of construction, equipment, and certain other items related to the conversion of the site and pay third party invoices on your behalf.

Note 4: You may, if you choose, utilize our architectural firm to prepare permit and construction drawings and specifications. This does not include civil or site engineer drawings for entry and exit ways, and other exterior components.

Note 5: You must provide an existing conditions site survey in AutoCAD; however, if you do not have an existing conditions site survey in AutoCAD, if you choose, one can be provided to you by our designated vendor.

Note 6: In return for the Project Management Fee, our designated vendor will provide other necessary design layouts, photographs, drawings, materials, and procurement and engineering support services. You are responsible for direct payment to our designated vendor for any services and/or products provided related to the construction/conversion period.

Note 7: All equipment must meet our specifications. You may not add any additional equipment without our prior written approval.

(a) Leased APLUS Store: We will loan to you and install certain required APLUS Store equipment at your location, including a walk-in cooler/freezer, cabinetry, or gondola. Depending on the size and needs of the location, you may elect to purchase other approved optional equipment at your cost.

(b) Non-Leased APLUS Store: The estimate includes walk-in cooler/freezer, cabinetry and gondola. Depending on the size and needs of the location, you may elect to purchase other approved optional equipment at your cost.

Note 8: The interior graphics range includes coffee and hot dog light boxes, watermark decals, restroom signs, and "Thank you" sign. The exterior graphics range includes a 10' arch, red band, 54x64 building sign, POP, 7' strategy sign, and trip charge.

Note 9: You must maintain a minimum retail inventory corresponding to the size of the APLUS Store as shown below:

APLUS Store Size	**Minimum APLUS Store Inventory Cost**
1,299 or less square fee	$42,000
1,300 or more square feet	$65,000
2,500+ square feet	$125,000

Note 10: The numbers reflected in the chart is an estimated average based on our and our affiliate's industry knowledge. Certain states have a limited number of licenses and therefore your cost may be significantly higher. We anticipate that there are very limited areas and states where these licenses sell for over $250,000.

Note 11: If you are a Leased APLUS Store franchisee you will pay us a collateral security deposit. If you operate a Captive Market APLUS Store, you may have to pay a larger collateral security deposit. The collateral security deposit is refundable under certain terms.

Note 12: We require you to maintain a minimum level of additional funds (i.e. working capital) over a three-month period of operations. However, you may be required to put additional funds beyond this estimate into the business for an extended period. You should therefore consider our estimates as minimum amounts and may wish to have additional cash reserves. We cannot promise if or when you will become cash flow positive or profitable. Additional funds are needed to cover operating expenses, including rent, if applicable, utilities and employees' salaries.

In compiling chart above, we relied on our and our affiliates' industry knowledge and experience. The amounts shown are estimates only and may vary for many reasons, including the condition of your facility, the capabilities of your management team, where the APLUS Store is located, and your business experience and acumen. You should review these estimates carefully with an accountant or other business advisor before making any decision to buy a franchise. If you develop multiple APLUS Stores under our development agreement, we anticipate that your initial investment for each type of APLUS Store developed will be the substantially the same as is reflected in the above charts, subject to applicable inflationary increases.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS & SERVICES

In order to assure uniformity and consistency in all APLUS Stores, we require you to sell specific brands of merchandise at your APLUS Store. ~~The Systems Manual~~SunocoNet sets forth minimum standards of quality and variety of merchandise offered for sale by you, specifications for equipment, uniforms and certain products. As we may deem necessary for operation of your APLUS Store, we have and will continue to engage with designated third parties to provide you with operational support, including but not limited to merchandising, promotional, marketing, and other functions on our behalf (each, a "Designated Service Provider"). Our Designated Service Provider will provide you with store-specific schematics (layouts), merchandise planograms and vendor-approved racks to which you must conform. Our Designated Service Provider will specify planograms by store design and provide such planograms for local merchandise options subject to our prior approval.

We will approve suppliers~~, which may be us or our affiliates~~, manufacturers, distributors, and other sources who demonstrate to our continuing, reasonable satisfaction the ability to meet our uniform standards and specifications and who possess adequate quality controls and capacity to supply your needs promptly and reliably ("Approved Suppliers"). ~~Neither~~We retain the right for us or our affiliates to be an Approved Supplier, Designated Service Providers, or Designated Wholesale Provided; however, as of the date of this disclosure document, neither we nor any of our affiliates are ~~designated or approved suppliers~~Designated Service Providers, Approved Suppliers, or Designated Wholesale Providers for any products or services. None of our officers owns an interest in any privately-held supplier or a material interest in any publicly-held supplier. Occasionally, our officers may own non-material interests in publicly-held companies that may be suppliers to our franchise system.

We will provide you a list of Approved Suppliers ~~that will be incorporated in the Systems Manual.~~on SunocoNet. We will ~~remove~~revoke the status of a previously Approved Supplier by notifying you ~~in writing of the revocation~~through SunocoNet and providing the reasons for the revocation. We may also require you to purchase certain items and services only from specific suppliers designated by us ("Designated ~~Specific Suppliers~~Wholesale Provider"). We reserve the right to require that your purchases from Approved Suppliers or Designated ~~Specific Suppliers~~Wholesale Providers be made through a buying group administered by us or our third-party designee.

For goods and services that you are not required to purchase from an Approved Supplier, you may select any supplier at your discretion. However, if we determine that a particular supplier does not meet our quality standards, including the favorable public image of the APLUS ~~Program~~System, we will notify you in writing and you must promptly discontinue purchasing from that supplier. At our discretion, Approved Suppliers may also make their products and services available to SUNOCO franchisees.

If you desire to purchase any of the items specified in this Item 8 from a supplier that is not an Approved Supplier, you or the supplier must submit to us a written request for approval. We have sole discretion over the approval of such suppliers. At a minimum they must demonstrate the ability to meet our standards and specifications and possess adequate quality controls and capacity to supply your needs promptly and reliably. We may inspect the proposed supplier's facilities, and require that we receive samples from the proposed supplier for testing prior to granting or denying approval. We may impose a charge that does not exceed the reasonable costs of our inspection and testing. This charge may be paid by you or the proposed supplier. We may re-inspect the facilities and products of any supplier at any time, and may revoke the prior approval if we determine that the supplier does not meet the quality standard that is consistent with the favorable public image of the APLUS ~~Program~~System. The APLUS Agreement imposes no time period in which we are required to exercise our right of approval or disapproval. All suppliers approved by us are required to sign an agreement indemnifying us for the supplier's products, actions and services.

We reserve the right to establish maximum retail prices, subject to law, for certain convenience store

products, specified by us, and for participation in certain APLUS promotions prices must be consistent with the advertised price. If you operate a Captive Market APLUS Store, you may be subject to any pricing constraints applicable to the concession and/or lease agreement.

You are required to purchase the following items only from our Approved Suppliers ~~or Designated Specific Suppliers:~~:

- ~~Food service products and supplies including all APLUS and SUNOCO proprietary breakfast and sandwiches and other food items, equipment, cups, wrappings, containers and napkins,~~
- ~~Perishable food products offered in APlus stores, including sandwiches, roller grill items, baked goods, salads, foods served or taken hot, dairy (including milk, flavored milk and yogurt), bread, and such other perishable food products we determine only from Approved Suppliers,~~
- Our designated proprietary, trademark, trade dress, service mark, logo, and insignia items, including retail merchandise,
- Décor, supplies, and other items that bear the APLUS trademarks,
- Uniforms,
- Back office software and hardware,
- Electronic Point-of-Sale (EPOS) and Data Transmission and Telecommunications Equipment,
- Signs, promotional materials,
- Store equipment,
- Interior/exterior décor items, and
- Fixtures, furnishings and other materials required for the operation of the APLUS Store.

In addition to the general list of Approved Suppliers, you are required to purchase certain items and services only from a specific wholesale supplier designated by us ("Designated Wholesale Provider") (which might include, or be limited to, us or an Affiliate). Accordingly, the following items are required to be purchased from our Designated Wholesale Provider on a weekly basis:

- Food service products and supplies including all APLUS and SUNOCO proprietary breakfast items and sandwiches and other food items, equipment, cups, wrappings, containers and napkins;
- Perishable food products offered in APlus stores, including sandwiches, roller grill items, baked goods, salads, foods served or taken hot, dairy (including milk, flavored milk and yogurt), bread, and such other perishable food products as we determine; and
- Cigarettes, candy, salty snacks, coffee beans, and coffee grounds.

We may request reports or documentation from you to show your compliance with making weekly purchases from our Designated Wholesale Provider, and we may make such determination through our own reporting systems. Failure to demonstrate your compliance with making the required weekly purchases will result in a written warning on the first occurrence, and a fee of five hundred dollars $500 for each occurrence there after each week ("Designated Wholesale Provider Non-Compliance Fee"). The fee begins on the 31st day following a written warning of non-compliance if the deficiency is not cured. Following a single initial notice of non-compliance, this fee applies automatically for each week you remain non-compliant. This fee is in addition to all other available remedies available to us. In the event of an APLUS Store conversion, the existing equipment will be reviewed by us for conformance to our specifications. Before commencing operations, ~~the~~you must obtain our approval for the continued use of existing equipment must be obtained

by us.

The purchase of the items described in this Item 8 from Approved Suppliers can reasonably range from 40% to 55% of your initial investment in your APLUS Store and approximately 40% to 55% of your total purchases in connection with operating your APLUS Store.

Approved Suppliers and Designated ~~Specific Suppliers~~Wholesale Provider Purchase Requirements

During the term of your franchise agreement, we may implement a buying group in which your participation will be required. In connection with such buying group, you will be required to make up to 90% of your total inventory purchases and, separately, up to 90% of your cigarette purchases, both computed monthly at cost, from Approved Suppliers or Designated ~~Specific Suppliers~~Wholesale Provider (the "Approved Vendor Purchase Requirement"). We will not credit any purchase toward your Approved Vendor Purchase Requirement unless the purchase is from an Approved Supplier or Designated ~~Specific Supplier.~~Wholesale Provider. The cost value used to calculate your percentage of inventory purchases and cigarette purchases from Approved Suppliers or Designated ~~Specific Suppliers~~Wholesale Provider will only include the cost reflected on vendor invoices, and will exclude any allowances, rebates and discounts not reflected on vendor invoices. To count toward your Approved Vendor Purchase Requirement, the products must be ordered and paid for through our recommended method for ordering and paying that vendor.

Revenue Derived from Franchisee Purchases and Leases

We and our affiliates may derive revenue from franchisee purchases and leases to the extent that franchisees purchase products or services from us or our affiliates. Sunoco may derive revenue from the lease or sale of products and services to you. As of December 31, ~~2024~~2025, neither we nor any of our affiliates derived any revenue on account of franchisee purchases or leases.

Money Order Program

We recommend a money order program for sale to the public through Sunoco-approved money order supplier(s) as specified ~~in the Systems Manual.~~on SunocoNet. Money order fees are determined by you, but should be competitive with those in your community. You are required to comply with all local, state and federal laws regarding the sale of money orders.

Required APLUS Programs

We require you to participate in the following APLUS ~~Programs~~programs and provide such products or services accordingly and in accordance with ~~our Systems Manual~~what is set forth on SunocoNet.

- Hot Dispensed Beverages Program,
- Cold Dispensed Beverages Program,
- Food and Food Service Program,
- Tobacco Loyalty Program,
- Prepaid Program (i.e. prepaid phone cards and similar products),
- ATM Program (unless otherwise restricted), and
- All other promotional offers or special pricing programs or other programs we may designate.

Required APLUS Programs Requiring State Agency Licenses

We also require you to participate in the following state agency licensed programs (unless prohibited by regulation or statute) and provide such products or services accordingly and in accordance with ~~our Systems Manual~~what is set forth on SunocoNet.

- Beer and Wine Program,

- Tobacco Products and Tobacco Compliance Program, and
- Lottery/Lotto/Multi-State Program

Other APLUS Programs

The Customer Best Program has been developed to ensure a consistently positive customer buying experience among all APLUS retailers. This will be executed via scheduled mystery shops and/or customer surveys, which will be used as a tool to help improve the APLUS brand image, ensure a consistently positive customer buying experience among all APLUS retailers and provide improved communications between APLUS and franchisees. We reserve the right to charge a fee for this service.

We have developed certain other proprietary programs to provide offerings to APLUS consumers. You may participate in the Air and Vacuum Program. You are required to fully participate in any program, or other specific merchandise programs, designated by us from time to time as described ~~in the Systems Manual~~on SunocoNet, which may include, but is not limited to, proprietary programs, specific product offerings and/or promotions (such as foods and beverages identified by us), approved prepaid programs such as gift cards, phone cards, and other related telecommunications products, ATM program, and APLUS rewards and/or loyalty program, which may change periodically (collectively, "Proprietary Programs"). We will work with you in determining whether any such Proprietary Programs are appropriate for your store. If so, you agree to purchase all ingredients, materials and items required for each Proprietary Program from Sunoco's Designated ~~Specific Suppliers~~Wholesale Provider.

We reserve the right to amend, supplement or discontinue any program described in this Item 8 in whole or in part at any time during the term of the franchise upon written notice to you.

APLUS Rebates, Allowances and/or Purchase Agreements

Certain Designated ~~Specific Suppliers~~Wholesale Provider may enter into arrangements with certain manufacturers or suppliers to provide discounts or rebates to Sunoco/APLUS franchisees. The amounts of such rebates or discounts may vary based on the volume of purchases made by the APLUS Stores and are paid either: (i) by the manufacturer or supplier directly to the franchisees; or (ii) by the manufacturer or supplier to us and distributed to our franchisees on an equitable basis; or (iii) placed in the APLUS Store advertising account for the benefit of all APLUS Stores. ~~Suppliers'~~Designated Wholesale Provider' allowances may be paid directly to us or to a distributing wholesaler to fund off-invoice allowances provided to your store by the wholesaler.

There are no purchasing or distribution cooperatives currently established.

Insurance Coverage

Prior to the commencement of and during the term of your franchise, you are required to obtain and maintain in full force and effect, for the mutual benefit of you and us, insurance through a financially responsible carrier (with a rating of "A-" or better by A.M. Best) acceptable to us which is primary as to any other valid collectible insurance. Sunoco Retail LLC Its Subsidiaries & Affiliates must be included as an "Additional Insured" on all policies.

Type of Coverage	**Leased APLUS Store**	**Non-Leased APLUS Store**
Workers' Compensation	Statutory Limits	Statutory Limits
Employer's Liability	$500,000 Per Accident $500,000 Disease – Policy Limit $500,000 Disease – Per Employee	$500,000 Per Accident $500,000 Disease – Policy Limit $500,000 Disease – Per Employee

Commercial General Liability	$500,000 combined single limit per occurrence.	$500,000 combined single limit each occurrence.
Special Form Property	Replacement cost of the value of Sunoco's property. (Replacement value amount to be provided by Sunoco)	N/A
Excess Liability**	$1,000,000 per occurrence in excess of other stated coverage.	$1,000,000 per occurrence in excess of other stated coverage.

** Excess Liability coverage may be waived if you carry $1,500,000 General Liability coverage.

We reserve the right to require you to obtain insurance policies to protect against cybersecurity threats, and accordingly, to require that we are named as additional insured on these cybersecurity insurance policies. Our insurance requirements, including types of coverages and amount may change over time.

Prior to commencement of your APLUS Agreement, you shall provide to Sunoco a certificate of insurance coverage as required above, satisfactory to us. A renewal certificate of such policy shall be furnished to us prior to and no later than seven days before each policy renewal date. Each certificate shall include a provision that such policies may not be canceled or materially changed without prior written notice to us. You must keep the required insurance coverage in full force and effect during the term of the franchise. Failure to do so is a material breach of the APLUS Franchise Agreement and, if applicable, we may immediately suspend motor fuel delivers to your APLUS Store.

If you operate a Captive Market APLUS Store, you may be required to maintain additional insurance separate, and over and above that set forth in this Item 8.

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ITEM 9
FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the franchise and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.

Legend:

"APLUS" means the APLUS Franchise Agreement
"Premises" means the APLUS Premises Lease

FRANCHISE AGREEMENT AND RELATED DOCUMENTS

OBLIGATION	SECTION IN AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
a. Site Selection and Acquisition/Lease	APLUS – 5.1, 5.2 Premises – 1.05	Items 6, 7, 11 and 12
b. Pre-Opening Purchases/Leases	APLUS - 5	Items 7 and 8
c. Site Development and Other Pre-Opening Requirements	APLUS - 5 Premises - 2.09, 2.10	Items 6, 7, 8, 11 and 17

d. Initial and Ongoing Training	APLUS - 8	Items 7 and 11
e. Opening	APLUS – Summary Page	Items 5, 6 7, 10 and 17
f. Fees	APLUS - 3 Premises - 2.03, 2.05	Items 5, 6, 7, 10 and 17
g. Compliance with Standards and Policies/Operating ~~Manual~~Manuals on SunocoNet	APLUS - 13 Premises - 2.07, 2.11, 2.12	Item 8
h. Trademarks and Proprietary Information	APLUS – 6, 7 Premises - 2.01, 2.07	Items 13 and 14
i. Restrictions on Products/Services Offered	APLUS - 13	Items 8 and 16
j. Warranty and Customer Service Requirements	APLUS - 13 Premises - 2.07, 2.12	Items 8 and 16
k. Territorial Development and Sales Quotas	APLUS – Not applicable	None
l. Ongoing Product/Service Purchases	APLUS - 13	Item 8
m. Maintenance, Appearance and Remodeling Requirements	APLUS - 13 Premises - 2.07, 2.08, 2.11, 2.12, 2.13, 2.14, 2.15, Part III, Maintenance Provisions	Items 6, 7 and 11
n. Insurance	APLUS - 15 Premises - 2.16	Items 6 and 7
o. Advertising	APLUS - 11 Premises - 2.07, 2.13	Items 6 and 7
p. Indemnification	APLUS - 11 Premises - 2.16	Items 6 and 7
q. Owner's Participation, Management/ Staffing	APLUS - 13 Premises - 2.07, 2.08	Items 11 and 15
r. Records/Reports	APLUS - 12 Premises - 2.18	Items 11 and 15
s. Inspections/Audits	APLUS - 12 Premises - 2.17, 2.18	Item 6

t. Transfer	APLUS - 18 Premises - 2.22	Items 6 and 11
u. Renewal	APLUS - 4 Premises - 2.20	Items 6 and 17
v. Post-Termination Obligations	APLUS - 17 Premises - 2.21, 2.23	Item 17
w. Non-Competition Covenants	APLUS – Attachment 2	Item 17
x. Dispute Resolution	APLUS - 24	Item 17
y. Guaranty	APLUS – Attachment 3	Item 15

DEVELOPMENT AGREEMENT

OBLIGATION	SECTION IN AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
a. Site Selection and Acquisition/Lease	Section 1.1	Items 8 and 11
b. Pre-Opening Purchases/Leases	Not applicable	None
c. Site development and other pre-opening requirements	Article 4	Items 7, 8, and 12
d. Initial and ongoing training	Not applicable	None
e. Opening	Section 4.5	Items 7 and 11
f. Fees	Article 3	Items 5, 6, 8, and 11
g. Compliance with standards and policies/~~Manuals~~SunocoNet	Not applicable	None
h. Trademarks and proprietary information	Not applicable	None
i. Restrictions on products/services offered	Not applicable	None
j. Warranty and customer service requirements	Not applicable	None
k. Territorial development and sales quotas	Not applicable	None
l. Ongoing product/service purchases	Not applicable	None
m. Maintenance, appearance and remodeling requirements	Not applicable	None
n. Insurance	Section 7.2	Items 7 and 8

o. Advertising	Not applicable	None
p. Indemnification	Section 7.3	Item 6
q. Owner's participation/ management/staffing	Not applicable	None
r. Records and reports	Not applicable	None
s. Inspections and audits	Not applicable	None
t. Transfer	Article 8	Item 6, 11, and 17
u. Renewal or extension of rights	Section 4.4	Items 6, 12, and 17
v. Post-termination obligations	Section 2.2	Item 17
w. Noncompetition covenants	Article 10	Item 17
x. Dispute resolution	Article 14	Item 17
y. Guaranty	Sections 8.3 and 13.6	Item 15

ITEM 10
FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease, or other obligations.

ITEM 11
FRANCHISOR'S ASSISTANCE, ADVERTISING, AND TRAINING

Except as listed below, Sunoco Retail LLC is not required to provide you with any assistance.

Before you begin operating the APLUS Store, we will perform or direct our Designated Service Provider, which may be a designated area representative to perform:

1. With respect to all APLUS Stores:

   (a) If you do not already have a site for your APLUS Store, we will approve or reject your site selection application within 30 days of receiving it. (Section 5.1 of the Franchise Agreement)

   (b) If you elect to borrow APLUS Store equipment from us, we will install and conduct ongoing maintenance and upgrades to such borrowed equipment. (Section 5.2.2. of the Franchise Agreement)

   (c) Supply and maintain your back-office operating system. (Section 5.3.1. of the Franchise Agreement)

   (d) Provide initial training for your Designated Manager and up to two other people at no charge to you. You are responsible any other costs you incur for each participating attendee. (Section 8.1. of the Franchise Agreement)

   (e) In preparation for opening your APLUS Store, we will make available to you one of our representatives experienced in our System for providing you general assistance and guidance. If you request additional assistance with respect to the opening or continued operation of the APLUS Store, and should we deem it necessary and appropriate to comply

with such request, you will pay the then-current standard rates, plus expenses, for such additional assistance. (Section 8.2. of the Franchise Agreement)

(f) Provide you with access to ~~an electronic copy of our Systems Manual. The approximate total number of pages in the Systems Manual as of the date of this disclosure document is 165 pages. (Section 9.1. of the Franchise Agreement) The Table of Contents of the Systems Manual is included as Exhibit G to this disclosure document.~~SunocoNet.

(g) Provide you with our specifications and standards, as well as a list of approved vendors regarding the items and materials necessary to operate the APLUS Store (Section 13.1. of the Franchise Agreement)

2. With respect to Leased APLUS Store locations only, we will make certain modifications to the premises as we deem suitable for the operation of an APLUS Store. (Attachment 1. A.7. of the Franchise Agreement)

3. With respect to Non-Leased APLUS Store locations only, if you do not have an existing site survey in AutoCAD, we, or our designated vendor, will have one created for you, at your expense. (Attachment 1. B.7. of the Franchise Agreement)

After you begin operating the APLUS Store, we will perform or direct our Designated Service Provider, which may be a designated area representative to perform:

1. Provide additional training, as we determine necessary to you, your Designated Manager, and any other employees. (Section 8.5. of the Franchise Agreement)

2. Reserve the right to hold periodic national or regional conferences to discuss business and operational issues affecting the APLUS Program, including industry changes, new services and/or merchandise, marketing strategies and the like. (Section 8.6. of the Franchise Agreement)

3. Provide you with modifications to the Systems Manual as they are made available to franchisees. (Section 9.2. of the Franchise Agreement)

4. Oversee the marketing program and utilize the Marketing Fee to administer the System-wide marketing, advertising, and promotion program. (Section 11.1. of the Franchise Agreement)

5. Provide you from time to time with a list of recommended merchandise vendors, a list of designated products, and required merchandising specifications. (Section 13 of the Franchise Agreement)

6. Provide you general advice and guidance during business hours regarding operation of your APLUS Store. (Section 14.1. of the Franchise Agreement)

7. We reserve the right to establish maximum retail prices or promotional prices for certain convenience store products specific to the APLUS System. (Section 14.1. of the Franchise Agreement)

8. Make periodic visits to your APLUS Store for the purposes of consultation, assistance, and guidance with respect to various aspects of operation and management of your APLUS Store, including merchandising and planogramming support. (Section 14.2. of the Franchise Agreement)

Area Representative

We retain the right to assign our rights or delegate the performance of any portion of our obligations under the Franchise Agreement to third party designee, an area representative (if applicable), or independent contractors with whom we contract to perform these obligations without the prior written consent from you. If we assign our right to receive any amount under the Franchise Agreement to any third-party. You are liable for all compliance and upon our notice to you, you must make all such payments directly to the designated third-party.

Advertising and Promotion

The media in which the advertising may be disseminated includes merchandising materials and programs (i.e. handbills, flyers, brochures, signs, point-of-sale, billboards, and high-rise signs), electronic media (i.e. television, radio, cable and Internet) outdoor, print, point-of-sale and sponsorship. The scope of the coverage of the media, if any, is local or regional and is determined at our sole discretion. All advertising is created in-house with the help of outside agencies.

Any advertising and promotions conducted by you independently of those conducted by us must be reviewed and approved by us prior to implementation and must be in accordance with our standards and specifications. Any request not approved within 30 days of submission will be deemed not approved. You must promptly discontinue the use of any materials, media, or method of distribution promptly upon receipt of written notice from us.

You will operate your franchised business so that it is clearly identified and advertised as APLUS Store. You will use the trademark "APLUS" and the other Marks which now or hereafter may form a part of the System, on all signs, suppliers, business cards, uniforms, advertising materials, Technology platforms, signs and other articles in the identical combination and manner as we may prescribe in writing and you will supply to us samples and photographs of the same upon our request. You will comply with all trademark, trade name, service mark and copyright notice marking requirements and you will supply to us samples or photographs upon our request.

Marketing Fee

Each month you are required to contribute up to $1,500 or 2% of Gross Sales, whichever is less, which we call the Marketing Fee. Currently all franchisees contribute $750 per month. The majority of our company operated stores (the exceptions being of two small kiosks) pay the Marketing Fee payments on the same basis as franchisees.

We may use Marketing Fee monies, in our sole discretion, to direct all advertising programs, and we have exclusive control over the creative concepts and content of these programs, advertising placement decisions, and the allocation of Marketing Fee contributions to production, placement, and other costs.

We will not use Marketing Fee contributions for creating or placing any advertisement that is principally a solicitation for new franchisees, but may include in all advertising prepared using Marketing Fee contributions (including Internet advertising) information concerning franchise opportunities, and a portion of Marketing Fee contributions may be used to create and maintain one or more pages on our Website devoted to advertising franchise opportunities and identifying and screening inquiries and applications submitted by franchise candidates.

We have the right to reimburse ourselves for our costs of personnel and other administrative costs associated with providing services to the Marketing Fee, and we may use Marketing Fee contributions to defray our reasonable administrative costs and overhead incurred in connection with activities reasonably related to the Marketing Fee. The Marketing Fee is not a trust or escrow, and neither we nor our affiliates have any fiduciary obligation for administering the Marketing Fee or for any other reason and there is no requirement that the Marketing Fee monies be audited. We do not provide an accounting on how Marketing Fee monies are spent. However, most of the Marketing Fee monies are spent in the year in which they accrue, and the remaining amount is carried over to the following year.

We spend and/or make available Marketing Fee monies for each APLUS Store operated by franchisees. However, we have no obligation to ensure that expenditures from the Marketing Fee monies will affect any geographic area are or will be proportionate or equivalent to the contributions to the APLUS Stores operating in that geographic area. We also have no obligation to ensure that any APLUS Store will benefit directly or in proportion to its Marketing Fee contribution or from the development of advertising, business development and marketing materials and/or programs, the placement of advertising or otherwise.

In our most recent fiscal year ending December 31, 20252~~2024~~, we spent Marketing Fee monies in the following manner; any funds not spent in the current fiscal year will be carried over into the next fiscal year for use:

Admin	14%
Prod	7%
Media	40%
Misc	1%
Carry Over	38%
Total	100%

Grand Opening

Between the construction of the APLUS Store and within give months of opening, you must spend a minimum of $3,200 on a grand opening promotion ("Grand Opening Advertising"). You may spend more than the minimum. If we deem necessary, or if you request, we will provide you with products and services to assist with your grand opening during the first 60 days of operation, for which you will be charged the costs of the assistance. All Grand Opening Advertising must conform to our System standards, and be in the amount and manner that we approve.

Advertising Cooperative or Advertising Council

There are no advertising cooperatives or advertising counsel.

Site Selection

You must obtain our prior written approval for the site your APLUS Store will be located. With respect to a conversion, we will consider the condition of the building as well as exterior and interior layouts. With respect to all APLUS Store locations, we consider such factors as: demographics, accessibility of the site, proximity and nature of competitive businesses, traffic counts, traffic regulations such as speed, traffic lights and stop signs, visibility of the site, the extent to which the neighborhood is commercial, industrial or residential, the proximity of facilities which draw people to the area such as recreation areas, shopping centers, schools or employment and whether beer and wine may be sold from the premises.

You must obtain our written approval of the site within 30 days following the signing the Franchise Agreement. We will use reasonable efforts to approve or disapprove your site within 30 days following our receipt of your approval request. If you and we are unable to come to an agreement on a site, and no other qualified site is found within 90 days following execution of the Franchise Agreement, we have the right to terminate the franchise. Any Initial Franchise Fee or Supplemental Franchise Fee paid to us is fully earned and is non-refundable. Factors that could affect the time period may include the ability to obtain a lease, financing, obtaining required permits, weather conditions, shortages or delays in installation of certain equipment, fixtures, or signs.

We estimate the time between signing the Franchise Agreement and commencing operations is approximately two to six months.

You may not relocate the APLUS Store without our prior written consent. If we approve, you must relocate and commence operations within six months of our notice to you. You are responsible for all costs related to the relocation, including reimbursement of our cost, if any, in preparing standard engineering and architectural plans and site evaluations.

We or our affiliate may own and operate APLUS stores in an area in proximity to your APLUS Store. If you are a Leased APLUS Store franchisee we own the premises and lease it to you. You, or our designated consultants, are responsible for conforming the premises to local ordinances and building codes and

obtaining any required permits. We are responsible for the construction and/or remodeling and interior and exterior designs, including equipment, signs, and fixtures. We also provide you with our specifications and standards, as well as a list of approved vendors regarding the items and materials necessary to operate the APLUS Store.

Initial Training Program

We provide an initial training program for your Designated Manager and up to two other people. at least 5 weeks prior to you commencing operations. You must ~~attend and~~ complete to our sole satisfaction our initial training program before beginning operation of your APLUS Store. (Section 8.1. of the Franchise Agreement)

~~The training program is comprised of both classroom and hands-on learning. The training is conducted primarily at "Sunoco University" located at one of our affiliate's offices outside of Philadelphia, Pennsylvania, at 3805 West Chester Pike, Newtown Square, PA 19073.~~

~~Mallory Raleigh is~~The training program is comprised of mandatory self-directed virtual modules via computer-based training ("CBT") and additional discretionary hands-on learning if requested by you or required by us based on our assessment of your experience. We use a pre-training questionnaire to evaluate your industry experience and store management history. Based on this evaluation, Patrick White and Duane Tabor, our Senior Managers responsible for training curriculum, will determine if additional discretionary training is required in specific operational areas.

Patrick White and Duane Tabor are the ~~Director of Training and Sunoco University. She has over six years' experience in~~ Senior Managers responsible for the ~~industry and~~training curriculum. Mr. White has been with us since ~~2018. Training is administered by Tanya Slater, who~~August 1996 and has over thirty years of experience in the industry. Mr. Tabor has ~~twenty-one years'~~thirty-nine years of experience in the industry and has been with us for ~~over twenty-one~~the past six years.

Our initial training program instructors are experienced in the operation of convenience stores, and have served in various capacities and positions with us or our subsidiaries or affiliates. The initial training program shall include instruction in general store management including customer service, merchandise control, bookkeeping, and other subjects relating to the general operation of a retail store featuring convenience store service.

INITIAL TRAINING PROGRAM

Subject	Hours of ~~Classroom~~ Training*	Hours of On-The-Job Training*	~~Location~~Method*
~~WEEK 1~~			
~~Sunoco History~~Introduction	~~1~~10min	0	~~Pennsylvania*~~ Self-directed virtual modules via CBT or any other method we may designate
~~APLUS Program Overview~~	~~5~~	~~0~~	~~Pennsylvania*~~
~~Store Systems Manual~~	~~1~~	~~0~~	
~~SunocoNet~~	~~2~~	~~0~~	
~~Underground Storage Tank Review~~	~~4~~	~~0~~	~~Pennsylvania*~~

Subject	Hours of ~~Classroom~~ Training*	Hours of On-The-Job Training*	~~Location~~Method*
~~Security and Loss Prevention~~	~~2~~	~~0~~	~~Pennsylvania*~~
APlus Merchandising~~ / Marketing~~	~~4~~30min	0	~~Pennsylvania*~~ Self-directed virtual modules via CBT or any other method we may designate
~~ServSafe Review and Certification~~Central Scheduling	~~16~~10min	0	~~Pennsylvania*~~ Self-directed virtual modules via CBT or any other method we may designate
~~**WEEK 2**~~			
~~Backoffice Training~~Core Mark	~~40~~10min	0	~~Pennsylvania*~~ Self-directed virtual modules via CBT or any other method we may designate
~~**WEEKS 3-5**~~			
~~Sales Associate Role Training~~Customer Solutions	~~0~~10min	~~15~~0	~~Certified On-the-Job ("OTJ") Training Location*~~ Self-directed virtual modules via CBT or any other method we may designate
~~Inventory Management~~Dealer Credit	~~0~~10min	~~4~~0	~~Certified OTJ Training Location*~~ Self-directed virtual modules via CBT or any other method we may designate
~~Loss Prevention Techniques~~Environmental	~~0~~60min	~~1~~0	~~Certified OTJ Training Location*~~ Self-directed virtual modules via CBT or any other method we may designate
Safety ~~Management~~	~~0~~30min	~~3~~0	~~Certified OTJ Training Location*~~ Self-directed virtual modules via CBT or any other method we may designate
~~Underground Storage Tank Review~~Serv Safe Manager Course + Exam	~~0~~8-10hrs	~~3~~0	~~Certified OTJ Training Location*~~Self-directed virtual modules via CBT or any other method we may designate
~~Driving Sales~~	~~0~~	~~30~~	~~Certified OTJ Training Location*~~
~~Driving~~Serv Safe Food ~~Service Sales~~Handler Course + Exam	~~0~~60min	~~3~~00	~~Certified OTJ Training Location*~~ Self-directed virtual modules via CBT or any other method we may designate
~~Driving Fuel Sales~~SSCS	~~0~~3 days (18-20hrs)	~~3~~00	~~Certified OTJ Training Location*~~ Self-directed virtual modules via CBT or any other method we may designate

Subject	Hours of ~~Classroom~~ Training*	Hours of On-The-Job Training*	~~Location~~Method*
~~TOTAL~~ Sunoco Brand Marketing	~~75~~30min	~~1160~~	Self-directed virtual modules via CBT or any other method we may designate
SunocoNet Portal	60min	0	Self-directed virtual modules via CBT or any other method we may designate
Supply Optimization	10min	0	Self-directed virtual modules via CBT or any other method we may designate
Total	**31.5 / 35.5 Hours**	**0**	

DISCRETIONARY TRAINING PROGRAM (AS REQUIRED/REQUESTED)

Subject	Hours of Training*	Hours of On-The-Job Training*	Method*
Sales Associate Role Training	0	15	Hands-on leaning at our headquarters in Dallas, Texas, your franchised business location, or another location we designate
Inventory Management	0	4	Hands-on leaning at our headquarters in Dallas, Texas, your franchised business location, or another location we designate
Loss Prevention Techniques	0	1	Hands-on leaning at our headquarters in Dallas, Texas, your franchised business location, or another location we designate
Safety Management	0	3	Hands-on leaning at our headquarters in Dallas, Texas, your franchised business location, or another location we designate
Underground Storage Tank Review	0	3	Hands-on leaning at our headquarters in Dallas, Texas, your franchised business location, or another location we designate
Driving Sales	0	30	Hands-on leaning at our headquarters in Dallas, Texas, your franchised business location, or another location we designate
Driving Food Service Sales	0	30	Hands-on leaning at our headquarters in Dallas, Texas, your franchised business location, or another location we designate

Driving Fuel Sales	0	30	Hands-on leaning at our headquarters in Dallas, Texas, your franchised business location, or another location we designate
TOTAL	**0**	**116**	

*Or such other location or format (including virtual) as Sunoco may designate from time to time.

We do not charge a fee for the initial training program ~~for the first three participants~~; however, you are responsible for your ~~related~~any incurred costs for ~~hotel, travel, and wages for~~ you and your attendees. If you or your employees attend training at a facility designated by us, you are responsible for all costs, including but not limited to transportation, lodging, meals, and wages for your trainees. If we determine that hands-on training should occur at your APLUS Store, or if you request on-site assistance, you must reimburse us for all costs and expenses we incur in providing such training. This includes, but is not limited to, the travel, lodging, and meal expenses of our instructors and representatives, as well as a per-diem fee if applicable. Your Designated Manager must ~~attend and~~ successfully complete training before you can open your APLUS Store. We reserve the right to vary the length and content of the initial training program based on the experience and skill level of any individual attending the initial training program.

Additional Training

We may provide additional or remedial training at our discretion, and we may require you and your staff to complete such training. The training will be conducted ~~at our designated training center or another location. This training~~ through CBTs and is provided at no charge. However, if we determine that on-site remedial training is necessary to correct operational deficiencies, you must reimburse us for ~~the first two attendees. We will charge you $1,000 per week for each additional person attending the training. You are responsible for your related incurred costs for hotel,~~all travel~~, and wages for you~~ and ~~your attendees~~related expenses as described above.

If you are a multi-unit APLUS franchisee, you must have at least one full-time employee who has successfully completed our required training, at our satisfaction, on duty in each APLUS Store at least 40 hours per week. This employee may be our trained manager. When necessary, you have four months to replace a trained manager who is no longer employed by you. Replacement managers must attend and successfully complete, to our satisfaction, the initial training program. (Section 8.4 of the Franchise Agreement)

We may hold periodic national or regional conferences and attendance at these conferences is not mandatory. If you attend a conference, you must pay the conference registration fee, which currently does not exceed $800 per person per conference. You are also responsible for all of your related costs for your and/or your staff to attend the conference.

If our representative is scheduled to conduct on on-site training program at your APLUS Store or if you are scheduled for on-site training program and you subsequently cancel the scheduled training program, then you must pay us our then current on-site training cancellation fee ("On-Site Cancellation Fee"). The On-Site Training Cancellation Fee may vary depending upon the type of scheduled training program and how far in advance you notify us in writing of the cancellation including

You agree that we are not obligated to provide any training or assistance to your particular level of satisfaction, but as a function of our experience, knowledge and judgment. You also acknowledge that we are not obligated to provide any services to you that are not set forth in your franchise agreement. If you believe we have failed to adequately provide any pre-opening services to you or to your employees, whether with respect to site selection, selection and purchase of equipment and supplies, training or any other matter affecting the establishment of your APLUS Store, you must notify in writing within 30 days following the opening of your APLUS Store or you will be deemed to conclusively acknowledge that all pre-opening and

opening services required to be provided by us were sufficient and satisfactory in your judgment and complied with all representations made to you.

Computer Systems

You must purchase and use any hardware and software programs we designate, such as our back-office operating system, which is our integrated point-of-sale system, and pay us or a designated third-party a Technology Fee for your use of such systems.

The back office and helpdesk support software systems, licenses and scanning programs must be compatible with our system requirements. Unless we approve your existing equipment, we will provide you with a computer, monitor, printer, and back office handheld scanner.

The monthly fee for use of this back-office support system and license is estimated between $330 and $600 each month. We may permit the use of existing systems and licenses provided they meet our specifications. In such event, we reserve the right to reduce the monthly fee to $150 per month.

To facilitate automated communications, a broadband connection (DSL, Cable, FIOS, or similar connection) is required at your APLUS Store. These connections will be used in conjunction with Sunoco's network security firewall to obtain data needed to calculate certain fees owed to us, as well as to provide you with additional support. Additionally, Sunoco may require you to install communications equipment, such as a fax machine, and to have the capability to send and/or receive electronic mail through your computer.

You may have to enter into ongoing maintenance or support agreements for the maintenance of a computer or the various software programs. The annual costs of entering into maintenance, update, upgrading or support contracts are included in the range above. You may periodically be required to update or upgrade computer hardware and software, if we believe it is necessary. We may introduce new requirements or modify our specifications and requirements for computer and point-of-sale systems. We have the right to independently access all information you collect or compile at any time without first notifying you and there are no contractual limitations on our right to do so.

The computer system and/or any point-of-sale system for your APLUS Store will be dedicated for the operation of your APLUS business and used for no other purpose. All sales must be processed through the approved point-of-sale system and reported as gross sales and no other supplemental or secondary point-of-sale system may be used.

Information Systems and Technologies

We may designate the information system used in your APLUS Store, including the computer hardware, software other equipment and enhancements (the "Information System"). If you suspect or know of a security breach, you must immediately give notice of such security breach and promptly identify and remediate the source of any compromise of security breach at your expense. You assume all responsibility for providing all notices of breach or compromise and all duties to monitor credit histories and transactions concerning customers of the franchised business unless otherwise directed by us.

You are solely responsible for protecting yourself from disruptions, internet access failures, Internet content failures, and attacks by hackers and other unauthorized intruders and you waive any and all claims you may have against us or our affiliates as the direct or indirect result of such disruptions, security breach and promptly identify and remediate the source of any compromise of security breach at your expense. You assume all responsibility for providing all notices of breach or compromise and all duties to monitor credit histories and transactions concerning customers of the franchised business, unless otherwise directed by us.

You agree to release and hold us and our affiliates and our respective officers and directors, harmless from

and against any and all claims, liability, damages or causes of action of any nature arising from or in connection with the installation, maintenance or operation of the Information System and its billing and payment processing, except to the extent arising from such party's gross negligence or intentional acts.

All of the information we or our affiliates obtain from you or about your APLUS Store, and all information in your records or our records concerning the officers, directors, shareholder, sole proprietor, partners or members of your APLUS Store ("the Information") and all revenues we derive from the Information will be our property. However, you may at any time during the term of your franchise agreement with us use in the operation of your APLUS Store (but for no other purpose), to the extent lawful and at your sole risk and responsibility, any information that you acquire from third parties in operating your APLUS Store, such as customer data. The information (except for information you provide to us or our affiliates with respect to you and your affiliates, including your respective officers, directors, shareholders, partners or equity members of your entity) will become our property which we may use for any reason as we deem necessary or appropriate in our discretion. You hereby authorize your payment processor to release the information to us at any time. Following termination or expiration of your franchise agreement you will no longer use any of the Information, except to comply with your post-term obligations under your franchise agreement and you authorize your payment processor to release the Information exclusively to us and/or our designees.

ITEM 12
TERRITORY

Your APLUS franchise is for a specific location approved by us and you may not relocate it or establish additional APLUS stores without our prior written approval. Unless we grant you development rights under a Development Agreement, we do not grant you any options or rights of first refusal to acquire additional franchises.

The APLUS franchise is non-exclusive. You will not receive an exclusive territory or any type of protected territory. You may face competition from other franchisees, from outlets we own, or from other channels of distribution or competitive brands that we control, including an area representative that may sell APLUS store franchise opportunities. You must comply with our system standards regarding soliciting consumers to choose to patronize your APLUS Store. We are not restricted from soliciting consumers and we are not required to pay you compensation for any related sales.

We operate 19 company-owned APLUS Stores in the State of New Jersey. We are not restricted from operating company-owned APLUS Stores in close proximity to your APLUS Store, either under the APLUS trademark or other marks. Our training programs are available at our designated training facility for your staff and for our staff. In addition, with respect to motor fuel sales, our affiliate, Sunoco, operates or supplies retail outlets throughout its marketing area with Sunoco or various branded motor fuel which may or may not compete with you for motor fuel sales.

Development Agreement

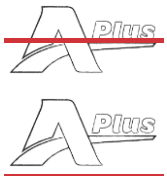
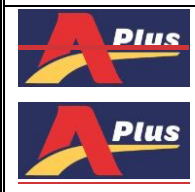
Under the development agreement, we grant you the right to develop and operate a specified number of APLUS Stores at sites in a specified development area. The development area will be identified on Attachment B to the development agreement and may be described in terms of cities, counties, states, or some other designation.

We reserve to ourselves all other rights, including the right to own and operate and to grant others the right to own and operate APLUS Stores outside the development area, regardless of their proximity to the development area, and in "Captive Markets" located within and outside the development area. We also have the right to distribute products and services identified by the Marks, such as pre-packaged products, through alternative channels of distribution including the Internet. We are not required to compensate you if we exercise any of the rights specified above inside your development area.

If you fail to meet any of your obligations under the development agreement, including the development schedule obligations, we may (i) terminate or modify any territorial protections granted to you, (ii) reduce the size of the development area, or (iii) reduce the number of APLUS Stores which you may establish under the development schedule. There are no other circumstances that permit us to modify your territorial rights under the development agreement.

ITEM 13
TRADEMARKS

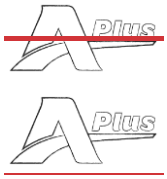
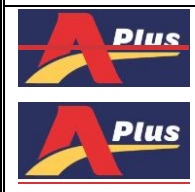
Sunmarks owns the following Marks, which are registered on the Principal Register of the United States Patent and Trademark Office ("USPTO") and all required affidavits have been filed:

Mark	Registration Number	Filing Date	International Class
APLUS	1760205	March 23, 1993	035
APLUS	1843340	July 5, 1994	042
A PLUS and Design	6732447	May 28, 2020	035
 A PLUS and Design	6732448	May 28, 2020	035
A PLUS and Design	6732449	May 28, 2020	035
 A PLUS and Design	6761171	May 28, 2020	035

GRUB & CO GRUB & CO and Design	6907749	October 1, 2020	029, 030, 035
GRUB & CO.	6868072	July 23, 2020	029, 030, 035
	4446193	September 25, 2012	035
	2471154	November 24, 1999	035
	2419068	November 24, 1999	35
A PLUS EXPRESS 	1867827<u>2419073</u>	February 28, 1992<u>November 24, 1999</u>	04<u>235</u>
	<u>2419067</u>	<u>November 24, 1999</u>	<u>35</u>

We have applied; however, the following Marks are not registered with the USPTO. We do not have a federal registration for our principal trademark. Therefore, our trademark does not have many legal benefits and rights as a federally registered trademark. If our right to use the trademark is challenged, you may have to change to an alternative trademark which may increase your expenses.

Mark	Serial Number	Filing Date	International Class
APLUS	88937954	May 28, 2020	029, 030
   A PLUS and Design	88937980	May 28, 2020	029, 030
   A PLUS and Design	88938003	May 28, 2020	029, 030

A PLUS and Design	~~88982340~~99100600	~~May 28, 2020~~March 24, 2025	035
A PLUS and Design	88938104	May 28, 2020	029, 030
A PLUS and Design	~~88982343~~99100595	~~May 28, 2020~~March 24, 2025	035
 A PLUS and Design	88938064	May 28, 2020	029, 030
A PLUS and Design	88938091	May 28, 2020	029, 030
 A PLUS and Design	88938115	May 28, 2020	029, 030

Through a master license agreement dated June 1, 1990, Sunmarks granted us a license to use the Marks and to sublicense their use to our franchisees. The license is perpetual unless terminated for cause by either party. In the event of termination by Sunmarks, you will have to change, at your expense, to the alternative Marks we designate. There are no other agreements currently in effect which would significantly limit our rights to use or license the use of the trademarks and service marks in a manner material to the franchise.

There are no currently pending or effective material determinations of the USPTO, Trademark Trial and Appeal Board, or the trademark administrator of any state or any court. There are no pending infringement, opposition or cancellation proceedings, and no pending litigation involving any of the Marks that may significantly affect the ownership or use of any Mark listed above. We know of no infringing or prior superior uses that could materially affect the use of the Marks.

You do not receive any rights to the Marks other than the exclusive right to use them in the operation of your APLUS Store. You must follow our rules when you use the Marks. You must use the Marks as the sole trade identification of the APLUS Store, except as may be required otherwise. You cannot use a name or Mark as part of a corporate name or with modifying words, designs or symbols except for those which we license to you. You may not use any Mark in connection with the sale of any unauthorized services or products, or in any other manner that we do not authorize in writing. You must obtain a fictitious or assumed name registration if required by your state or local law. Any unauthorized use of the Marks by you is a breach of the Franchise Agreement and an infringement of our rights in the Marks. You must not contest the validity or ownership of the Marks, including any Marks that we license to you after you sign the Franchise Agreement. You must not assist any other person in contesting the validity or ownership of the Marks.

You must immediately notify us when you learn about an infringement of, or challenge to your use of, any Mark, or any claim by any person of any rights in any Marks, and you must not communicate with any person other than us and our counsel regarding any infringements, challenges, or claims unless you are legally required to do so, however, you may communicate with your own counsel at your own expense. We, at our expense, take the action we think appropriate in these situations; we have exclusive control over any settlement or proceeding concerning any Mark. You must take any actions that, in the opinion of our counsel, may be advisable to protect and maintain our interests in any proceeding or to otherwise protect and maintain our interests in the Marks.

While we are not required to defend you against a claim arising from your use of our Marks, we will reimburse you for all of your expenses reasonably incurred in any legal proceeding disputing your authorized use of any Mark, but only if you notify us of the proceeding in a timely manner and you have complied with our directions with regard to the proceeding. We have the right to control the defense and settlement of any proceeding. We will not reimburse you for your expenses and legal fees for separate, independent legal counsel and for expenses in removing signage or discontinuing your use of any Mark. We will not reimburse you for disputes where we challenge your use of a Mark.

If we require, upon 30 days written notice, you must modify or discontinue the use of any Mark and use other trademarks or service marks we designate. We do not have to reimburse you for modifying or discontinuing the use of a Mark or for substituting another trademark or service mark for a discontinued Mark. If we adopt and use new or modified Marks, you must add or replace equipment, supplies and fixtures, and you must make other modifications we designate as necessary to adapt your APLUS Store for the new or modified Marks. You do not have to spend an amount unreasonably disproportionate to your initial investment during the initial term of the Franchise Agreement to conform your APLUS Store to changes to the Marks and other System modifications. We do not reimburse you for any loss of goodwill associated with a modified or discontinued Mark.

You may not register or seek to register as a trademark or service mark, either with the USPTO or any state or foreign country, any of the Marks or a trademark or service mark that is confusingly similar to any of our Marks. You may not use service marks or service names the same or confusingly similar to any of our Marks in whole or in part as part of any corporate, partnership, or other business name used by you.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not own any patents that are material to the franchise, nor do we have any pending patent applications. We do claim copyright protection and proprietary rights in the original materials used in the

System, including our recipes and procedures, menus, manuals, bulletins, correspondence and communications with our franchisees, training, advertising, and promotional materials, the content and designed of our web site, and other written materials regarding the operation of APLUS or SUNOCO franchised business and the System ("Copyrighted Works").

There is no presently effective determination of the U.S. Copyright Office (Library of Congress) or any court affecting our copyrights. There is no currently effective agreement that limits our right to use and/or license our copyrights. We are not obligated by the Franchise Agreement, or otherwise, to protect any rights you have to use the copyrights. We have no actual knowledge of any infringements that could materially affect the ownership, use, or licensing of the copyrights. You may not use any of our copyrighted works on the Internet without our written permission. This includes display of the copyrighted works on commercial websites, gaming websites, and social networking web sites (such as FACEBOOK, INSTAGRAM, or TWITTER, whether or not such social media platform is used for commercial gain).

You must promptly notify us of any suspected unauthorized use of, or any challenge to the validity of the Marks or Copyrighted Works, or any challenge to our ownership of, or license to use and to license others to use, or your right to use, the Marks or Copyrighted Works. We have the right to direct and control any administrative proceeding or litigation or other adjudicative proceeding involving the Marks or Copyrighted Works, including any settlement of the proceeding. We or our affiliate has the right, but is not obligated, to take action against uses by others that may constitute infringement of the Marks or Copyrighted Works. We will defend you against any third-party claim, suit, or demand arising out of your use of the Marks or Copyrighted Works. If we determine that you have used the Marks and Copyrighted Works according to the terms of the franchise agreement, we will pay the cost of the defense, including the cost of any judgment or settlement. If we determine that you have not used the Marks and Copyrighted Works according to the terms of the franchise agreement, you must pay the cost of the defense, including the cost of any judgment or settlement. If there is any litigation regarding your use of the Marks or Copyrighted Works, you must sign all documents that we require and do all things that we consider necessary to carry out the defense or prosecution, which may include becoming a nominal party to any legal action. Unless the action is the result of your use of the Marks or Copyrighted Marks in a manner inconsistent with the terms of the franchise agreement, we will reimburse you for your out-of-pocket litigation costs in doing such acts.

You and your employees must maintain the confidentiality of all information contained ~~in the Systems Manual~~on SunocoNet and other information that we consider confidential, proprietary or trade secret information. "Confidential Information" means all trade secrets, the Standards, and other elements of the System; all customer information; all information contained ~~in the Systems Manuals~~on SunocoNet; our proprietary recipes and standards and specifications for product preparation, packaging and service; financial information; marketing data; vendor and supplier information; all other knowledge, trade secrets, or know-how concerning the methods of operation of the APLUS Store which may be communicated to you, or of which you may be apprised, by virtue of their operation under the terms of the Franchise Agreement, and all other information that we designate.

ITEM 15
OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You must either operate the APLUS Store as a sole proprietor or in a form of business organization approved by us. In addition, prior to entering into the Franchise Agreement, you are required to show proof satisfactory to us of your United States citizenship or permanent residency status.

We require that you be directly involved in the operation of your APLUS Store, devoting good faith and best efforts to the daily operation the APLUS Store. Your "Designated Manager" is the individual designated by Franchisee as having primary responsibility for managing the day-to-day supervision and affairs of the APLUS Store. If you operate the APLUS Store as a sole proprietor, then you shall also be the

Designated Manager. If you operate the APLUS Store as an approved form of business organization, then you are required to designate a Designated Manager who must devote his/her good faith and best efforts to the daily operation of the APLUS Store.

If you operate under any approved form of business entity, unless we agree otherwise, the Designated Manager must be the 51% owner of the voting stock or other ownership interest in the entity. You, or your Designated Manager, must attend and successfully complete to our satisfaction all required training programs and provide ongoing training, guidance and supervision to all of your employees.

Before you commence operations, you must successfully complete our initial training program (see Item 11). You are responsible for ensuring that those managing or employed at the APLUS Store know how to operate the store in a safe and proper manner, which includes, but is not limited to, having an employee present at your APLUS Store during all operating hours who has the ability to communicate with the public in the English language.

If the franchisee is a business entity, each owner must sign an Unlimited Guaranty and Assumption of Obligations substantially in the form attached as Attachment 3 to the franchise agreement. Any individual who attends our initial training program, any additional guarantors, all shareholders of a corporation, all members of a limited liability company, all general and limited partners of a partnership and your Designated Manager must sign a non-disclosure and non-competition agreement substantially in the form attached as Attachment 2 to the franchise agreement.

Leased APLUS Store and Non-Leased APLUS Store:

If you operate a single APLUS Store, you are obligated to be present at the location no less than 40 hours per week, including 8:30 a.m. to 4:30 p.m. on at least three weekdays (Monday through Friday).

If you operate two APLUS Stores, you are obligated to be present at the locations for no less than 40 hours per week combined, including 8:30 a.m. to 4:30 p.m. on at least two weekdays at each location. You must also have at least one employee employed full time at each location who has completed successfully, to our satisfaction, the APLUS initial training program.

If you operate more than two APLUS Stores, you are obligated to be present at the locations for no less than 40 hours per week combined, at such times we may designate, and you must have at least one employee employed full time at each location who has completed successfully, to our satisfaction, the APLUS initial training program.

Captive Market APLUS franchises:

In addition to the obligations stated above, you are obligated to comply with any additional operational requirements of the applicable Concessionaire and/or Turnpike, Thruway or Toll Road Authority.

We do not impose any anti-poaching restrictions that prohibits you, or any other franchisee, from soliciting or hiring any person currently employed or previously employed within the APLUS System.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may not use the APLUS Store or premises for any other purpose other than as an APLUS Store or Concurrent Operation. Minimum standards of quality and the variety of merchandise offered for sale by you and specifications for equipment, uniforms and some products are set forth in the Franchise Agreement and ~~the Systems Manual.~~on SunocoNet.

You are required to maintain a minimum merchandise inventory of a type, quality, quantity and variety as provided ~~in the Systems Manual~~on SunocoNet ("Minimum Inventory Requirements"). We will provide to you a list of such ~~"~~Minimum Inventory Requirements~~"~~ that we may amend and/or supplement during the

term of the franchise.

Subject to the restrictions described below, you may offer for sale other items of merchandise or services selected at your discretion. All inventory (or services) offered for sale shall be of a quality that is consistent with the favorable public image of the APLUS ~~Program~~System. Upon written notification from us, you must promptly discontinue offering for sale any item of merchandise (or services) that we have determined is not of this quality.

You must adhere to our APLUS planogram designed for your APLUS Store, including floor and shelf plan specification by category. You may offer for sale other items of your choosing as long as they are approved by us. We may modify any specifications, standards, or requirements as we deem necessary and you must promptly modify your operation or product lines accordingly. You are required to arrange and display clear, prominent price tags on or immediately near all products offered in a manner which allows customers to easily identify products and related pricing.

All self-serve paper goods provided to customers at the APLUS Store and all fast food products sold for immediate consumption are to be sold in standardized wrappings, cups and containers bearing the APLUS mark or as otherwise approved by us, and must be purchased from our ~~approved suppliers~~Approved Suppliers.

You are not limited as to the customers to whom you may offer goods and services.

Prohibited Sales

You are prohibited from displaying or selling any adult/~~sophisticate~~sophisticated magazines and/or any other materials that we determine are offensive to the general public or which may be prohibited from sale or display by applicable federal, state, or local laws or regulations. You are prohibited from selling marijuana of any kind (THC, CBD, synthetic or otherwise), Kratom, unauthorized drugs, drug paraphernalia of any type or nature, and "bath salts" in any form or known by any name, as further described ~~in the Systems Manual.~~on SunocoNet.

Bath salts may be known as Bliss Blue Light, Blue Silk, Charge, Cosmic Blast, Disco Concentrate Bath Salts, Ivory Snow, Ocean Burst, Pure Ivory, Purple Wave, Snow Leopard, Stardust, Tranquility Bath Salts, White Dove, White Knight, White Rush, Zeus 2, Ivory Wave, White Lightening or other names. Further, the sale of drug paraphernalia, such as glass smoking pipes are also prohibited. Sales of these products can lead to criminal and civil charges as well as termination of your Franchise Agreement.

In addition, you must keep the APLUS Store open for the minimum hours specified in Item 15 above or by ~~the Manual(s)~~what is indicated on SunocoNet, if applicable, and may only advertise through APLUS approved media. Periodically, we may allow certain services or products that are not otherwise authorized for general use as a part of the System to be offered locally or regionally based upon such factors as we determine, including test marketing for the purpose of customer or operational feedback or evaluation, your qualifications, and regional or local differences.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

This table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this Disclosure Document.

Legend:

"APLUS" means the APLUS Franchise Agreement
"Premises" means the APLUS Premises Lease

THE FRANCHISE RELATIONSHIP

FRANCHISE AGREEMENT AND RELATED AGREEMENTS

Provision	Section in franchise or other agreement	Summary
a. Length of franchise term	APLUS – 4.1 Premises - 1.02, 2.02	Leased APLUS Store: 5 years or otherwise mutually agreed upon Non-Leased APLUS Store: 10 years or otherwise mutually agreed upon The term of any related Premises Lease is equivalent to the specific APLUS Franchise Agreement.
b. Renewal or extension of the term	APLUS – 4.2	As long as you meet the requirements to renew, you are granted one renewal term equal to your original term.
c. Requirements for franchisee to renew or extend	APLUS – 4.2	In order to exercise your right to renew for one additional term, you: (i) have fully complied with the APLUS Franchise Agreement and related agreements during the entire term of the original franchise agreement, (ii) have satisfied all monetary obligations to us and/or our affiliates, (iii) provide us with your intent to renew no less than ninety (90) days nor more than one hundred and eighty (180) days before the end of the term, (iv) meet our then-current qualification criteria, (v) comply with our then-current training requirements, (vi) sign our then-current form of APLUS Franchise Agreement, which may have materially different terms and conditions (including higher royalty fees), (vii) must sign a general release, along with each owner, and (viii) have entered into a written commitment to update and refurbish the APLUS Store to the then-current standards and specifications. Further, if you have a Leased APLUS Store, your right to renew for an additional term is contingent on us maintaining ownership or direct property interest in the premises.

Provision	Section in franchise or other agreement	Summary
d. Termination by franchisee	APLUS - 16 Premises - 2.20	If you are in full compliance with the Franchise Agreement, and we materially breach the Franchise Agreement, you must provide us written notice to cure the breach. If we fail to take reasonable steps to cure the breach within 30 days or do not take continued steps to cure the breach, you may terminate the Franchise Agreement. If you lease the Premises from us, you may terminate the Premises Lease upon 90 days' written notice to Sunoco.
e. Termination by franchisor without cause	No provision	We may not terminate the APLUS Franchise Agreement without cause.
f. Termination by franchisor with cause	APLUS - 16 Premises - 2.20	We may terminate the APLUS Franchise Agreement and related agreements only if you default.
g. "Cause" defined – curable defaults	APLUS - 16 Premises - 2.19	If you fail to cure within the time frame stated in our notice of default to you (subject to state law), we can terminate the APLUS Franchise Agreement if: (i) you engage in any activity exclusively reserved to us, and fails to cure such offending activity within five (5) days after delivery of written notice; (ii) you fail to comply with any applicable law or regulation, and fails to cure such failure within ten (10) days after delivery of written notice; (iii) you fail to pay any amounts due under this Agreement, and fails to cure such default within five (5) days after delivery of written notice default; (iv) you fail to procure or maintain required insurance and fail to cure such default within ten (10) days after delivery of written notice of default; or if (v) you materially breach any other provision of this Agreement, and fails to cure such default within thirty (30) days after delivery of written notice of default.
h. "Cause" defined – non-curable defaults	APLUS - 16 Premises - 2.21	We may terminate you for cause based on certain non-curable defaults, including: (i) you fail to timely establish, equip, and commence operations of the APLUS Store; (ii) you fail to

Provision	Section in franchise or other agreement	Summary
		have its Designated Manager satisfactorily complete any training program; (iii) you fail to maintain all required professional licenses, permits and certifications for a period exceeding five (5) business days; (iv) you made any material misrepresentation or omission in its application for the Franchise or otherwise to Franchisor in the course of entering into the franchise agreement; (v) you or any owner is accused of a fraudulent, deceptive or illegal practices, or is convicted of or pleads no contest to, felony, a crime involving moral turpitude, or any other crime or offense that we believe is reasonably likely to have an adverse effect on the System, or you or an owner is involved in any other activity that otherwise may adversely affect our reputation or the reputation the APLUS Store; (vi) you, after notice to cure, fail to refrain from activities, behavior or conduct likely to adversely affect the reputation of Franchisor, your franchise entity, or the APLUS Store; (vii) you disclose, duplicate or otherwise uses in an unauthorized manner any portion of ~~the Systems Manual~~SunocoNet, Trade Secrets or any other Confidential Information, or otherwise nondisclosure and confidentiality obligations; (viii) you fail to obtain nondisclosure agreements signed from key employees, managers, and anyone else Franchisor requires; (ix) you abandon, fail, or refuse to actively operate the APLUS Store for five (5) or more consecutive days (unless the APLUS Store has not been operational for a purpose approved by Franchisor); (x) you surrender or transfer control of the operation of the APLUS Store without our approval, make or attempt to make an unauthorized direct or indirect assignment of the franchise or an ownership interest in Franchisee, or fails or refuses to assign the Franchise or the interest in Franchisee of a deceased or incapacitated owner thereof as herein required; (xi) you fail to maintain the APLUS Store under the primary supervision of a Designated Manager during the one hundred eighty (180) days following the death or Incapacity of Franchisee or any holder of a legal or beneficial interest in the franchise entity; (xii) you submit to Franchisor on two (2) or more separate occasions at any time during the term of the franchise any

Provision	Section in franchise or other agreement	Summary
		reports or other data, information or supporting records that understate any Royalty Fee, Marketing Fee, or any other fees owed to Franchisor by more than five percent (5%) for any accounting period and Franchisee is unable to demonstrate that such understatements resulted from inadvertent error; (xiii) you misuse or makes an unauthorized use of any of the Marks or commits any other act which can reasonably be expected to impair the goodwill associated with any of the Marks; (xiv) you fail on two (2) or more separate occasions within any period of twelve (12) consecutive months to submit reports or other information or supporting records when due, to pay any Royalty Fee, Marketing Fee, amounts due for purchases from Franchisor and any Affiliate, or other payment when due to Franchisor or any Affiliate, whether or not such failures to comply are corrected after notice thereof is delivered to Franchisee; (xv) you violate on two (2) or more occasions any health or safety law, ordinance or regulation, or operates the APLUS Store in a manner that presents a health or safety hazard to its customers, employees or the public; (xvi) you fail to comply with any provision of the franchise agreement three or more times in a twelve-month period, whether or not cured; (xvii) you default under any other agreement between Franchisor (or any Affiliate) and you, such that Franchisor or its Affiliate, as the case may be, has the right to terminate such agreement or such agreement automatically terminates; (xviii) your sale of illegal and/or prohibited products or services, or prohibited products or services per Franchisor's ~~Systems Manual~~policies on SunocoNet or other written directives; (xix) you or any Owner's violation of non-disparagement requirement; (xx) you knowingly maintain false books or records, or maintain an alternative set of books and records with the intent to defraud the Franchisor; (xxi) your books and records are missing or incomplete for our review for two (2) consecutive scheduled audits; (xxii) you or any Owner becomes insolvent; make a general assignment for the benefit of creditors; file a petition or have a petition initiated against it under federal bankruptcy laws or similar state laws; or has

Provision	Section in franchise or other agreement	Summary
		outstanding judgments against it or any Owner for over 30 days, (xxiii) any default under any agreement between you and us or our Affiliate (cross defaults) (xxiv) failure on 2 or more separate noticed occasions to comply with the same obligation in any time-frame, and (xxv) receive two or more default notices within 12 month time frame for any violation of the franchise agreement or the System Standards.
i. Franchisee's obligations on termination/ nonrenewal	APLUS - 17 Premises - 2.23	Upon termination or non-renewal of the APLUS Franchise Agreement only, you must: (i) immediately cease to operate the APLUS Store; (ii) cease to use the Trade Secrets or other Confidential Information, the System and the Marks including, without limitation, all slogans, symbols, logos, advertising materials, stationery, forms and any other items which display or are associated with the Marks; (iii) take such action as may be necessary to cancel or assign to Franchisor, at Franchisor's option, any assumed name or equivalent registration filed with state, city or county authorities which contains the name APLUS, SUNOCO, or any other Mark, and you must provide to Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within thirty (30) days after termination or expiration of this Agreement; (iv) pay all sums owing to Franchisor and any affiliate (v) pay to Franchisor all costs and expenses, including reasonable attorneys' fees, incurred by Franchisor subsequent to the termination or expiration of the Franchise in obtaining injunctive or other relief for the enforcement of any provisions of the franchise agreement; (vi) immediately return to Franchisor ~~the Systems Manual~~any information obtained from SunocoNet, Trade Secrets and all other Confidential Information including records, files, instructions, brochures, agreements, referral contact list, disclosure statements and any and all other materials provided by Franchisor to Franchisee relating to the operation of the APLUS Store; (vii) assign all of Franchisee's email addresses, any websites, and telephone listings and numbers for the APLUS Store to Franchisor and shall notify the

Provision	Section in franchise or other agreement	Summary
		telephone company and all listing agencies of the termination or expiration of Franchisee's right to use any telephone numbers or facsimile numbers associated with the Marks and shall authorize transfer of same to or at the direction of Franchisor; (viii) comply with all other applicable; (ix) at our option, assume your lease (if applicable) and/or purchase certain APLUS Store assets. provisions of the franchise agreement. If, by mutual agreement, the related agreements remain in effect after the termination or nonrenewal of the APLUS Franchise Agreement, your obligations under these agreements shall continue and you may be obligated to pay to us additional rent. If the APLUS Franchise Agreement is terminated prior to the end of its stated term, you must pay us liquidated damages (see Item 6).
j. Assignment of contract by franchisor	APLUS - 18	We have the right to transfer or assign all or any part of our rights or obligations under the APLUS agreements to any person or legal entity, provided that the assignee agrees in writing to assume all obligations undertaken by us.
k. "Transfer" by franchisee - defined	APLUS - 18 Premises - 2.22	Includes transfer of APLUS franchise, assets or ownership change (in whole or in part).
l. Franchisor approval of transfer by franchisee	APLUS - 18 Premises - 2.22	Sunoco's prior approval is required for all transfers of your rights, interests or obligations under the APLUS Franchise Agreement and related agreements.
m. Conditions for franchisor approval of transfer	APLUS - 18 Premises - 2.22	We may require the following conditions for our approval of the transfer: (i) you have complied with our right of first refusal requirements; (ii) you have paid all monetary obligations and are otherwise in compliance with the franchise agreement; (iii) you and each Owner has executed a general release; (iv) the prospective transferee has satisfied our then-current requirements for a franchisee; (v) the transferee has executed our then-current form of franchise agreement, nondisclosure agreements, a general release, and any other required documents; (vi) you have provided us a complete copy of all contracts, agreements,

Provision	Section in franchise or other agreement	Summary
		and related documents concerning the sale of the APLUS Store from you to transferee; (vii) your or transferee has paid us the applicable Transfer Fee; (viii) transferee has obtained all necessary consents and approvals from third parties to operate the APLUS Store; (ix) the transferee Designated Manager completes our required initial training; (x) transferee provides proof of U.S. citizenship or permanent legal residency status; and (xi) transferee has completed our then-current financial application, and initial training.
n. Franchisor's right of first refusal to acquire franchisee's business	APLUS - 19 Premises - 2.22	Within 60 days after receiving your notice of a pending 100% transfer, which must include a copy of the proposed purchase contract, we have the option to either notify you that (i) we decline to exercise our right of first refusal, or (ii) we will match the offer on the same terms and conditions contained in the offer. Except however, we have the right to deduct the amount of the transfer fee from the offering price, and payment of any brokerage fee is your responsibility. In the event we decline and the original purchase offer is materially changed prior to closing, you must provide us with the new terms and we will have 60 days in which to notify you if we elect to continue to decline or if we elect to match the new offer.
o. Franchisor's option to purchase franchisee's business	APLUS – 17.4	Within 60 days after termination or expiration of the franchise agreement, we have the option to purchase any of the assets of the APLUS Store at fair market value, as determined by an independent appraiser.
p. Death or disability of franchisee	APLUS – 18.6 Premises - 2.22	In the event of death, disability, or incapacity, of you or a controlling owner, the appointed representative must transfer ownership of the APLUS Store to a successor who is approved by us, and complete to our satisfaction our initial training program, prior to assuming the APLUS Franchise Agreement and related agreements. This transfer should occur within 180 days, and during that time, the Designated Manager is required to manage the APLUS Store.
q. Non-competition covenants during the term of the franchise	No provision	There is no covenant by either party not to compete.

Provision	Section in franchise or other agreement	Summary
r. Non-competition covenants after the franchise is terminated or expires	APLUS - 7	In the event you or any owner is in default which has led to premature termination of the franchise agreement, you and any owner are prohibited from owning an interest in, investing in, managing, operating, or performing services, consulting with, or be employed by or for any competitive business located within 20 miles of your APLUS Store or any other APLUS Store, for two years after termination or expiration of the franchise agreement. Excepted from this restriction are any competitive businesses owned by you or an affiliate at the time of termination of the franchise agreement.
s. Modification of the agreement	APLUS – 23.7 Premises - 2.27	Except for those permitted to be made unilaterally by us under the APLUS Franchise Agreement or related agreements, the agreements may not be modified unless mutually agreed to in writing.
t. Integration/merger clause	APLUS – 23.7 Premises - 2.27	Only the terms of the APLUS Franchise Agreement and related agreements are binding (subject to state law). Any representations or promises outside of the disclosure document and APLUS Franchise Agreement and related agreements may not be enforceable. Nothing in the APLUS Franchise Agreement and related agreements is intended to disclaim any representations we made in this disclosure document.
u. Dispute resolution by arbitration or mediation	No provision	None
v. Choice of Forum	APLUS – 24.2	Subject to applicable state law, the venue for all proceedings related to or arising out of the APLUS Franchise Agreement is Dallas, Texas. See the State Specific Addenda attached to this Disclosure Document.
w. Choice of Law	APLUS – 24.1	Texas law applies (subject to applicable state law). See the State Specific Addenda attached to this Disclosure Document.

THE FRANCHISE RELATIONSHIP

Development Agreement

Provision	Section in Development Agreement	Summary
a. Length of the Agreement term	Section 2.1	The period beginning on the effective date and ending on the earlier of: (i) the date on which you have completed your development obligations, or (ii) 12:00 midnight CST on the last day specified in the development schedule.
b. Renewal or extension of the term	No provision	Not applicable.
c. Requirements for Developer to renew or extend	No provision	Not applicable
d. Termination by Developer	No provision	Not applicable
e. Termination by the franchisor without cause	No provision	Not applicable
f. Termination by the franchisor with "cause"	Sections 9.1, 9.2., 9.3, 9.4, 9.5, and 9.6	We can terminate if you materially default under your development agreement, an individual franchise agreement, or any other agreement between you or your affiliate and us. In the event of the death or permanent incapacity of an owner, we may terminate if you fail to adhere to the applicable transfer requirements.
g. "Cause" defined - curable defaults	Sections 9.3, 9.4, 9.5, and 9.6	You have 10 days to cure a failure to pay fees and 30 days to cure any other default, and in the case of a breach or default in the performance of your obligations under any franchise agreement or other agreement between you and us.
h. "Cause" defined – non-curable defaults	Sections 9.1 and 9.2	Non-curable defaults: unapproved transfers; failure to meet development obligation; any breach of confidentiality or unfair competition described in Section 10; cross defaults, bankruptcy, foreclosure, insolvency, conviction of a felony, misrepresentations in your application, and/or repeated defaults, even if cured.
i. Developer's obligation on termination/non-renewal	Sections 2.2 and 10.2	You will have no further right to develop or operate additional APLUS Stores which are not, at the time of termination, the subject of a then existing franchise agreement between you and us. You may continue to own and operate all APLUS Stores under then existing Franchise Agreements.
j. Assignment of contract by franchisor	Section 8.1	No restrictions on our right to assign.
k. "Transfer" by Developer – defined	Section 8.2	Includes transfer of the agreement, changes in ownership of the entity which is a party to the agreement and transfers of assets. No shares of a

Provision	Section in Development Agreement	Summary
		developer which is a business entity may be offered for sale through the public offering of securities. Shares may be offered by private offering with our prior written consent.
l. Franchisor approval of transfer by Developer	Section 8.4	Transfers require our prior written consent, which may be withheld for any reason, in our sole subjective judgment. However, transfers that do not result in a change of control may, subject to certain conditions described in the development agreement, be completed without our prior written consent.
m. Conditions for franchisor approval of transfer	Section 8.4	You may not transfer any franchise agreement signed under the development agreement, except with our written consent and a simultaneous assignment of the development agreement and all of the franchise agreements signed under the development agreement to the same assignee. You must pay the applicable transfer fee and sign a general release.
n. Franchisor's right of first refusal to acquire Developer's business	Not Applicable	Not applicable
o. Franchisor's option to purchase Developer's business	Not applicable	Not applicable
p. Death or disability of Developer	Section 8.9	Same requirements as for a transfer in "m" above. If your interest is not transferred within six months following your (or an Owner's) death or legal incapacity, your development agreement may be terminated.
q. Non-competition covenants during the term of the Agreement	Not applicable	Not applicable
r. Non-competition covenants after the Agreement is terminated or expires	Section 10.2	In the event you or an affiliate is in default of the Development Agreement which has led to premature termination of the Development Agreement, you and any owner are prohibited from owning an interest in, investing in, managing, operating, or performing services, consulting with, or be employed by or for any competitive business located in the development area or located within 25 miles of any APLUS Store in existence at under development at the time of such termination, for two years after termination of the Development Agreement. Any competitive business owned by you or an affiliate

Provision	Section in Development Agreement	Summary
		at the time of early termination of the development agreement due to default is excepted from this restriction.
s. Modification of the Development Agreement	Sections 13.1 and 13.2	Must be in writing and signed by all parties
t. Integration/merger clause	Section 13.1	Only the terms of the development agreement are binding.
u. Dispute resolution by arbitration or mediation	Not applicable	Not applicable
v. Choice of forum	Sections 14.3	Venue for any proceeding is the court serving the judicial district in which we maintain our principal place of business at the time the action is initiated (currently Dallas, Texas) (subject to state law).
w. Choice of law	Section 14.1	Texas law applies without giving effect to any conflict of law principals (subject to state law).

ITEM 18
PUBLIC FIGURES

We do not use any public figure to promote our franchise.

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representative to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Mallory Raleigh, 8111 Westchester Drive, Suite 600, Dallas, Texas 75225, (214) 840-5270, mallory.raleigh@sunoco.com, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
System Outlet Summary

FOR YEARS 20222023 TO 20252024

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchise	20232022	251250	250248	-12
	20232024	250248	248246	-2
	20252024	248247	246247	-20
Company-Owned	20232022	21	2119	0-2
	20242023	2119	19	-20
	20252024	19	19	0
Total Outlets	20232022	272271	271266	-15
	20242023	271267	266265	-52
	20252024	267266	265266	-20

Table No. 2
Transfers to Outlets from Franchisees to New Owners (other than the Franchisor)

FOR YEARS 20222023 TO 20252024

State	Year	Number of Transfers
CT	20232022	10
	2024	0
	2025	0
DE	2023	0
	2024	0
MA	20252022	01
MA	2023	1
	2024	2
MD	20222025	0
MD	2023	1
	2024	0
NJ	20222025	12
NJ	2023	1
	2024	1
NY	20222025	0
NY	2023	0
	2024	2
PA	20222025	83

PA	2023	8
	2024	6
	2025	1
Total	20232022	11
	2023	11
	2024	11
	2025	7

Table No. 3
Status of Franchised Outlets

FOR YEARS 20222023 TO 20252024

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of Year
CT	20232022	9	0	0	0	0	0	9
	20232024	9	0	0	0	0	0	9
	20242025	9	0	0	0	0	0	9
DC	20232022	2	0	0	0	0	0	2
	20242023	2	0	0	0	0	0	2
	20242025	**2**	0	0	0	0	0	2
DE	20232022	8	0	0	0	0	0	8
	20242023	8	0	0	0	0	0	8
	20242025	8	01	0	0	0	0	89
MA	20232022	16	0	0	0	0	0	16
	20232024	16	0	0	0	0	0	16
	20242025	16	0	0	0	0	0	16
MD	20232022	2625	10	20	0	0	0	25
	20242023	25	0	0	0	0	0	25
	20242025	25	0	01	0	0	0	2524
NJ	20232022	1312	0	10	0	0	0	12
	20242023	12	0	01	0	0	0	1211
	20242025	1211	0	10	0	0	0	11
NY	20232022	53	0	01	0	0	0	5352
	20242023	5352	0	10	0	0	0	52
	20242025	52	0	01	0	0	0	5251
PA	20232022	104103	10	2	0	0	0	103101
	20242023	103101	0	20	0	0	0	101
	20242025	101	0	1	0	0	0	100
RI	20232022	2	0	0	0	0	0	2
	20242023	2	0	0	0	0	0	2
	20242025	2	0	0	0	0	0	2

VA	~~2022~~2023	~~19~~20	~~1~~0	0	0	0	0	20
	2024~~2023~~	~~20~~21	0	0	0	0	0	~~20~~21
	~~2024~~2025	21	0	0	0	0	0	21
Totals	~~2022~~2023	~~251~~250	~~2~~0	3	0	0	0	~~250~~248
	2024~~2023~~	~~250~~248	0	~~3~~2	0	0	0	~~248~~246
	~~2024~~2025	~~248~~246	~~0~~2	~~2~~1	0	0	0	~~246~~247

Table No. 4
Status of Company-Owned Outlets

FOR YEARS ~~2022~~2023 TO ~~2024~~2025

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisee[1]	Outlets at End of Year
NJ	~~2022~~2023	21	0	0	~~0~~2	0	~~21~~19
	2024~~2023~~	~~21~~19	0	0	~~2~~0	0	19
	~~2024~~2025	19	0	0	0	0	19
Totals	~~2022~~2023	21	0	0	~~0~~2	0	~~21~~19
	2024~~2023~~	~~21~~19	0	0	~~2~~0	0	19
	~~2024~~2025	19	0	0	0	0	19

Table No. 5
Projected Openings

AS OF DECEMBER 31, ~~2024~~2025

STATE	FRANCHISE AGREEMENTS SIGNED BUT NOT OPEN	PROJECTED FRANCHISED NEW STORES IN THE NEXT FISCAL YEAR	PROJECTED COMPANY- OWNED OPENINGS IN THE NEXT FISCAL YEAR
DE	2	0	0
MD	1	0	0
VA	1	0	0
Totals	4	0	0

A list of the names and current addresses of our franchisees as of December 31, ~~2024~~2025, is located in Exhibit C. A list of names and current addresses of franchisees who have been terminated, canceled, not renewed, voluntarily or involuntarily ceased to do business under their franchise agreement during our fiscal year ending December 31, ~~2024~~2025 or who have not communicated with us within 10 weeks of the issuance date of this disclosure document are also listed in Exhibit C.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

In some instances, current or former franchisees sign provisions restricting their ability to speak openly about their experience with APLUS. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

As of the date of this disclosure document, we have not created, sponsored or endorsed any franchisee association, and we are not aware of any independent trademark-specific franchisee associations in existence for the system.

ITEM 21
FINANCIAL STATEMENTS

Attached to this disclosure document as Exhibit H are~~:~~

~~a) Unaudited consolidated balance sheet as of August 2025 and consolidated income statement from January through August 2025; and~~

~~b)~~ Sunoco LP's Guaranty of Performance and audited consolidated financial statements for the years ended December 31, 2025, 2024, ~~2023,~~ and ~~2022~~2023, as published in Sunoco LP's Annual Report for the Year Ended December 31, ~~2024.~~2025.

Our fiscal year ends December 31st.

ITEM 22
CONTRACTS

Attached as Exhibits to this disclosure document are the following contracts and their exhibits:

Exhibit A	APLUS Franchise Agreement
Exhibit B	Development Agreement
Exhibit F	Franchise Disclosure Questionnaire

ITEM 23
RECEIPT

Attached as Exhibit K to this disclosure document are receipt pages. Please return one signed and dated copy to us and retain the other for your records.

SUNOCO RETAIL LLC

FRANCHISE AGREEMENT

FRANCHISE AGREEMENT
SUMMARY PAGE

EFFECTIVE DATE:	_____
COMMENCEMENT DATE:	_____ (Refer to Section 5.6.)
EXPIRATION DATE:	as of 10:00 am Central Standard Time on _____
FRANCHISEE:	_____
TYPE OF BUSINESS ENTITY:	_____
ADDRESS FOR NOTICES:	_____
MAJORITY OWNER:	_____
DESIGNATED MANAGER:	_____
TELEPHONE NUMBER:	_____
E-MAIL ADDRESS:	_____
AUTHORIZED BRAND(s):	APLUS® convenience store
FRANCHISE FEE:	☐ $15,000 OR ☐ $_____
PREMISES:	☐ Leased APLUS Store (Attachments 1.A. and 6) ☐ Non-Leased APLUS Store (Attachments 1.C. and 7, if applicable) ☐ Captive Market APLUS Store (Attachments 1.E.)
ROYALTY FEE(S):	Refer to Section 3.2 and Attachment 1
MARKETING FEE:	Up to $1,500 or 2% of Gross Sales (whichever is less) monthly, currently $750 per month
GRAND OPENING ADVERTISING:	$3,200
COLLATERAL SECURITY DEPOSIT:	Refer to Section 3.4 and Attachment 1
TRANSFER FEE:	Refer to Section 18.2 and Attachment 1
TRANSFER FEE (FOR CONVENIENCE):	$1,500, refer to Section 18.3

_____ _____
Franchisor Initial Franchisee Initial

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ATTACHMENTS:

1. Key Terms:
   A. Leased APLUS Store
   B. Non-Leased APLUS Store
   C. Captive Market APLUS Store
2. Non-Disclosure Agreement
3. Unlimited Guaranty and Assumption of Obligations
4. Holders of Legal or Beneficial Interest in Franchisee; Governing Persons

5. Electronic Funds Transfer Authorization
6. Premises Lease (if applicable)
7. Equipment and Construction Funding Agreement (if applicable)
8. State Specific Amendment to Franchise Agreement (if applicable)

SUNOCO RETAIL LLC
FRANCHISE AGREEMENT

This Franchise Agreement entered into on the Effective Date by and between Sunoco Retail LLC, having its principal place of business at 8111 Westchester Drive, Suite 600, Dallas, Texas 75225 ("**Franchisor**", "**Sunoco**" or "**we**"), and the Franchisee identified in the Summary Page ("**Franchisee**" or "**you**").

WITNESSETH:

WHEREAS, Franchisor and its Affiliate have developed, and are in the process of further developing, a System relating to the establishment and operation of a full-line retail grocery convenience store that offers fast foods, prepackaged foods, beverages, sundries, and other convenience store goods identified principally by the trademark APLUS, the "**Franchised Business**"; and

WHEREAS, Franchisee may, under certain circumstances and as authorized by Franchisor, operate a gasoline fueling station and related petroleum products identified principally by the trademark SUNOCO ("**SUNOCO Station**") or another brand (generally referred to as "**Fueling Station**"); and

WHEREAS, in addition to the service marks APLUS and/or SUNOCO and certain other Marks, the distinguishing characteristics of the System include: uniform standards and procedures for efficient business operations; procedures and strategies for marketing, advertising and promotion; customer service and development techniques; other strategies and techniques; and Trade Secrets and other Confidential Information; and ~~the Manual~~SunocoNet; and

WHEREAS, Franchisor grants to qualified persons and business entities the right to own and operate an authorized brand or brands Franchised Business using the System and the Marks, as indicated on the Summary Page; and

WHEREAS, Franchisee desires to operate a Franchised Business, as indicated on the Summary Page, has applied for the Franchise and such application has been approved by Franchisor in reliance upon all of the representations made herein and therein; and

WHEREAS, Franchisee understands and acknowledges the importance of Franchisor's high and uniform standards of quality, operations and service and the necessity of operating the Franchised Business in strict conformity with Franchisor's System.

NOW, THEREFORE, Franchisor and Franchisee, intending to be legally bound, agree as follows:

1. DEFINITIONS

Whenever used in this Agreement, the following words and terms have the following meanings:

"Affiliate" means any business entity that controls, is controlled by, or is under common control with Franchisor, including but not limited to Sunoco LLC, a Delaware limited liability company.

"Agreement" means this agreement entitled "Sunoco Retail LLC Franchise Agreement" and all instruments supplemental hereto or in attachment, amendment, or confirmation hereof.

"APLUS Store" or **"APLUS Franchise"** shall mean an APLUS Franchised Business.

"Approved Supplier(s)" has the meaning given to such term in Section 13.1.

"Approved Vendor Purchase Requirement" means we may implement a buying group in which your participation will be required. In connection with such buying group, you will be required and you agree to make up to 90% of your total inventory purchases and, separately, up to 90% of your cigarette purchases, both computed monthly at cost, from Approved Suppliers or Designated ~~Specific Suppliers.~~Wholesale Provider. No purchase will be credited toward your Approved Vendor Purchase Requirement unless the purchase is from an Approved Supplier or Designated ~~Specific Supplier.~~Wholesale Provider. The cost value

used to calculate your percentage of inventory purchases and cigarette purchases from Approved Suppliers or Designated ~~Specific Suppliers~~Wholesale Provider will only include the cost reflected on vendor invoices, and will exclude any allowances, rebates and discounts not reflected on vendor invoices. To count toward your Approved Vendor Purchase Requirement, the products must be ordered and paid for through our recommended method for ordering and paying that vendor.

"**Business Data**" has the meaning given to such term in Section 6.8.

"Captive Market" means venues that service a captive market, including, but not limited to, turnpikes, thruways, toll roads, airports, travel plazas, arenas, convention centers, or military bases, or venues at which food and/or beverage service rights are contracted to a third party.

"Collateral Security Deposit" means the amount stated in described in Section 3.4 and Attachment 1 primarily intended for the payment of any outstanding obligations owed to Franchisor or its Affiliate.

"Commencement Date" means the date Franchisee takes possession of the Premises and the date that begins the term of this Agreement.

"Competitive Business" means any business that offers or provides (or grants franchises or licenses to others to operate a business that offers or provides) Competitive Services; provided, however, that the term "Competitive Business" shall not apply to **(a)** any business operated by Franchisee under a Franchise Agreement with Franchisor, or **(b)** any business operated by a publicly-held entity in which Franchisee owns less than a five percent (5%) legal or beneficial interest.

"Competitive Services" means full-line retail grocery convenience store and/or gasoline fueling station or other services the same as or similar to those provided by APLUS and/ SUNOCO businesses or in which Trade Secrets or other Confidential Information could be used to the disadvantage of Franchisor, any Affiliate or its other franchisees.

"Computer System" has the meaning given to such term in Section 12.9.

"Confidential Information" means technical and non-technical information used in or related to the APLUS and/or SUNOCO Franchised Business and not commonly known by or available to the public, including, without limitation, Trade Secrets, methods and products, customer services techniques and other techniques and methodologies not generally known to the industry or public, and any other information identified or labeled as confidential when delivered by Franchisor. Confidential Information shall not include, however, any information that: **(a)** is now or subsequently becomes generally available to the public through no fault of Franchisee; **(b)** Franchisee can demonstrate was rightfully in its possession, without obligation of nondisclosure, prior to disclosure pursuant to this Agreement; **(c)** is independently developed without the use of any Confidential Information; or **(d)** is rightfully obtained from a third party who has the right, without obligation of nondisclosure, to transfer or disclose such information.

"**Copyrighted Works**" means, including but not limited to, works of authorship which are owned by Franchisor or its Affiliate and fixed in a tangible medium of expression including, without limitation, the content of ~~the Manual~~SunocoNet, the design elements of the Marks, Franchisor's advertising and promotional materials, and the content and design of Franchisor's website.

"Designated Manager" means the individual designated by Franchisee as having primary responsibility for managing the day-to-day supervision and affairs of the Franchised Business. If Franchisee operates the APLUS Store as a sole proprietor, then Franchisee shall also be the Designated Manager. If Franchisee operate under any approved form of business entity, unless we agree otherwise, the Designated Manager must be the 51% owner of the voting stock or other ownership interest in the entity.

"Designated Service Provider" has the meaning given to such term in Section ~~14~~13.1.1.

"Designated ~~Specific Suppliers~~Wholesale Provider" has the meaning given to such term in Section 13.1.2.

"**Designated Wholesale Provider Non-Compliance Fee**" has the meaning given to such term in Section 13.1.2.

"Effective Date" means the date on which Franchisor and Franchisee fully execute this Agreement, thereby commencing its effectiveness.

"Electronic Depository Transfer Account" means an account established at a national banking institution approved by Franchisor and providing Franchisor with access to electronically withdraw any funds due to Franchisor.

"Expiration Date" means the anticipated date this Agreement is scheduled to expire without further notice.

"**Force Majeure**" has the meaning given to such term in Section 23.10..

"Franchise" means the right granted to Franchisee by Franchisor to use the System and the Marks authorized by Franchisor.

"Franchise Fee" has the meaning given to such term in Section 3.1.

"Franchised Business" means the APLUS and/or SUNOCO business(es) to be established and operated by Franchisee pursuant to this Agreement, and additional or ancillary agreements.

"Franchisee" means the individual or entity defined as "Franchisee" in the introductory paragraph of this Agreement.

"Franchisor" means Sunoco Retail LLC.

"GAAP" means the generally accepted accounting principles, standards, conventions and rules accountants follow in recording and summarizing transactions, and in the preparation of financial statements.

"Gross Sales" means total amount of your sales and any merchandise inventory variation including the total amount of consideration, valued in U.S. currency, received by you for sales from or in the Franchised Business from: (a) merchandise, (b) services, (c) equipment rentals, and (d) merchandise inventory variation, if any, as further described ~~in the Manual~~on SunocoNet, without deduction on account of any of the following: (a) the cost of goods sold, including taxes paid by you in procuring goods for resale; (b) the cost of material used, labor or service cost, interest paid or any other expense; or (c) the cost of transportation of the goods. Gross Sales include all barter and exchange transactions for which you furnish services or products in exchange for goods or services to be provided by the vendor, supplier or customer will be valued at the full retail value of goods and services bartered in exchange for the good or services provided to you. Gross Sales also includes the proceeds of any business interruption insurance paid to you. Gross Sales also includes any payments you receive from vendors. Chargebacks are not deducted from Gross Sales. Franchisor reserves the right to include car wash sales in the calculation of Gross Sales discussed above.

The following are not included in Gross Sales: (a) gasoline, diesel, and other fuel sales (if applicable, when operating a Fueling Station), (b) the amount of tax imposed by the United States or any city, county, state, or other governmental entity or agency or instrumentality thereof upon or with respect to retail sales of tangible personal property measured by a stated percentage of sales price or gross receipts, whether imposed upon you as a seller or upon the customer as a purchaser; (c) any deposits refunded to customers; (d) the sale price of returned merchandise by customers when the full sale price is refunded either in cash or credit, but this exclusion shall not apply in any instance when the customer, in order to obtain the refund, is required to purchase other property at a price equal to or greater than the amount charged for the property which is returned. For purposes of calculating Gross Sales, refund or credit of the entire amount shall be deemed to be given when the purchase price, less re-handling and restocking costs, is refunded or credited to the customer; (e) lottery and other commissions; (f) money orders (face value); (g) ATM income from fees, commissions, and rentals; (h) money order fees; (i) prepaid product sales and commissions on products from designated supplier; (j) federal, state and local excise taxes on cigarettes. For purposes of this excise

tax exclusion, the calculation and deduction of the above taxes shall be calculated based on the tax rate that is in effect on the first day of the month, and is only applicable to cigarette products that are authorized as a part of the ~~APLUS cigarette planograms; (k) car wash and~~Designated Service Provider's order guide; (k) automotive repairs; and (l) proprietary SUNOCO food service businesses and convenience store product offerings from which no royalty is collected in accordance with the terms of the applicable participation agreement.

"Incapacity" means the inability of Franchisee, or any holder of a legal or beneficial interest in Franchisee, to operate or oversee the operation of the Franchised Business on a regular basis by reason of any continuing physical, mental or emotional condition, chemical dependency or other limitation.

"Indemnified Parties" has the meaning given to such term in Section 21.3.

"**Interim Period**" has the meaning given to such term in Section 4.3.

"Internet" means any one or more local or global interactive communications media that is now available, or that may become available, including sites and domain names on the World Wide Web.

"Leased APLUS Store" means an APLUS Store that is operated by the Franchisee, and the Franchisor owns or has a direct property interest in the premises or equipment in the APLUS Store.

"Marketing Fee" has the meaning given to such term in Section 11.1.

"Marketing Program" has the meaning given to it in Section 11.1.1.

"Marks" means the service marks APLUS, and such other trade names, trademarks, service marks, trade dress, designs, graphics, logos, emblems, insignia, fascia, slogans, drawings, and other commercial symbols as Franchisor may designate to be used in connection with Franchised Business.

"Minimum Monthly Royalty Fee" has the meaning given to such term in Section 3.3 and as further described in Attachment 1.

"Non-Leased APLUS Store" means an APLUS Store that is owned and operated by the Franchisee, and Franchisor has no direct property interest in the premises of the Store.

"Notice of Readiness" means Franchisor's notice to you confirming the date the Premises are available for use and occupancy, which also solidifies the Commencement Date.

"Owner" means the individual or individuals who have an ownership interest in Franchisee.

"Premises" means the physical Store location, together with all buildings and improvements now or hereafter constructed thereon.

"Programs" has the meaning given to such term in Section 13.11.

"Royalty Fee" has the meaning given to such term in Section 3.2 and as further described in Attachment 1.

"Store" means the APLUS Franchised Business constructed or to be constructed at the Premises identified in the Summary Page.

"**SUNOCO Station**" means a SUNOCO branded fueling station.

"System" means the uniform standards, methods, procedures and specifications, including ~~the Manual~~SunocoNet, developed by Franchisor and as may be added to, changed, modified, withdrawn, or otherwise revised by Franchisor for the operation of an APLUS and/or SUNOCO Franchised Businesses.

"~~Systems Manual", "Program",~~ and ~~"Systems Manual" (individually and collectively referred to as the "Manual")~~SunocoNet" means~~, whether in paper or electronic form~~ Franchisor's Internet-based portal which Franchisee is given access, and ~~any other items as~~ may be ~~provided,~~ added to, changed, modified or otherwise revised by Franchisor from time to time, that contain or describe the System, Programs,

Advertising Programs, Proprietary Programs, the standards, methods, procedures, and specifications of the respective APLUS and/or SUNOCO ~~System~~Station, including computer-based training, other operations, administration and managers' manuals and all electronic books, computer programs, password-protected portions of an Internet site, pamphlets, memoranda, notifications and alerts, and other publications prepared by, or on behalf of, Franchisor.

"Technology Fee" has the meaning given to such term in Section 5.3.2.

"Trade Secrets" means information in any form (including, but not limited to, technical or non-technical data, formulas, patterns, compilations, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, marketing plans, client information, product plans, passwords, lists of actual or potential customers or suppliers) related to or used in an APLUS and/or SUNOCO Franchised Businesses that is not commonly known by or available to the public and that information: **(a)** derives economic value, actual or potential, from not being generally known to, and not being readily ascertained by proper means by, other persons who can obtain economic value from its disclosure or use; and **(b)** is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

"**Transfer**" For purposes of this Agreement, "**Transfer**" as a verb means to sell, assign, give away, transfer, pledge, mortgage, or encumber either voluntarily or by operation of law (such as through divorce or bankruptcy proceedings) any interest in this Agreement, the License, the Store, substantially all the assets of the Store, or in the ownership of the franchisee (if you are an Entity). "**Transfer**" as a noun means any such sale, assignment, gift, transfer, pledge, mortgage or encumbrance.

2. GRANT OF FRANCHISE

2.1. Grant

Franchisor hereby grants to Franchisee, and Franchisee undertakes and accepts, upon the terms and conditions herein contained, a revocable, limited, and non-exclusive license to operate a Franchised Business using the System, and only the authorized brand or brands and associated Marks specified on the Summary Page.

2.2. Sub-Franchising/Agents

Franchisee shall not sublicense or attempt to sublicense the use of the System or Marks to any person or entity. Except as permitted in Section 18, Franchisee shall not grant any person or entity the right to perform any part of Franchisee's rights or obligations licensed hereunder.

2.3. Non-Exclusive Territory

You will not receive an exclusive territory or any protected territory. You may face competition from other franchisees, from outlets that we, or our Affiliate, own, or from other channels of distribution or competitive brands that we control and any reserved rights we may have pursuant to this Agreement.

2.4. Premises

You may receive either a Leased APLUS Store or Non-Leased APLUS Store, as indicated on the Summary Page. Further the Leased APLUS Store or Non-Leased APLUS Store may be located in a Captive Market, for which you may be subject to additional fees. Terms of this Agreement are further amended by the respective terms in Attachment 1. You must only operate the approved APLUS Store from the approved location and no other business unless otherwise authorized pursuant to this Agreement or approved by us in writing.

3. FEES

3.1. Franchise Fee

Upon execution of this Agreement, Franchisee shall pay a fee ("**Franchise Fee**") to Franchisor in the amount stated on Summary Page. The Franchise Fee shall be deemed fully earned upon execution of this Agreement and is non-refundable, unless otherwise described herein. The Franchise Fee retained shall be specifically understood and agreed by the parties to be in consideration of the services provided, time expended, work performed, and other efforts of the Franchisor up to the date of Franchisee's failure to timely commence operations of the Franchised Business and shall not be construed as nor considered to be a penalty.

3.2. Royalty Fee

Franchisee shall pay to Franchisor without offset, credit, or deduction of any nature, a fee ("**Royalty Fee**") in the amount stated and in compliance with the timeframe described on Attachment 1. The Franchisor requires Franchisee to pay Royalty Fees through electronic transfer as set forth in Section 3.7, which shall be submitted to Franchisor through a method that Franchisor approves.

3.3. Minimum Monthly Royalty Fee

If the Royalty Fee paid to Franchisor is less than the respective minimum monthly royalty fee ("**Minimum Monthly Royalty Fee**") as described in Attachment 1, then Franchisee shall pay to Franchisor the difference between monthly Royalty Fee and the respective Minimum Monthly Royalty Fee, payable at the same time and in the same manner as the Royalty Fee.

3.4. Collateral Security Deposit

Prior to the opening of the Store, you shall deposit with us cash collateral in the amount stated in Attachment 1 ("**Collateral Security Deposit**"). The Collateral Security Deposit shall be held by Sunoco as one general, continuing, collateral security for the discharge and payment of the whole, or any part of any present, past, or future obligation indebtedness, or liability of you to Sunoco. You agree to enter into any additional financing statements, security agreement, or other documents deemed necessary by Sunoco. Further:

3.4.1. You shall pay to Sunoco a Collateral Security Deposit in an amount determined by Sunoco and no less than Ten Thousand Dollars ($10,000) or another amount stated in Attachment 1, which is due and payable prior to the opening of the APLUS Store. Sunoco, at its sole discretion, may, prior to the opening of the store and/or at any time during the contractual period require a larger Collateral Security Deposit, or other additional security, and also require that you execute and deliver additional and updated financing statements, security agreements or other documents.

3.4.2. You represent that all money deposited herein, is and/or shall be free and discharged of all third party claims, assignments, trust and legal processes.

3.4.3. You shall pay to Sunoco any indebtedness or balance of indebtedness whatsoever which you owe to Sunoco by reason of any obligation now or hereafter undertaken by you in favor of Sunoco.

3.4.4. The Collateral Security Deposit shall be held by Sunoco as one general, continuing, collateral security for the discharge and payment of the whole, or any part of any present, past, or future obligation indebtedness, or liability of you to Sunoco.

3.4.5. The amount of the Collateral Deposit may be changed, substituted, reduced or increased at any time by mutual agreement of Sunoco and you.

3.4.6. You authorize Sunoco to apply the collateral security to the payment of any obligation indebtedness, liability or tax outstanding of you to Sunoco, or for which Sunoco may become liable at any time during or at the end of any relationship with you. Sunoco shall have the right to purchase any or all of the property to be sold at either public or private sale, free from any right of redemption on the part of you.

3.4.7. Sunoco shall be the sole determiner of the disposition of said Collateral Security Deposit. Sunoco's deposit of said Collateral Security Deposit shall not release you of any obligations contained in

this Agreement. Should Sunoco use the Collateral Security Deposit, Sunoco may require changes in credit terms, if any, with you.

3.4.8. In the event you are in default at any time in the performance of any of the terms and conditions of this Agreement, Sunoco shall have the right, but not the obligation (in addition to any other remedies it has or may possess either at law, in equity, or under the terms of this Agreement) to correct said default and to deduct any resulting costs or expense incurred from your Collateral Security Deposit.

3.4.9. If a deduction is made pursuant to Section 3.4.8 above, you shall, immediately upon notice from Sunoco, pay to Sunoco the amount necessary to restore the Collateral Security Deposit to the full amount as set forth in this Section 3.4.

3.4.10. Sunoco agrees to return to you the Collateral Security Deposit, less any amount deducted for costs incurred by Sunoco because of default by you, indebtedness and liabilities due and payable to Sunoco by you, or because of willful or malicious physical damage to the Premises, Store or Store Equipment, after the termination, nonrenewal or expiration of this Agreement.

3.5. Other Operational and Miscellaneous Fees

During the term of the Agreement, other operational and/or miscellaneous fees apply to the Franchised Business. As applicable, Franchisee shall pay such other fees in the amount and within the timeframe as described in Attachment 1, or as further described in this Agreement.

3.6. Taxes

Franchisor shall charge the Franchisee the applicable sales taxes, excise taxes, use taxes, withholding taxes and similar taxes imposed on the fees charged by Franchisor to Franchisee hereunder, and on services or goods furnished by Franchisor to Franchisee at the same time as Franchisee remits such fees to Franchisor, whether such services or goods are furnished by sale, lease or otherwise, unless the tax is an income tax assessed on Franchisor for doing business in the state where the Franchised Business is located.

3.7. Electronic Transfer

Franchisor currently requires all Royalty Fees, Marketing Fees, Technology Fees, and other amounts due for purchases by Franchisee from Franchisor, or any Affiliate, rent pursuant to Attachment 6 (if applicable), and other amounts due to Franchisor, or any Affiliate, to be paid through an Electronic Depository Transfer Authorization (see Attachment 5). Franchisee shall open and maintain a single bank account for all its Franchised Business, and none other without Franchisor's written consent, and shall provide Franchisor with continuous access via electronic transfer to such account for the purpose of receiving any payments due to Franchisor, or any Affiliate. Franchisee shall make deposits to the account sufficient to cover amounts owed to Franchisor, or any Affiliate, prior to the date such amounts are due. Franchisee shall execute any documents Franchisor's or Franchisee's bank requires to establish and implement the Electronic Depository Transfer Account. Once established, Franchisee shall not close the Electronic Depository Transfer Account without Franchisor's written consent. Franchisor reserves the right to designate another method of payment by provide thirty (30) days' written notice to Franchisee.

3.8. Interest Charges

All Royalty Fees, Marketing Fees, Technology Fees, and any other amounts not received by Franchisor on the due date, will be subject to interest charges equal to the highest rate allowed by applicable state law. Interest will begin to accrue from the date payment was due, but not received, or date of underpayment, until payment is received in full. Franchisee shall pay Franchisor for all costs incurred by Franchisor in the collection of any unpaid and past due amounts, including reasonable collection or attorney fees.

3.9. Application of Payments

Notwithstanding any designation by Franchisee, Franchisor shall have the right to apply any payments by Franchisee to any past due indebtedness of Franchisee for Royalty Fees, Marketing Fees, Technology Fees, purchases from Franchisor, or any Affiliate, or any other amount owed to Franchisor, or any Affiliate, in any proportion or priority.

3.10. Alcohol Sales

If Franchisee is prohibited by law from offering for sale alcoholic beverages at the Franchised Business, or otherwise chooses not to offer for sale alcoholic beverages at the Franchised Business, Franchisee shall pay an additional fee of 1% of Gross Sales ("**Alcoholic Beverages Assessment**") as indicated in Attachment 1, in addition to the Royalty Fee. If Franchisee's APLUS Store is located in a state or county that prohibits the collection of royalties on the sale of alcoholic beverages, the Royalty Fee will be increased by 1% provided the definition of Gross Sales will not include any income from the sale of alcoholic beverages. Franchisor reserves the right to impose an additional ~~non-compliance fee (pursuant to~~Default Fee per Section ~~13.14)~~3.12 herein per month where a franchisee fails to continuously comply with Franchisor's space allocation/planogram requirements for the store by, for example, over expanding the beer/wine segment at the store. This additional charge is in addition to and without prejudice to Franchisor's remedies for a material default/termination under the terms of the applicable agreement.

3.11. Limited Refund

Franchisor may refund the Franchise Fee if it chooses not to execute this Agreement for any reason, or otherwise specified in Attachment 1.

3.12. Default Fee

If Franchisee is in default under this Agreement or non-compliant under Franchisor's then-current System, Standards, and/or Specifications, at Franchisor's sole discretion, and without waiver of any of Franchisor's rights under this Agreement, Franchisor may impose a fee ("Default Fee") in an amount up to $1,500 per event ~~of~~ , plus $1,500 for each month the default~~, plus~~ continues or the cost of re-inspections and the costs enforcing compliance~~. You~~ whichever is greater. Franchisee must pay the Default Fee within three (3) days of ~~our~~Franchisor's demand. Any late payment due under this Section is subject to interest charge as stated in Section 3.8 of this Agreement. Default Fee is in addition to all other rights and remedies available to the Franchisor under the terms of this Agreement, at law, or in equity.

3.13 Late Payments

Acceptance of a late payment shall not constitute an agreement by Franchisor to accept any payments after the due date or a commitment by Franchisor to extend credit to or otherwise finance Franchisee nor will it release franchisee of its obligations under the terms of the Franchise Agreement, including the late payment constituting default of the Franchise Agreement.

4. TERM

4.1. Initial Term

This Agreement shall begin on the Effective Date stated on the Summary Page, and shall expire on the anniversary indicated in Attachment 1, unless sooner terminated pursuant to Section 16.

4.2. Successor/Renewal Term

Subject to the conditions below, Franchisee may obtain a successor franchise at the expiration of the term of this Agreement by entering into a new franchise agreement with Franchisor. Franchisee's right to a successor franchise is limited to one additional term equal to the original term. Your failure to exercise this renewal right, will serve as a waiver of such right without further notice. To qualify for a successor franchise, each of the following pre-conditions shall have been fulfilled and remain true as of the last day of the term of this Agreement:

4.2.1. Franchisee and each Owner has, during the entire term of this Agreement, substantially complied with all material provisions of this Agreement, ancillary agreements to this Agreement, ~~the Manual~~SunocoNet, and if applicable, the Premises Lease and/or the Sunoco Motor Fuel Supply Agreement;

4.2.2. Franchisee has entered into a written commitment to, update and refurbish the Franchised Business and Store equipment within the time frame established by Franchisor, to reflect Franchisor's then-current standards and specifications applicable to the System;

4.2.3. Franchisee has satisfied all monetary obligations owed by Franchisee to Franchisor (or any Affiliate), and has timely met these obligations throughout the term of this Agreement;

4.2.4. Neither Franchisee nor each Owner is in default of any provision of this Agreement or any other agreement between Franchisee and Franchisor (or any Affiliate);

4.2.5. Franchisee has given written notice of its intent to operate a successor franchise to Franchisor not less than ninety (90) days nor more than one hundred and eighty (180) days prior to the end of the term of this Agreement;

4.2.6. Franchisee has met Franchisor's then-current qualification criteria and has executed Franchisor's then-current form of Franchise Agreement (or has executed other documents at Franchisor's election that modify this Agreement to reflect the fact that the Franchise Agreement relates to the grant of a successor franchise), which the then-current Franchise Agreement shall supersede this Agreement in all respects, and the terms of which may materially differ from the terms of this Agreement by requiring, among other things, a different percentage Royalty Fee, or Marketing Fee;

4.2.7. Franchisee and each Owner has complied with Franchisor's then-current training requirements; and

4.2.8. Franchisee and each Owner have executed a general release, in a form prescribed by Franchisor, of any and all claims against Franchisor, any Affiliate, and against their officers, directors, shareholders, managers, members, partners, owners, employees, and agents (in their corporate and individual capacities), except to the extent prohibited by the laws of the state where the Franchised Business is located.

4.2.9. If you operate a Leased APLUS Store, Franchisor's obligation and your right to renew for pursuant to this Section 4.2 is contingent on Franchisor maintaining ownership or direct property interest in the premises where your APLUS Store is located.

4.3. Interim Period

If this Agreement expires without Franchisee properly exercising its renewal right and Franchisee continues to accept the benefits of this Agreement thereafter, then, at Franchisor's sole option, Franchisor may treat this Agreement either as: (i) expired as of the date of expiration, with Franchisee then illegally operating a franchise without a license to do so, in violation of Franchisor's rights and this Agreement; or (ii) continued on a month-to-month basis (the "**Interim Period**") until one (1) party provides the other with written notice of such party's intent to terminate the Interim Period, in which case, the Interim Period will terminate thirty (30) days after the other party's receipt of the notice to terminate the Interim Period or, if Franchisee's jurisdiction requires a termination notice period longer than thirty (30) days, the period will be the minimum notice period required by the laws of such jurisdiction. In the latter case, all obligations of Franchisee shall remain in full force and effect during the Interim Period as if this Agreement had not expired, and all obligations and restrictions imposed on Franchisee upon expiration of the Agreement shall take effect upon termination of the Interim Period.

5. FRANCHISED BUSINESS

5.1. Franchised Business Location and Site Selection

The address of the approved location for the Franchised Business is described, or if not yet

identified as of the Effective Date, is described on Attachment 1 ("**Key Terms**"). You must identify and acquire a site for the APLUS Store within thirty (30) days after the Effective Date of this Agreement. The site must meet Franchisor's then-current site selection criteria, and must otherwise be mutually acceptable to you and to Franchisor. Franchisor will approve or reject your site within thirty (30) days of receiving your application and all required information. Franchisor may assist you in site selection, in its sole discretion, which assistance may include making available to you the services of an internal development management team or a designated third party tenant representative consulting firm. If required, you must use the services of a designated tenant representative consulting firm and pay any fees imposed by the firm. Although Franchisor or its tenant representative may propose sites for your consideration, you understand that ultimate site selection is solely your choice and your responsibility. If an acceptable site is not found by the Franchisee and approved by the Franchisor within ninety (90) days of the Effective Date, then Franchisor reserves the right to terminate this Agreement. Franchisor may utilize a Designated Service Provider to perform any of its duties under this Section 5.1 and Section 5 generally.

5.2. Development of the APLUS Store

5.2.1. Prior to the Commencement Date and at the direction of Franchisor, Franchisee, at Franchisee's expense, will obtain and install certain APLUS Store equipment designated by Franchisor (the "Store Equipment"). The Store Equipment must meet all of our specifications and requirements and must be purchased from suppliers approved or designated by Sunoco. You will adhere to all ongoing security, maintenance, and upgrade requirements of the Store Equipment as directed by Franchisor during the term of this Agreement. No Store Equipment owned by you or leased from a third party may be installed or used at the Store without our prior written consent.

5.2.2. If applicable, Sunoco will furnish and install other certain APLUS store equipment that Sunoco loans to you as part of this Agreement (the "Loaned Store Equipment"). You agree to execute such documentation as Sunoco may require to effectuate the lease terms, installation, and ongoing maintenance, and upgrade requirements for the Loaned Store Equipment. Should you discontinue operation of the APLUS Store for any reason before the Expiration Date, Sunoco shall have the unlimited right to enter and remove the Loaned Store Equipment from the Premises. If you elect to lease from us, additional APLUS Loaned Store Equipment during the term of this Agreement, you and we will execute such documents prescribed by Sunoco describing such additional equipment and any additional fees to be charged as a result of the installation of such additional equipment.

5.2.3. No Store Equipment or Loaned Store Equipment shall be removed from the Premises without the prior written consent of Sunoco. No additions, modifications, or replacements may be made by you to any Store Equipment or Loaned Store Equipment without Sunoco's prior written approval.

5.2.4. Unless authorized by our prior written consent, you may not install or use at or about the APLUS Store any other equipment (such as arcade machines, vending machines, shelving, display racks, signs, furniture, or fixtures) that tends to alter or modify the APLUS Store or the ~~Program~~System image.

5.3. Electronic Communications Equipment

5.3.1. Unless otherwise stipulated, Sunoco will supply and maintain your back-office operating system for the purposes of official Sunoco business use. The components of the Sunoco back office operating system will be determined by Sunoco, in its sole discretion, and as described ~~in the Manual.~~on SunocoNet. During the term of this Agreement, Sunoco will have full access to the data contained in or processed through the back-office operating system.

5.3.2. You must pay Sunoco a technology fee that is currently $330 per month fee, which may be increased up to $600 ("**Technology Fee**"). The Technology Fee covers access to the back-office system, software licenses, helpdesk support website, ~~e-mail set-up, e-mail hosting (for one e-mail address),~~ and other technology that may be required in the future. Sunoco may permit the use of existing systems and licenses provided such meets Sunoco's specifications and is in good operating condition. In

such event, Sunoco reserves the right to reduce your monthly fee. Sunoco reserves the right on a minimum of thirty (30) day notice to you to change the system requirements/providers. In such event, Sunoco reserves the right to increase the monthly fee to reflect any additional expenses incurred in connection with the system/provider change.

5.3.3. You must comply with our APLUS Retail Automation Program as further described ~~in the Manual.~~on SunocoNet. During the term of this Agreement, you will insure that all automated communications equipment, hardware and software, as further detailed ~~in the Manual~~on SunocoNet, necessary for the operation of the APLUS Store and the electronic point-of sale ("EPOS") systems is installed, maintained, and upgraded in accordance with our then-current standards. Additionally, Sunoco may require you to install communications equipment, such as a fax machine, scanner, or printer, and to have the capability to send and/or receive electronic mail through your computer. You are not permitted to install any software, hardware, or other equipment, or alter any software or hardware, that is in or part of the computer system not previously approved in writing by Franchisor. You acknowledge and agree that Sunoco will have unlimited access to the data compiled and contained in the APLUS Retail Automation Program. The computer system and/or EPOS for your APLUS Store will be dedicated to the operation of the APLUS Store business and used for no other purpose unless otherwise authorized by the Franchisor in writing. All sales must be processed through the approved EPOS systems and reported as Gross Sales and no other supplemental or secondary EPOS system may be used. Franchisor retains the right to designate a designated or approved supplier for the EPOS system and when designated Franchisee within thirty (30) days of notice from the Franchisor use the designated or approved supplier for the EPOS system for the APLUS Store. Franchisee shall grant Franchisor independent access to any EPOS system.

5.3.4. Your access to the information regarding your business accounts and ~~Programs~~programs will be permitted only through ~~an Internet Portal~~SunocoNet, or another location designated by us. The specifications of Sunoco's required computer systems and version updates will be provided to you by bulletins~~, updates to the Systems Manual,~~ and~~/or~~ notifications through ~~the Internet Portal~~SunocoNet.

5.4. ATM Equipment

You are required to participate in the Sunoco Turnkey ATM Program, and you will have an Automated Teller Machine ("ATM") designated by Sunoco installed in the Store. You are responsible for the continued safety, operational, and maintenance requirements of the ATM as further described ~~in the Manual.~~on SunocoNet. We reserve the right to include ATM commissions in the Gross Sales Calculation as set forth above and to charge Royalty Fees on such commissions by providing not less than thirty (30) days' prior written notice to you.

5.5. Air and Vacuum

You may participate in Sunoco's approved Air and Vacuum Program outlined ~~in the Systems Manual.~~on SunocoNet. If you participate, you are required to have a minimum of one air tower, which meets Sunoco's specifications. Sunoco requires that each air tower be operational and accessible during all shifts. Sunoco reserves the right to include Air and Vacuum sales in the Gross Sales Calculation and charge Royalty Fees on such revenues.

5.6. Failure to Open

Franchisee must take possession of the APLUS Store and open by the Commencement Date. If Franchisee fails take possession of and open the APLUS Store for business on the Commencement Date, in addition to any other remedies herein provided, Sunoco, at its option, shall have the right to collect, as liquidated damages and not as a penalty, the prorated Minimum Royalty Fee per day for each calendar day you fail to open the APLUS Store for business. In addition, if you fail to take possession of and open the APLUS Store for business within thirty (30) days after the Commencement Date, Sunoco may terminate this Agreement. If this Agreement is terminated pursuant to this Section 5.6, Franchisor shall retain the entire Franchise Fee paid by Franchisee. The Franchise Fee retained shall be specifically understood and agreed by the parties to be in consideration of the services provided, time expended, work performed, and other efforts of Franchisor up to the date of Franchisee's failure to timely commence operations of the Franchised Business and shall not be construed as nor considered to be a penalty.

5.7. Relocation

Franchisee shall not relocate the Franchised Business without the prior written consent of Franchisor. If the parties do not agree upon a substitute site within ninety (90) days after Sunoco's receipt of your notice, this Agreement shall terminate as provided in Section 16.2.1. Any such relocation shall be at Franchisee's sole expense, and shall proceed in accordance with the Sunoco's then-current requirements and specifications. You agree to enter into a new APLUS Franchise Agreement for the balance of the term of this Agreement, however you will not be required to pay a new franchise fee.

5.8. Information System and Technologies

5.8.1. Franchisor may designate the information system used in the Franchised Business, including the computer hardware, software other equipment and enhancements (the "Information System"). If the Franchisee suspect or know of a security breach, the Franchisee shall immediately give notice of such security breach and promptly identify and remediate the source of any compromise of security breach at the Franchisee's expense. The Franchisee assumes all responsibility for providing all notices of breach or compromise and all duties to monitor credit histories and transactions concerning customers of the Franchised Business unless otherwise directed by the Franchisor.

The Franchisee is solely responsible for protecting itself from disruptions, internet access failures, Internet content failures, and attacks by hackers and other unauthorized intruders and the Franchisee waives any and all claims the Franchisee may have against the Franchisor and its affiliates as the direct or indirect result of such disruptions, security breach and promptly identify and remediate the source of any compromise of security breach at the Franchisee's expense. The Franchisee assumes all responsibility for providing all notices of breach or compromise and all duties to monitor credit histories and transactions concerning customers of the Franchised Business, unless otherwise directed by the Franchisor.

5.8.2. The Franchisee hereby release and agree to release and hold the Indemnified Parties, harmless from and against any and all claims, liability, damages or causes of action of any nature arising from or in connection with the installation, maintenance or operation of the Information System and its billing and payment processing, except to the extent arising from such party's gross negligence or intentional acts.

5.8.3. All of the information the Franchisor or its affiliates obtain from the Franchisee or about the Franchised Business, and all information in the records or concerning the members of the Franchised Business ("the Information") and all revenues the Franchisor derive from the Information will be the Franchisor's property. However, the Franchisee may at any time during the term of this Agreement use in the operation of the Franchised Business (but for no other purpose), to the extent lawful and at the Franchisee's sole risk and responsibility, any information that the Franchisee acquire from third parties in operating your Franchised Business, such as customer data. The information (except for information the Franchisee provide to the Franchisor or its affiliates with respect to the Franchisee and the Franchisee's affiliates, including the Franchisee's respective officers, directors, shareholders, partners or equity members

of the entity) will become the Franchisor's property which the Franchisor may use for any reason as the Franchisor deem necessary or appropriate in its discretion. The Franchisee hereby authorize the Franchisee's payment processor to release the information to the Franchisor at any time. Following termination or expiration of this Agreement the Franchisee will no longer use any of the Information, except to comply with the Franchisee's post-term obligations under this Agreement and the Franchisee authorize the Franchisee's payment processor to release the Information exclusively to the Franchisor and/or its designees.

6. PROPRIETARY MARKS

6.1. Ownership

6.1.1. Franchisor represents that it or its Affiliate owns and/or has applied for registration of certain of the Marks with the appropriate authorities. Franchisee acknowledges that Franchisor has not made any representation or warranty to the effect that the Marks which have not been registered shall be registered or are able to be registered therein, and the failure to obtain registrations of any of the Marks shall not be deemed to be a breach of the terms of this Agreement by Franchisor. Moreover, Franchisee shall cooperate with Franchisor and its representatives, at Franchisor's expense, in the prosecution of any applications or registrations of any Marks which have been filed with the appropriate authorities. Franchisor undertakes to keep Franchisee informed of the progress in obtaining registration of the Marks, and any delay or inability to register any Mark shall not constitute a breach of this Agreement.

6.1.2. Franchisee's right to use the Marks is derived solely from this Agreement, is exclusive and is limited to the conduct of business by Franchisee according to, and in compliance with, this Agreement and all applicable standards, specifications and operating procedures prescribed from time to time by Franchisor. Any unauthorized use of the Marks by Franchisee is a breach of this Agreement and an infringement of the rights of Franchisor in and to the Marks. Franchisee's use of the Marks, and any goodwill created thereby, shall inure to the benefit of Franchisor. Franchisee shall not at any time acquire an ownership interest in the Marks by virtue of any use it may make of the Marks. This Agreement does not confer any goodwill, title or interest in the Marks to Franchisee. Franchisee shall not, at any time during the term of this Agreement or after its termination or expiration, contest the validity or ownership of any of the Marks or assist any other person in contesting the validity or ownership of any of the Marks.

6.2. Limitations on Use

Franchisee shall not use any Mark or portion of any Mark as part of any business entity name. Franchisee shall not use any Mark in connection with the sale of any unauthorized product or service or in any other manner not expressly authorized in writing by Franchisor. Franchisee shall give such notices of trademark and service mark registrations as Franchisor specifies and obtain such fictitious or assumed name registrations as may be required under applicable law to do business as a Franchised Business.

Franchisee shall not register or seek to register as a trademark or service mark, either with the United States Patent and Trademark Office or any state or foreign country, any of the Marks or a trademark or service mark that is confusingly similar to any Mark licensed to Franchisee. Franchisee shall include on its letterhead, forms, cards and other such identification, a prominent notice stating that the Franchised Business is an "Independently Owned and Operated Franchise" of Franchisee.

6.3. Notification of Infringements and Claims

Franchisee shall immediately notify Franchisor of any infringement of the Marks or challenge to its use of any of the Marks or claim by any person of any rights in any of the Marks. Franchisee shall not communicate with any person other than Franchisor and Franchisor's counsel in connection with any such infringement, challenge or claim; provided, however, Franchisee may communicate with Franchisee's counsel at Franchisee's expense. Franchisor has the right to take such action as it deems appropriate and the right to exclusively control any litigation or other proceeding arising out of any infringement, challenge,

or claim or otherwise relating to any of the Marks. Franchisee shall execute any and all instruments and documents, render such assistance, and do such acts and things as may, in the opinion of Franchisor's counsel, are necessary or advisable to protect and maintain Franchisor's interests in any such litigation or other proceeding or to otherwise protect and maintain Franchisor's interest in the Marks.

6.4. Indemnification for Use of Marks

Franchisor shall reimburse Franchisee for all expenses reasonably incurred by Franchisee in any trademark or similar proceeding disputing Franchisee's authorized use of any Mark, provided that Franchisee has complied with the provisions of Section 6.3 and has complied with this Agreement and Franchisor's directions in responding to such proceeding. At Franchisor's sole discretion and option, Franchisor or its designee may defend and control the defense of any proceeding arising directly from Franchisee's use of any Mark. This indemnification shall not include the expense to Franchisee of removing signage or discontinuance of the use of the Marks. This indemnification shall not apply to litigation between Franchisor and Franchisee wherein Franchisee's use of the Marks is disputed or challenged by Franchisor. This indemnification shall not apply to any separate legal fees or costs incurred by Franchisee in seeking independent counsel separate from the counsel representing Franchisor and Franchisee in the event of litigation disputing Franchisor and Franchisee's use of the Marks.

6.5. Discontinuance of Use

If Franchisor deems it necessary for Franchisee to modify or discontinue use of any of the Marks, and/or use one or more additional or substitute trade names, trademarks, service marks or other commercial symbols, Franchisee shall comply with Franchisor's directions within ten (10) business days after notice to Franchisee by Franchisor and subject to the limitations in Section 10.2. Franchisor shall not be required to reimburse Franchisee for its expenses in modifying or discontinuing the use of a Mark or any loss of goodwill associated with any modified or discontinued Mark or for any expenditures made by Franchisee to promote a modified or substitute Mark.

6.6. Right to Inspect

To preserve the validity and integrity of the Marks and any copyrighted materials licensed hereunder, and to ensure that Franchisee is properly employing the Marks in the operation of the Franchised Business and operating in compliance with our System and standards, Franchisor reserves the right to inspect the Franchised Business office and storage and to visit and inspect any jobsite. This will be done through reasonable terms and will not permit franchisor to enter other portions of Franchisee's unless granted permission by Franchisee.

6.7. Franchisor's Sole Right to Domain Name

Franchisee shall not advertise on the Internet using, or establish, create or operate an Internet site or website using a domain name or uniform resource locator containing, the Marks or the words "APLUS" or "SUNOCO," or any variation thereof without Franchisor's written approval. Franchisor is the sole owner of a right, title and interest in and to such domain names as Franchisor shall designate ~~in the Manual.~~on SunocoNet.

6.8. Business Data

In this Section "Business Data" means all financial reports, scan data, vendor and supplier pricing data, and all other data relating to or about the Franchised Business. Franchisee acknowledges and agrees that, Franchisor has the right to independently access all Business Data, wherever maintained. Franchisor also has the right to require Franchisees to deliver Business Data to Franchisor. Franchisor has the right to use (and to authorize others to access and use) Business Data to, among other uses: (i) verify sales, (ii) monitor progress of its franchisee, including compliance with minimum performance requirements under this Agreement; (iii) prepare a financial performance representation for Franchisor's Franchise Disclosure Document; and (iv) share vendor and supplier pricing data with its affiliates or certain third parties.

Franchisor may but has no obligation to further provide Business Data to third parties to track sales or the impact of ~~Programs~~programs on the Store, as well as to gain key insights related to the Store.

7. TRADE SECRETS AND OTHER CONFIDENTIAL INFORMATION

7.1. Confidentiality of Trade Secrets and Other Confidential Information

Franchisee acknowledges that Franchisor will disclose Trade Secrets and other Confidential Information to Franchisee during the training program, through ~~the Manual~~SunocoNet, and as a result of guidance furnished to Franchisee during the term of this Agreement. Franchisee shall not acquire any interest in the Trade Secrets or other Confidential Information or Franchisor's goodwill, other than the right to use it in the development and operation of the Franchised Business and in performing its duties during the term of this Agreement. Franchisee acknowledges that the use or duplication of the Trade Secrets or other Confidential Information in any other business venture would constitute an unfair method of competition. Franchisee and each Owner (if applicable) acknowledges that the Trade Secrets and other Confidential Information are proprietary and are disclosed to Franchisee solely on the condition that Franchisee (and all holders of a legal or beneficial interest in Franchisee, each Owner, and all officers, directors, executives, managers and members of the professional staff of Franchisee): **(a)** shall not, directly or indirectly, use the Trade Secrets or other Confidential Information in any other business or capacity or for the benefit of any other party; **(b)** shall maintain the absolute confidentiality of the Trade Secrets and other Confidential Information during and after the term of this Agreement; **(c)** shall not disclose Trade Secrets or other Confidential Information to any third party or any individual associated with Franchisee who has not executed a form the same as or similar to the Nondisclosure Agreement attached hereto as Attachment 2; **(d)** shall not make any unauthorized copies of any portion of the Trade Secrets or other Confidential Information disclosed in written or other tangible form; and **(e)** shall adopt and implement all reasonable procedures prescribed from time to time by Franchisor to prevent unauthorized use or disclosure of the Trade Secrets and other Confidential Information. Franchisee shall enforce this Section 7.1 as to its employees, agents and representatives and shall be liable to Franchisor for any unauthorized disclosure or use of Trade Secrets or other Confidential Information by any of them.

7.2. Additional Developments / Works Made for Hire

All ideas, concepts, techniques or materials concerning the System or developed, in whole or in part, using Trade Secrets or other Confidential Information, whether or not protectable intellectual property and whether created by or for Franchisee or its owners or employees, shall be promptly disclosed to Franchisor and shall be deemed the sole and exclusive property of Franchisor and works made-for-hire for Franchisor, and no compensation shall be due to Franchisee or its owners or employees therefore, and Franchisee hereby agrees to assign to Franchisor all right, title and interest in any intellectual property so developed. Franchisor has the right to incorporate such items into the System. To the extent any item does not qualify as a "work made-for-hire" for Franchisor, Franchisee shall assign, and by this Agreement, does assign, ownership of that item, and all related rights to that item, to Franchisor and shall sign any assignment or other document as Franchisor requests to assist Franchisor in obtaining or preserving intellectual property rights in the item. Franchisor shall disclose to Franchisee concepts and developments of other franchisees that are made part of the System. As Franchisor may reasonably request, Franchisee shall take all actions to assist Franchisor's efforts to obtain or maintain intellectual property rights in any item or process related to the System, whether developed by Franchisee or not.

7.3. Exclusive Relationship

For two years after termination or expiration of this Agreement, neither Franchisee nor each personal guarantor as indicated in Attachment 3 ("Personal Guarantor"), any other holder of a legal or beneficial interest in Franchisee (or any member of their immediate families or households), nor any Owner, officer, director, executive, manager or member of the professional staff of Franchisee, either directly or indirectly, for themselves, or through, on behalf of or in conjunction with any person, partnership,

corporation, limited liability company or other business entity, do or perform, directly or indirectly, any act injurious or prejudicial to the goodwill associated with the Marks or the System. Further, and only in the event of Franchisee or any Owner's default of this Agreement which has led to premature termination of this Agreement, Franchisee, each Personal Guarantor, and any Owner, shall not own an interest in, invest in, manage, operate, or perform services, consult with, or be employed by or for any Competitive Business located within 20 miles of the Franchised Business or any other APLUS store, for two years after termination or expiration of this Agreement; a Competitive Business that is owned by Franchisee or an affiliate at the time of the termination is excepted from this restriction. The two-year period shall be tolled during any event of non-compliance.

7.4. Nondisclosure Agreements with Certain Individuals

Franchisor has the right to require any holder of a legal or beneficial interest in Franchisee (and any member of their immediate families or households), and any officer, director, executive, manager, or member of the professional staff and all employees of Franchisee to execute a nondisclosure agreement, in a form the same as or similar to the Non-Disclosure Agreement attached as Attachment 2, upon execution of this Agreement or prior to each such person's affiliation with Franchisee. Upon Franchisor's request, Franchisee shall provide Franchisor with copies of all Non-Disclosure agreements signed pursuant to this Section 7.4. Such agreements shall remain on file at the offices of Franchisee and are subject to audit or review as otherwise set forth herein. Franchisor shall be a third party beneficiary with the right to enforce covenants contained in such agreements. Neither Franchisee, nor any officer, director, or owner of Franchisee, shall directly or indirectly, do or perform, directly or indirectly, any act injurious or prejudicial to the goodwill associated with the Marks or the System.

7.5. Reasonableness of Restrictions

Franchisee acknowledges that the restrictive covenants contained in this Section 7 are essential elements of this Agreement and that without their inclusion, Franchisor would not have entered into this Agreement. Franchisee acknowledges that each of the terms set forth herein, including the restrictive covenants, is fair and reasonable and is reasonably required for the protection of Franchisor, the System, the Marks, Franchisor's goodwill, and Franchisor's franchise system; and Franchisee expressly waives any right to challenge these restrictions as being overly broad, unreasonable, overly burdensome or otherwise unenforceable. Franchisee affirms that it has other means of earning a living from its employment experience prior to becoming a franchisee.

8. TRAINING AND ASSISTANCE

8.1. Initial Training

~~———~~Franchisor shall make available an initial training program ~~available~~ to ~~your~~Franchisee's Designated Manager and up to two (2) other individuals who, in Franchisor's opinion, will be directly involved in the operation of the APLUS Store. The training program may be comprised of mandatory self-directed virtual modules via computer-based training ("CBT") and additional hands-on learning only if requested by the Franchisee and approved by Franchisor in its sole discretion, or if required by Franchisor based on its assessment of Franchisee's experience. At Franchisor's option, and at least five (5) weeks prior to commencing operations of the Franchised Business, Franchisee shall complete a pre-training questionnaire to allow Franchisor to evaluate Franchisee's industry experience and store management history. Based on this evaluation, Franchisor, at its sole and absolute discretion, will determine if additional mandatory training is required in specific operational areas of the Franchised Business.

Prior to the opening of the Franchised Business, the Designated Manager must attend and successfully complete the initial training program to Franchisor's sole satisfaction, including the passing of all applicable tests ~~at the end of initial training.~~and CBT modules to the minimum proficiency levels established by

Franchisor. Franchisor shall conduct the initial training program at its headquarters, a designated regional office, a training store, or at another designated location or in another format (including digitally or virtually) as Franchisor may designate at its sole option. Franchisor reserves the right to modify the training curriculum, duration, and delivery method at any time without notice. Franchisor shall not charge tuition or similar fees for the first three (3) attendees to complete initial training~~,~~; however, all expenses incurred by Franchisee in attending ~~such~~ or participating in any training program, including, but not limited to, travel costs, room and board expenses ~~and~~, employees' salaries ~~or~~, wages, and any hardware or internet connectivity required for CBT, shall be the sole responsibility of Franchisee. Franchisee shall be entirely responsible for training its other management and ~~other~~ employees. ~~You must complete initial training to our~~Opening the Franchised Business prior to the Designated Manager completing all training to Franchisor's sole satisfaction~~, including the passing~~ shall constitute a material breach of ~~tests at the end of initial training.~~ this Agreement.

8.2. Opening Assistance

In conjunction with the beginning of operation of the Franchised Business, Franchisor shall make available to Franchisee one of Franchisor's representatives, experienced in the System, for the purpose of familiarizing Franchisee's staff with the APLUS System and standards, and for the purpose of providing general assistance and guidance in connection with the opening of the Franchised Business. If Franchisee requests additional assistance with respect to the opening or continued operation of the Franchised Business, and should Franchisor deem it necessary and appropriate to comply with such request, Franchisee shall pay Franchisor's then-current standard rates, plus expenses, for such additional assistance. Franchisor may utilize a Designated Service Provider to perform any of its duties under this Section 8.2 and Section 8 generally.

8.3. Designated Manager Training

If Franchisor determines that the Designated Manager is unable to satisfactorily complete the training program described above, Franchisor has the unrestricted right to terminate this Agreement. If Franchisee is a business entity and the Designated Manager fails to complete the initial training program to Franchisor's reasonable satisfaction, Franchisee may be permitted to select a substitute manager and such substitute manager must complete the initial training to Franchisor's satisfaction. Additionally, if Franchisee replaces its Designated Manager, or brings new principals into the franchise, the new Designated Manager and principals must attend Franchisor's initial training program, or train with a franchisee who agrees to provide such training. Franchisee will be required to pay Franchisor's then-current rates for additional training, presently $1,000 per week. Franchisor shall also charge the then-current rates for additional training, presently $1,000 per week, for each additional attendee over the three (pursuant to Section 8.1 above) who need to attend training or any remedial training provided to individuals already trained. Franchisee shall bear the cost of the employee's training, including but not limited to, the required fee, wages, transportation, lodging, and meals.

8.4. New Designated Manager

After beginning operations, should Franchisee name a new Designated Manager, Franchisee must notify Franchisor of the identity of the new Designated Manager and the new Designated Manager must complete the initial training program to Franchisor's satisfaction within sixty (60) days of being named. The new Designated Manager may attend the initial training program at Franchisor's then-current fee for providing training to a new Designated Manager, and Franchisor may require Franchisee to pay other costs related to the training. Franchisee shall be responsible for all travel costs, room and board and employees' salaries or wages incurred in connection with the new Designated Manager's attendance at such training.

8.5. Ongoing Training, and Enrichment Training

From time to time, Franchisor may provide and if it does, has the right to require that the Owner or Designated Manager attend ongoing training programs or seminars during the term of this Agreement.

Franchisor may charge a fee for mandatory or voluntary ongoing training, which is currently $1,000 per person. Franchisor will not require attendance to more than one session or not more than five (5) days during any calendar year. Franchisor may require the Owner or Designated Manager to attend enrichment training, which is mandatory if you fail to meet Franchisor's minimum performance levels. Franchisee shall be responsible for all travel costs, room and board and employees' salaries and wages incurred in connection with the Designated Manager's attendance at such training.

8.6. Conferences

We may hold periodic national or regional conferences to discuss various business issues and operational and general business concerns. If we hold a national or regional conference, attendance at these conferences is not mandatory, but highly encouraged. You must pay us a conference registration fee for each person that attends any conference. The amount of the conference registration fee will not exceed $800 per person per conference. In addition to the conference fee, you will be responsible for all travel costs, meals, and lodging for you and your employees who attend the conference.

8.7 On-Site Training Cancellation Fee.

If Franchisor or its representative is schedule to conduct an on-site training program, or scheduled for a visit at the Franchisee's location for training or other reasons, or if the Franchisee registers for a training program and Franchisee subsequently cancels, fails to attend, fails to have the appropriate parties attend, or fails to stay for the entire training program then Franchisee shall pay the Franchisor their then-current on-site training cancellation fee (the "On-Site Training Cancellation Fee"). The On-Site Training Cancellation Fee may vary depending upon the type of scheduled training program and how far in advance you notify the Franchisor in writing of the cancellation and the cost and expense incurred in rescheduling Franchisor's or any trainer's travel arrangements.

8.8 Nature and Assistance of Training

Franchisee acknowledges and agrees that the Franchisor is not obligated to provide any training or assistance to Franchisee's particular level of satisfaction, but as a function of Franchisor's experience, knowledge and judgment. Franchisee further acknowledge that Franchisor is not obligated to provide any services to Franchisee that are not set forth in this Agreement. If Franchisee believes the Franchisor has failed to adequately provide any pre-opening services to the Franchisee or to Franchisee's employees, whether with respect to site selection, selection and purchase of equipment and supplies, training or any other matter affecting the establishment of Franchisee's Franchised Business, Franchisee shall notify in writing within thirty (30) days following the opening of the Franchised Business or the Franchisee shall be deemed to conclusively acknowledge that all pre-opening and opening services required to be provided by the Franchisor were sufficient and satisfactory in Franchisee's judgment and complied with all representations made to the Franchisee.

8.9 BY VIRTUE OF COMMENCING OPERATIONS OF YOUR APLUS STORE, FRANCHISEE ACKNOWLEDGES THAT FRANCHISOR HAS FULFILLED ALL OF ITS OBLIGATIONS TO FRANCHISEE THAT FRANCHISOR IS REQUIRED TO FULFILL PRIOR TO THE OPENING OF YOUR APLUS STORE.

8.10 Delegation of Performance

Franchisee agrees that Franchisor has the right to assign its rights or delegate the performance of any portion or all of Franchisor's rights or obligations under this Agreement to third party designees, an area representative (if applicable), or independent contractors with whom Franchisor contracts to perform these obligations without the prior written consent of the Franchisee. If Franchisor assigns its rights to receive any amount under this Agreement to any third-party, Franchisee recognizes that they shall be liable for all compliance and shall make such payments directly to the designated third-party.

9. ~~MANUAL~~SUNOCONET

9.1. Loan by Franchisor

While this Agreement is in effect, Franchisor shall ~~lend~~provide access to Franchisee ~~one digital or paper copy of the Manual. The Manual~~to SunocoNet. SunocoNet shall be treated as an integral and material part of this Agreement. ~~The Manual~~SunocoNet sets forth procedures, standards, methods, specifications, and requirements for the operation of the APLUS Store and your Franchised Business. Franchisee shall conduct the Franchised Business in strict accordance with the provisions set forth ~~in the Manual. The Manual may consist~~on SunocoNet. SunocoNet consists of one or more separate ~~manuals~~guides and other materials as designated by Franchisor and ~~may~~will be in ~~written or~~ electronic form. ~~The Manual~~SunocoNet shall, at all times, remain the sole property of Franchisor and shall promptly be ~~returned to Franchisor~~deactivated by Franchisee upon expiration or termination of this Agreement, and Franchisee shall destroy any copies (electronic or otherwise) of ~~the Manual~~any portions SunocoNet in its possession which it may have downloaded or saved.

9.2. Revisions

Franchisor has the right to add to or otherwise modify ~~the Manual~~SunocoNet from time to time to reflect changes in the specifications, standards, operating procedures and rules prescribed by Franchisor. Franchisor shall make such additions or modifications available to you on the same basis that they are made available to other franchisees. Franchisee shall immediately, upon notice, adopt any such changes ~~and shall ensure that its copy of the Manual is up-to-date at all times. If a dispute as to the contents of the Manual arises, the terms of the master copy of the Manual maintained by Franchisor at Franchisor's headquarters shall be controlling~~.

9.3. Confidentiality

~~The Manual~~SunocoNet contains Trade Secrets and other Confidential Information of Franchisor and its contents shall be kept confidential by Franchisee both during the term of the Franchise and subsequent to the expiration and non-renewal or termination of this Agreement. Franchisee shall at all times ensure that ~~its copy of the Manual~~access to SunocoNet is ~~available at the Franchised Business office in a current~~strictly limited to only registered users and ~~up-to-date manner.~~there is no sharing of login information. If ~~the Manual is~~any portions of SunocoNet is maintained in paper form or stored on computer-readable media, Franchisee shall maintain ~~the Manual~~such portions of materials in a secure manner at the Franchised Business Office; if ~~the Manual is~~portions of SunocoNet are in electronic form, Franchisee shall maintain ~~the Manual~~such portions of materials in a password-protected file. Franchisee shall only grant authorized personnel, as defined in ~~the Manual~~SunocoNet, access to ~~the Manual~~SunocoNet or any key, combination or passwords needed for access to the ~~Manual~~SunocoNet. Franchisee shall not disclose, duplicate or otherwise use any portion of ~~the Manual~~SunocoNet in an unauthorized manner.

10. FRANCHISE SYSTEM

10.1. Compliance with Standards

Franchisee shall strictly comply, and shall cause the Franchised Business and its employees to strictly comply, with all requirements, specifications, standards, operating procedures and rules set forth in this Agreement, ~~the Manual~~SunocoNet or other communications supplied to Franchisee by Franchisor.

10.2. Modification of the System

Franchisee recognizes that from time to time, Franchisor may introduce, as part of the System, other methods or technology which require certain System modifications including, without limitation, the adoption and use of modified or substitute Marks, new computer hardware and software, equipment or signs. Franchisee agrees to make all required upgrades and modifications at its expense as may be required by Franchisor; provided, however, that Franchisee shall not be required to make any expenditures during the first year of the initial term or any expenditures which are unreasonably disproportionate to Franchisee's initial investment to establish the Franchised Business during the initial term. If such additional investment

is required to be made in the last year of the initial term, Franchisee may avoid making the investment by providing notice of intent not to renew the Franchise unless the investment is in connection with a modification to the System required by law or court order. Franchisee acknowledges that any required expenditures for changes or upgrades to the System shall be in addition to expenditures for fits and maintenance as required in Section 13.2 of this Agreement. Notwithstanding the foregoing, Franchisee shall be required to make any and all improvements or modifications whenever such are required by law, regulation, agency decision or court order.

If this Franchise Agreement is signed as part of the transfer of an existing franchise or renewal of an existing franchise, then the modification required under this Section 10.2. and the construction requirement under this Agreement including Attachment 1 of this Agreement, shall be the renovation of the Franchised Business in accordance with the provisions of the predecessor franchise agreement. The Franchisor on its sole discretion, may allow the Franchisee to complete the renovation after signing this Agreement, the renovation must be completed in accordance with the provisions of this Agreement and any attachment thereto by the date specified by the Franchisor.

(a) Franchisee shall make no changes to any building, plan, design, layout or décor, or any equipment or signage in the Franchise business without our prior written consent, and such changes may not be contrary to required specifications.

(b) Signs: Franchisee shall prominently display, at the Franchisee's expense, both on the interior and exterior of the Franchised Business premises, signs in such form, color, number, location and size, and containing such Marks as the Franchisor designates. The Franchisor also may require the Franchisee to use illuminated signs. The Franchisee shall obtain all permits and licenses required for such signs and will also be responsible for ensuring that all signs comply with laws and ordinances. The Franchisee shall not display in or upon the Franchised Business premises any sign or advertising of any kind to which the Franchisor objects. The Franchisor reserves the right to require the Franchisee to update the signage ant any time at the Franchisee's expense.

(c) Services: The Franchisee shall conform to all quality and customer services standards prescribed by the Franchisor in writing.

10.3. Variance

Franchisor has the right to vary standards or specifications for any franchisee based upon that particular franchisee's qualifications, the peculiarities of the particular site or circumstances, the demographics of the trade area, business potential, existing business practices or any other condition which Franchisor deems to be of importance to the successful operation of any particular Franchised Business. Franchisor shall not be required to disclose or grant to Franchisee a like or similar variance hereunder.

11. ADVERTISING AND PROMOTIONAL ACTIVITIES

11.1. Marketing Fee.

Franchisor has established and administers a System-wide marketing, advertising and promotion program to facilitate regional advertising and marketing efforts. Beginning on the Commencement Date Franchisee shall contribute to the ~~marketing program~~Marketing Program a marketing fee not to exceed the lesser of one thousand five hundred dollars ($1,500) or two percent (2%) of monthly Gross Sales ("**Marketing Fee**"), currently seven hundred and fifty dollars ($750) per month. The Marketing Fee is due monthly on the tenth (10th) of the month and shall be paid in the same manner as the Royalty Fee. Franchisor shall notify Franchisee at least thirty (30) days before changing Marketing Fee requirements. The ~~marketing program~~Marketing Program shall be maintained and administered by Franchisor or its designee as follows:

11.1.1. Franchisor shall oversee all marketing, advertising, and promotion programs, with sole control over creative concepts, products, services, offers, materials and media used in such programs, and

the placement and allocation thereof (the "**Marketing Program**"). Franchisor does not warrant that any particular franchisee will benefit directly or pro rata from expenditures by the Marketing Program. The Marketing Program(s) may be local, regional or System-wide. Franchisor does not warrant the success or effectiveness of any particular marketing program. Franchisor has and will continue to have the sole and absolute right to determine how Marketing Fees will be spent, including but not limited to the selection, direction, and geographic allocation of advertising and Marketing Programs. You further agree that we and our affiliates have no fiduciary obligation to you or other APLUS franchisees with respect to such administering, determinations, or expenditures of the Marketing Fees for a particular reason or any reason. The Marketing Fee is not a trust or escrow and Franchisor is not obligated to spend all of the Marketing Fees collected in any particular market nor is Franchisor obligated to spend all of the Marketing Fees collected in any fiscal year. Franchisor has no obligation to provide any reports on Marketing Fee expenditures. Franchisor may utilize a Designated Service Provider to perform any of its duties under this subsection and Section 11 generally.

11.1.2. Franchisee's Marketing Fees will be used for the Marketing Program. This usage may include, without limitation, expenditures to meet the costs of, or to reimburse Franchisor for its costs of administering the Marketing Program, local, regional, or System-wide offers and promotions, conducting market research, product testing and placement, and producing, maintaining, administering and directing consumer advertising.

11.2. Grand Opening Advertising

You must conduct grand opening advertising ("**Grand Opening Advertising**") in the amount and manner that we require, as specified on the Summary Page. The minimum amount you must spend on Grand Opening Advertising is $3,200.00, and you may spend more than the minimum. If Franchisor deems necessary, or at Franchisee's option, Franchisor shall provide you with products and services to assist with your grand opening during the first sixty (60) days of operation, for which you will be charged the costs of the assistance. All Grand Opening Advertising must conform to our System standards and must be conducted between the APLUS Store construction or acquisition and within five (5) months of the Commencement Date. Grand Opening Advertising is in addition to your Marketing Fee payment.

11.3. Public Relations

Franchisee shall not make any public statements (including giving interviews or issuing press releases) regarding the Franchised Business or any particular incident or occurrence related to the Franchised Business, without the Franchisor's prior written approval.

11.4. Association with Causes

Franchisee shall not in the name of the Franchised Business, other APLUS or SUNOCO franchisees, the Marks, or the System (a) donate money, products, or services to any charitable, political, religious, or other organization, or (b) act in support of any such organization, without the Franchisor's prior written approval. Franchisor may withhold any such consent in its sole and absolute discretion.

11.5. Advertising Pre-Approval

Franchisee shall submit to Franchisor, for its prior approval, all advertising and promotional materials to be used by Franchisee including, but not limited to, billboards, television ads, radio ads, ad copy, coupons, flyers, scripts, sponsorships, and direct mail. Franchisor shall use reasonable efforts to provide notice of approval or disapproval within thirty (30) days from the date all requested material is received by Franchisor. If Franchisor does not approve submitted materials by the end of such thirty (30) day period, such materials shall be deemed to have not received the required approval. Franchisee shall not use any marketing or promotional material prior to written approval by Franchisor.

11.6. Promotion

Franchisee shall operate the Franchised Business so that it is clearly identified and advertised as an APLUS Store. Franchisee shall use the trademark "APLUS" and the other Marks which now or hereafter may form a part of the System, on all signs, suppliers, business cards, uniforms, advertising materials, Technology platforms, signs and other articles in the identical combination and manner as the Franchisor may prescribe in writing and Franchisee shall supply to the Franchisor samples and photographs of the same upon Franchisor's request. Franchisee shall comply with all trademark, trade name, service mark and copyright notice marking requirements and Franchisee shall ssupply to the Franchisor samples or photographs upon Franchisor's request.

12. ACCOUNTING, RECORDS AND REPORTING OBLIGATIONS

12.1. Records

During the term of this Agreement, Franchisee shall maintain full, complete and accurate books, records and accounts in accordance with the standard accounting system prescribed by Franchisor ~~in the Manual~~ on SunocoNet or otherwise in writing. Franchisee shall retain during the term of this Agreement, and for three years thereafter, all books and records related to the Franchised Business including, without limitation, purchase orders, invoices, payroll records, sales tax records, state and federal tax returns, bank statements, cancelled checks, deposit receipts, cash receipts and disbursement journals, general ledgers, and any other financial records designated by Franchisor or required by law.

12.2. Gross Sales Reports

Franchisee shall maintain an accurate record of Gross Sales and shall deliver to Franchisor electronically a signed and verified statement of Gross Sales ("**Gross Sales Report**") on a monthly basis on the date prescribed by Franchisor, and in a form that Franchisor approves or provides ~~in the Manual~~on SunocoNet.

12.3. Financial Statements

Franchisee shall supply to Franchisor on or before the fifteenth (15^{TH}) day of each month, in a form approved by Franchisor, a balance sheet as of the end of the last day of the preceding month and an income statement for the preceding month and the fiscal year-to-date. Franchisee shall, at its expense, submit to Franchisor within ninety (90) days after the end of each calendar year, an income statement for the calendar year just ended and a balance sheet as of the last day of the calendar year. Such financial statements shall be prepared in accordance with GAAP, applied on a consistent basis. If required by Franchisor, such financial statements shall be reviewed or audited by a certified public accountant. Franchisee shall submit to Franchisor such other periodic reports in the manner and at the time specified ~~in the Manual~~on SunocoNet or otherwise in writing.

By April 30 of each year, Franchisee shall provide to Franchisor all tax returns which contain income and expenses of Franchisee's Franchised Business.

12.4. Other Reports

Franchisee shall submit to Franchisor copies of all state sales tax returns that are required to be filed with the appropriate governmental agency and such other records as Franchisor may reasonably request from time to time or as specified ~~in the Manual.~~on SunocoNet. Franchisor shall have the right to release financial and operational information relating to the Franchised Business to Franchisor's lenders or prospective lenders. Franchisee shall certify as true and correct all reports to be submitted pursuant to this Agreement. If Franchisee fails to submit any required reports under this Agreement within three (3) business days of the due date, a late reporting fee of $250 per report per incident applies, which is payable to Franchisor upon demand.

12.5. Software and Technology

During the term of this Agreement, Franchisor reserves the right to require Franchisee to purchase,

install and use computer equipment consisting of hardware and software in accordance with Franchisor's then-current specifications. This may include a business management and accounting software providing customer relationship management, scheduling, inventory, and data management services. Franchisor may change the software or technology that Franchisee must use at any time, and pass through costs to the Franchisee plus a reasonable administrative fee for use of the software and technology. Franchisor may also develop proprietary software or technology that must be used by franchisees as required. If this occurs, Franchisee agrees to enter into a license agreement with Franchisor (or an affiliate of Franchisor) and pay Franchisor (or Franchisor's affiliate) commercially reasonable licensing, support and maintenance fees. The terms of the license agreement will govern the terms pursuant to which Franchisee may utilize this software or technology. Franchisor also reserves the right to enter into a master software or technology license agreement with a third party licensor and then sublicense the software or technology to Franchisee, in which case Franchisor may charge Franchisee for all amounts that we must pay to the licensor based on Franchisee's use of the software or technology plus a reasonable administrative fee. All fees referenced in this Section 12.5 are due on or before 5:00PM CST on the day of each month that we specify from time to time. Franchisor shall have full access to all of Franchisee's computer, data and systems and all related information by means of direct access, either in person or by telephone, modem or Internet to permit Franchisor to verify Franchisee's compliance with its obligations under this Agreement.

12.6. Right to Inspect

12.6.1. Franchisor or its designee has the right, during normal business hours, to examine, copy and audit the books, financial data, business records, and tax returns of Franchisee. If the audit or any other inspection should reveal that any payments to Franchisor have been underpaid, then Franchisee shall immediately pay to Franchisor the amount of the underpayment plus interest from the date such amount was due until paid at the rate of the highest rate allowed by the law of the state where Franchisee is located. In the event Franchisee's books and records are missing or incomplete for Franchisor's review at the time of any scheduled audit, Franchisee shall be required to reimburse Franchisor for the costs of said audit. In the event the Franchisee's books and records are missing or incomplete for two (2) consecutive scheduled audits, Franchisor reserves the right to non-renew or terminate this Agreement, and you shall pay all costs associated with any resulting suit, action or proceeding against Sunoco including attorneys' fees.

(a) the Franchisor's representative may make visits to the Franchised Business to ensure compliance with all required standards, specifications and procedures. The Franchisor's representative will be allowed to inspect the condition and operation of the Franchised Business and all areas of the Franchised Business at any time during the business hours. Such inspections may include without limitations, conducting any type of audit or review necessary to evaluate the Franchisee's compliance with all required payments, standards, specifications or procedures. The Franchisor may from time to time, make suggestions and give mandatory instructions with respect to operation of the Franchised Business, as the Franchisor may consider necessary or appropriate to ensure compliance with the then-current quality standards of the System and to protect the goodwill and image of the System. The Franchisee expressly agree that these visits will not imply that the Franchisee is in compliance with their obligations under this Agreement or under the law or that the Franchisor waives their right to require strict compliance with the terms of this Agreement or ~~the Manual~~ SunocoNet. Furthermore, such visits will not create any responsibility or liability on the Franchisor's part. If the Franchisee requests that the Franchisor make additional visits to the Franchised Business, the Franchisee shall pay the fees the Franchisor establishes for such visits. The Franchisee shall also allow the Franchisor to visit the Franchised Business with prospective franchisees during the Store business hours.

12.6.2. If the audit or any other inspection should reveal that Franchisee's books are missing or incomplete, or if the inspection discloses an underpayment of any amount due to Franchisor for any period covered by the audit, then Franchisee shall pay to Franchisor immediately as invoiced:

(a) ~~For~~If the Franchisee underreported ~~results~~ less than ~~five~~three percent (~~5%) as determined~~

~~by the audit,~~3%) then the Franchisee shall pay the underreported amount plus 6% of the underreported amount; or

(b) ~~For underreported results more than five present (5%) as determined by the audit, then 6% of~~ Interest on the underreported amount from the date such amount was originally due until paid at the rate of eighteen percent (18%) per annum (1.5% per month), or the maximum legal rate allowed by law, whichever is lower; and ~~reimbursement~~

(c) Reimbursement to Franchisor for ~~any and~~ all costs and expenses connected with the inspection (including, without limitation, travel expenses and reasonable accounting and attorneys' fees~~). Franchisee shall also pay interest from the date such amount was due until paid at the rate of one and one-half percent (1.5%) per month (or the rate legally allowed by the law of the state where Franchisee is located, whichever is lower).~~) if the audit reveals that books or records are missing or incomplete, or if the results are underreported by five percent (5%) or more. The foregoing remedies shall be in addition to any other remedies Franchisor may have.

12.7. Release of Records

At Franchisor's request, Franchisee shall authorize and direct any third parties, including accounting and legal professionals, to release to Franchisor all accounting and financial records arising from or relating to the operation of the Franchised Business including, but not limited to, records evidencing Gross Revenue, profits, losses, income, tax liabilities, tax payments, revenues, expenses, and any correspondence, notes, memoranda, audits, business records, or internal accounts within said third parties' possession, custody or control, and to continue to release such records to Franchisor on a monthly basis for the length of the unexpired term of this Agreement or until such time as Franchisor withdraws its request. Franchisee shall execute all documents necessary to facilitate the release of records referenced herein to Franchisor.

12.8. Franchisor's Accounting System

Sunoco ~~may~~will make available to you certain accounting systems~~. If you choose to participate,~~, for which you must pay to Sunoco the fees charged by the third party software plus Sunoco's costs to provide them to you, which Sunoco's costs may not exceed one hundred dollars ($100) per month. However, you understand and agree as follows:

(a) You are solely responsible for maintaining accurate business records and Sunoco does not verify their accuracy. In addition, the information provided or required under this system may or may not be consistent with financial information provided or required by Federal, State or local taxing authorities. In that regard, you need to consult with your accountant and/or tax advisor;

(b) You are required to enter all sales, costs of sales, and business expenses into the back-office system. Sunoco reserves the right, in its sole discretion, to change or modify the required accounting and bookkeeping procedures ~~in the Manual;~~on SunocoNet;

(c) Sunoco will have access to reports regarding merchandising sales, margin and sales mix data compiled on your APLUS Store;

(d) Sunoco shall have the right to have access to all profit and loss statements, balance sheets and supporting documentation directly from you or from the back office or accounting system;

(e) You authorize Sunoco to obtain directly from your vendors and suppliers all records pertaining to products and services provided by each such vendor/supplier to your APLUS Store. Upon Sunoco's request, you may be required to sign an authorization (to be prepared by Sunoco) authorizing the applicable vendor/supplier to release such records to Sunoco; ~~and~~

(f) Sunoco reserves the right to terminate or change on a minimum of thirty (30) days' notice the back office or accounting system provided to you by Sunoco~~.~~; and

(g) Sunoco reserves the right to implement and exercise control over the digital price book/category management tool that contains detailed, unique records for every product sold at each franchise location.

12.9. Technology Initiatives.

(a) Consistent with the foregoing, among other things, Franchisor reserves the right periodically to undertake technology initiatives, the purpose of which would be enhance the technology associated with the franchise system including, without limitation, enhanced internet capability, use of proprietary digital applications and enhanced support services. Although Franchisor cannot estimate the future costs of the computer system, technology, or required service or support, and although these costs might not be fully amortizable over the remaining term of this Agreement, Franchisee agrees to incur the costs of obtaining the computer hardware and software (the "Computer System") (or additions or modifications) and required service or support. Franchisor has no obligation to reimburse franchisee for any Computer System costs. As otherwise permitted in this Agreement, we may access the Computer System and retrieve all pertinent information relating to the operation of the APLUS Store business in areas that we have the ability to control and/or remedy.

(b) Notwithstanding the fact that franchisee must purchase, use, and maintain the Computer System consistent with our standards and specifications, franchisee will have sole and complete responsibility for: (1) the acquisition, operation, maintenance, updates and upgrading of the Computer System, including compliance with the standards that we periodically require; (2) the manner in which your Computer System interfaces with our computer system and those of other third parties; (3) the installation, maintenance and support of the Computer System, although Franchisor may from time to time require or recommend third parties to provide these functions; and (4) any and all consequences that may arise if the Computer System is not properly operated, maintained and upgraded, including but not limited to virus and spyware issues.

(c) All of your Computer Systems must be compliant with all applicable laws, regulations, and commonly accepted industry standards, including without limitation those laws, regulations, and commonly accepted industry standards relating to privacy, data security, and the processing and protection of confidential personal information, including without limitation the Payment Card Industry Data Security Standards and all other standards applicable to electronic payments that may be published from time to time by payment card companies.

13. STANDARDS OF OPERATION

13.1. Authorized Products, Services and Suppliers

13.1.1. Franchisee shall provide or offer for sale or use at the Franchised Business only those products and services as authorized by the Franchisor based on the authorized brand indicated on the Summary Page and additional or ancillary agreements (the "**Services**"). If Franchisee does not have a co-brand Franchised Business, Franchisee is prohibited from offering any products or services that another franchisor may provide. ~~Franchisee shall not offer, sell, or use in the operation of the Franchised Business any products or services that Franchisor has not pre-approved in writing.~~Franchisee shall arrange and display clear, prominent price tags on or immediately near all products offered in a manner which allows customers to easily identify products and related pricing. Franchisee shall not offer, sell, or use in the operation of the Franchised Business any products or services that Franchisor has not pre-approved in writing. SunocoNet sets forth minimum standards of quality and variety of merchandise offered for sale by the Franchisee. As Franchisor may deem necessary in its sole and absolute discretion for operation of the APLUS Store, Franchisor shall have sole right to continue to engage with designated third parties to provide APLUS franchisees with operational support, including but not limited to merchandising, promotional,

marketing, and other functions on Franchisor's behalf or as necessary for operation of the Franchised Business (each, a "**Designated Service Provider**"). Franchisor retains the right to appoint a new Designated Service Provide, revoke approval of any existing Designated Service Provider at its sole and absolute discretion by updating SunocoNet and notifying the Franchisee of the same.

~~13.1.2. Franchisor may require you~~You are required to purchase certain items and services only from specific wholesale suppliers designated by franchisor ~~"~~("**Designated ~~Specific~~Wholesale Provider**"). Franchisor retains the right to designate itself of an Affiliate to be the Designated Wholesale Provider. In addition to the general list of Approved Suppliers~~" (which might include,,~~ the following items are required to be purchased from the Designated Wholesale Provider, and such purchases shall be made on a weekly basis:

- Food service products and supplies including all APLUS and SUNOCO proprietary breakfast and sandwiches and other food items, equipment, cups, wrappings, containers and napkins;
- Perishable food products offered in APlus stores, including sandwiches, roller grill items, baked goods, salads, foods served or ~~be limited to,~~taken hot, dairy (including milk, flavored milk and yogurt), bread, and such other perishable food products we determine only from Approved Suppliers; and
- Cigarettes, candy, salty snacks, coffee beans, and coffee grounds.

If Franchisor ~~or an Affiliate).~~ determines that Franchisee is not in compliance with this Section 13.1.2, and Franchisee is unable to demonstrate its compliance to the satisfaction of Franchisor, a written warning letter will be sent (electronic mail permissible) advising of the requirement to make weekly purchases from Franchisor's Designated Wholesale Provider. In the event Franchisee is unable to demonstrate compliance within thirty (30) days of such written warning letter, Franchisor reserves the right to assess a Designated Wholesale Provider Non-Compliance Fee in the amount of five hundred dollar ($500) for each week (beginning on the thirty-first day (31st) day) Franchisee has failed to comply with the weekly purchase requirement set forth herein. Following a single initial notice of non-compliance, this Designated Wholesale Provider Non-Compliance Fee applies automatically for each week you remain non-compliant. Franchisee hereby acknowledges and agrees that this Designated Wholesale Provider Non-Compliance Fee shall be in addition to, and not in lieu of, any other remedies available to the Franchisor including but not limited to interest, default fee, non-compliance fee, default and termination rights.

13.1.3. Franchisor shall provide Franchisee, ~~in the Manual~~on SunocoNet or other written or electronic form, with a list of ~~approved suppliers~~Approved Suppliers, which may be Franchisor or its affiliate, manufacturers, distributors, and other sources who demonstrate to Franchisor's continuing, reasonable satisfaction the ability to meet Franchisor's uniform standards and specifications and who possess adequate quality controls and capacity to supply Franchisee's needs promptly and reliably ("**Approved Suppliers**"). Franchisor may revoke the status of a previously Approved Supplier by notifying Franchisee through SunocoNet and providing the reasons for the revocation. Franchisor shall further provide franchisee ~~in the Manual~~on SunocoNet or other written or electronic form, with a list of specifications for some or all of the supplies, furniture, fixtures, inventory, equipment and other approved or specified items and services, and Franchisor may from time to time revise such list. If Franchisor or an Affiliate is an Approved Supplier, Franchisee shall execute a standard form purchase, supply, and/or lease agreement for the items to be supplied by Franchisor or its Affiliate. If Franchisee desires to utilize any products, services or new technology that Franchisor has not approved (for products and services that require supplier approval), Franchisee shall first send Franchisor sufficient information, specifications and samples for Franchisor to determine whether the service or product complies with its standards and specifications or whether the supplier meets its Approved Supplier criteria. Franchisor has sole discretion over the approval of such suppliers. Franchisee shall bear all expenses incurred by Franchisor in connection with determining whether it shall approve an item, service or supplier. Franchisor will decide within a reasonable time (usually thirty (30) days) after receiving the required information whether Franchisee may purchase or lease such items or services or from such supplier. Approval

of a supplier may be conditioned on the supplier's ability to provide sufficient quantity of product; quality of products or services at competitive prices; production and delivery capability; and dependability and general reputation. Nothing in this Section 13.1.3 shall be construed to require Franchisor to approve any particular supplier, or to require Franchisor to make available to prospective suppliers, standards and specifications that Franchisor deems confidential.

13.1.4. Notwithstanding anything contrary in this Agreement, Franchisor has the right to review from time to time its approval of any items or suppliers. Franchisor may revoke its approval of any item, service, Approved Suppliers, Designated Service Provider, or Designate Wholesale Provider, or supplier at any time by notifying Franchisee and/or the supplier. Franchisee shall, at its own expense, promptly cease using, selling or providing any items or services disapproved by Franchisor.

13.1.5. If required under the terms of any buying group imposed by Franchisor, Franchisee agrees at all times during the Term to make the required total inventory purchases of up to ninety percent (90%) of your total inventory purchases and, separately, up to ninety percent (90%) of your cigarette purchases, both computed monthly at cost, from Approved Suppliers or Designated ~~Specific Suppliers~~Wholesale Provider in compliance with the Approved Vendor Purchase Requirement.

13.1.6. Though the products, suppliers, or services are approved by the Franchisor, the Franchisor or its affiliate make no warranty and expressly disclaim all warranties, including warranties of merchantability for any particular purpose with respect to fixtures, furniture, equipment (including without limitation, any and all required computer systems) supplies or other approved items.

13.2. Appearance and Condition of the Franchised Business

Franchisee shall comply with the housekeeping and maintenance provisions ~~in the Manual~~as set forth on SunocoNet regarding the Premises, the APLUS Store, the Store Equipment, and if applicable, the Loaned Store Equipment. Franchisee shall comply with all repair, replacement, health, safety, and security standards and specifications of Franchisor and any applicable laws or regulations. The expense of such maintenance shall be borne by Franchisee and shall be in addition to any required System modifications, as described in Section 10.2.

13.3. Ownership and Management

13.3.1. The Franchised Business shall, at all times, be under the direct supervision of Franchisee. The Designated Manager shall devote full time and best efforts to the management of the day-to-day operation of the Franchised Business, but not less than forty (40) hours per week, including 8:30 a.m. to 4:30 p.m. on at least three weekdays (Monday through Friday), excluding vacation, sick leave and similar absences. Franchisee shall keep Franchisor informed, in writing, at all times of the identity of its Designated Manager. Franchisee must not engage in any business or other activities that will conflict with its obligations under this Agreement.

13.3.2. Franchisee shall maintain a competent, conscientious, and trained staff (who shall have been adequately trained by Franchisee) in numbers sufficient to service customers promptly and properly, including at least a manager or shift leader on duty at all times at which the Franchised Business is open (including daily Franchised Business opening and closing procedures), and shall take such steps as are necessary to ensure that its employees preserve good customer relations and comply with such dress code as Franchisor may prescribe. In addition, Franchisee and its employees shall handle all customer complaints, refunds, returns or other adjustments in accordance with Franchisor's policies as set forth ~~in the Manual~~on SunocoNet or otherwise in writing. The parties acknowledge and agree that these requirements are necessary to preserve the goodwill identified by the Marks. The parties further acknowledge and agree that Franchisor neither dictates nor controls labor or employment matters for Franchisee or Franchisee's employees. Franchisee is exclusively responsible for hiring personnel, for determining the number of jobs offered or job vacancies to be filled, for determining and changing

employee wages and benefits and work hours, and for disciplining and discharging Franchisee's employees. Franchisee is exclusively responsible for labor relations with your employees.

13.4. Hours and Days of Operation

Franchisee shall keep the Franchised Business open for business for the number of hours and days per week as described on Attachment 1. Failure to cause the APLUS Store to be open for business during the hours and days prescribed by Franchisor is a material breach of this Agreement. Failure to operate at least the number of hours as described on Attachment 1, unless prohibited by law, will result in an administrative fee equal to an additional one percent (1%) of ~~the monthly Royalty Fee~~Gross Sales per day until the Franchised Business is open the minimum number of hours.

13.5. Certifications

Franchisee is required to obtain licenses and certifications as Franchisor may specify, which Franchisee shall obtain within the time period specified by Franchisor.

13.6. Licenses and Permits

Franchisee shall secure and maintain in force all required operational and professional licenses, permits and certificates necessary for the operation of the Franchised Business, including all zoning and local permits necessary to operate the Franchised Business from the principal residence of Franchisee or its Designated Manager, and shall operate the Franchised Business in full compliance with all applicable laws, ordinances and regulations. Franchisor makes no representation to Franchisee with regard to any legal requirements that Franchisee must satisfy or comply with in connection with the operation of the Franchised Business. Franchisee shall be solely responsible for investigating and complying with all such laws, ordinances and regulations with regard to the operation of the Franchised Business.

13.7. Notification of Proceedings

Franchisee shall notify Franchisor in writing of the commencement of any action, suit or proceeding involving Franchisee or the Franchised Business, and of the issuance of any order, writ, injunction, judgment, award or decree which may affect the operation or financial condition of the Franchised Business not more than five (5) days after notice of such commencement or issuance. Franchisee shall deliver to Franchisor not more than five (5) days after Franchisee's receipt thereof, a copy of any inspection report, warning, certificate or rating by any governmental agency relating to any health or safety law, rule, or regulation that reflects Franchisee's failure to meet and maintain the highest applicable rating or Franchisee's noncompliance or less than full compliance with any applicable law, rule or regulation.

13.8. Compliance with Good Business Practices

Franchisee acknowledges that the quality of customer service, and every detail of appearance and demeanor of Franchisee and its employees, is material to this Agreement, to protect the reputation and goodwill of the brand, the relationship created, and licenses granted hereby. Therefore, Franchisee shall endeavor to maintain high standards of quality and service in the operation of the Franchised Business, including operating in strict compliance with all applicable rules and regulations. Franchisee further acknowledge that the required standard of operation may relate to any aspect of the appearance, operation, and marketing of the Franchised Business. Franchisee shall at all times give prompt, courteous and efficient service to customers of the Franchised Business. The Franchised Business shall in all dealings with its customers, vendors, Franchisor staff members, and the general public, adhere to the highest standards of honesty, fair dealing and ethical conduct. Any material failure to comply with the required standards of operation will constitute a material breach of this Agreement. However, Franchisee acknowledges that Franchisor has the right to vary their standards and specifications to accommodate the individual circumstances of different franchisees. Franchisor's specifications do not constitute a warranty or representation, express or implied, as to quality, safety, suitability, fitness for a particular purpose for any manner. Franchisor will not be liable to Franchisee or others on account of the designation of brand

standards for the operation of the Franchised Business under the System. Franchisor has the right to terminate this Agreement for violation of this Section 13.

13.9. Uniforms

Franchisee shall abide by all uniform and dress code requirements stated ~~in the Manual~~on SunocoNet or otherwise. Uniforms must be purchased from an Approved Supplier, if such is designated, or if none, then a supplier who meets Franchisor's specifications and quality standards for uniforms.

13.10. Credit Cards and Accepted Payment Methods

13.10.1.Franchisee shall, at its expense, lease or purchase the necessary equipment and/or software and shall have arrangements in place with Visa, MasterCard, American Express and such other credit card issuers as Franchisor may designate, from time to time, to enable the Franchised Business to accept such methods of payment from its customers.

13.10.2.Franchisee shall accept debit cards, credit cards, stored value cards, and other non-cash systems (including, without limitation, APPLE PAY, GOOGLE WALLET and/or SUNOCO proprietary payment systems) that Franchisor specifies periodically to enable customers to purchase authorized products, and to acquire and install all necessary hardware and/or software used in connection with these non-cash systems. Franchisee shall submit all fees and payments to Franchisor in U.S. dollars. Franchisee shall not accept any currency other than USD, and specifically is prohibited from accepting any cryptocurrency and tokens (including, but not limited to, Bitcoin, Ethereum, Litecoin, and other digital currencies and token). The parties acknowledge and agree that protection of customer privacy and credit card information is necessary to protect the goodwill of businesses operating under the Marks and System. Accordingly, Franchisee shall cause the Franchised Business to meet or exceed, at all times, all applicable security standards developed by the Payment Card Industry Standards Council or its successor and other regulations and industry standards applicable to the protection of customer privacy and credit card information. Franchisee is solely responsible for its own education concerning these regulations and standards and for achieving and maintaining applicable compliance certifications. Franchisee shall defend, indemnify, and hold Franchisor harmless from and against all claims arising out of or related to Franchisee's violation of the provisions of this Section 13.10.

13.11 Programs and Other Specific Merchandise Programs

From time to time, Franchisor may require Franchisee to participate in APLUS or SUNOCO proprietary programs or specific merchandise programs as described ~~in the Manual~~on SunocoNet or otherwise developed in the future ("**Proprietary Programs**"). Proprietary Programs may include, but are not limited to, proprietary programs, proprietary payment systems, specific product offerings and/or promotions (such as foods and beverages identified by us), Franchisor's approved prepaid programs, such as gift cards, phone cards, and other related telecommunications products, ATM program, and APLUS rewards and/or customer loyalty program, as more detailed ~~in the Manual.~~on SunocoNet. Franchisor has no obligation to test a Proprietary Program before requiring Franchisee to participate, and Franchisor reserves all right to determine which franchisees may participate in Proprietary Programs. Franchisor reserves all right to determine in its sole discretion which Proprietary Programs Franchisee may qualify for, and Franchisee is required to participate in Proprietary Programs that Franchisor requires and pay the respective fees associated with each Proprietary Program. Franchisee is required to pay any associated third party fees related to ~~these programs~~Proprietary Programs, which Franchisor may pass down to Franchisee. As stipulated, Franchisee will be required to purchase and install such equipment, merchandise, and/or products to comply with participation within each given ~~program~~Proprietary Program, and be required to pay additional respective fees upon written notice to Franchisee by Franchisor. Proprietary Programs may evolve and change from time to time, including the fees that may be owed to Franchisor. Franchisor may provide a minimum of ten (10) days written notice to Franchisee before requiring compliance under any required Proprietary Programs or payment of associated fees

13.12. E-Mail

As directed by Franchisor, Franchisee shall, at all times and at Franchisee's expense, maintain an e-mail address and account for communicating with Franchisor, per Franchisor's specifications.

13.13. Best Efforts and Minimum Performance Criteria

Franchisee shall use its best efforts to promote and increase the sales and recognition of services offered through the Franchised Business. Franchisee shall require all of Franchisee's employees, managers, officers, agents and representatives to make a good faith effort to enhance and improve the System and the sales of all products and services provided as part of the System. Franchisee shall aim to satisfy the respective Minimum Monthly Royalty Fees in Attachment 1. If such minimum performance criteria are not satisfied, Franchisor reserves the right to require the Owner and/or Designated Manager to attend enrichment training.

13.14. Non-Compliance; Quality Assurance Inspections; Mystery Shops.

13.14.1.Franchisor shall conduct period checks to determine whether Franchisee is in compliance with the System, and shall have the right to assess a ~~non-compliance fee ("**Non-Compliance**~~Default Fee~~")~~ (see Section 3.12) against the Franchisee for any infractions. ~~If you receive two default notices in any twelve (12) month period for non-compliance for the same term or condition of this Agreement,~~ Sunoco reserves the right to charge ~~you an additional Royalty~~Franchisee the ongoing Default Fee ~~of one percent (1%) of your total Gross Sales for~~ for each month the ~~month in which the default was issued or its actual costs of enforcement, whichever is higher. This additional Royalty Fee will be collected in the month following the notice of assessment to you~~default and/or non-compliance remains uncured. Sunoco also reserves the right to terminate this Agreement under this Section 13.14.

13.14.2.Franchisor shall have the right to enter the Franchised Business office during regular business hours for purposes of conducting quality assurance audits, including instituting a mystery shopper program, to assess customer satisfaction. During these inspections, Franchisor may obtain for testing purposes and without charge, reasonable information regarding services performed, including customer contact information. Such quality assurance audits and mystery shops may be conducted by Franchisor personnel, and Franchisor reserves the right to charge $300 per quality assurance inspection if performed by the Franchisor, or actual costs of a mystery shop plus Franchisor's reasonable administrative expenses, up to $300, associated with the same. At Franchisor's request, you shall engage one or more third party service providers, which may be designated by Franchisor, to provide periodic quality assurance audits and/or mystery shops at your sole cost and expense.

13.15 Physical Inventory Requirements and Inventory Audit

You are required to maintain a certain level of physical inventory at the APLUS Store, as further described ~~in the Manual.~~on SunocoNet. You are required to cooperate with a physical inventory performed by an independent inventory service designated by us, within ninety (90) days following the Commencement Date, in accordance with our then-current standards. Thereafter, during the term of this Agreement you are required to cooperate with an annual physical inventory audit. If for any reason the inventory audit is cancelled or postponed by you without notice, as described ~~in the Manual~~on SunocoNet, you must reimburse us for the cost of the inventory audit. Sunoco shall make an inventory service available to perform the inventories. You agree and acknowledge that:

13.15.1.You are solely responsible for verifying that the inventory results appear reasonable.

13.15.2.While inventories are required as scheduled above, Sunoco recommends that you have the inventory performed as needed or on a quarterly basis as a management control.

13.15.3.Sunoco reserves the right to utilize their internal inventory service department to perform the annual physical inventory service upon thirty (30) days' notice.

13.15.4.In the event you dispute the results of any inventory taken by the inventory service selected by Sunoco, you may request that a second inventory be taken. If the results of the second inventory show that: (a) the first inventory was correct, you shall be responsible for the costs incurred in taking the second inventory; (b) the first inventory was incorrect by more than 2% from the second inventory for the APLUS Store or any section of the APLUS Store, Sunoco shall be responsible for payment of the cost incurred in taking the second inventory.

13.15.5.To assist Sunoco in providing merchandising recommendations to you and summaries of information for the benefit of all APLUS Franchisees, you shall provide to Sunoco such reports and data as are reasonably requested by Sunoco for such purposes and as are more fully described ~~in the Systems Manual.~~on SunocoNet.

13.15.6.Sunoco reserves the right to charge you a reasonable annual physical inventory review wait fee, currently $100, if (a) you are late for the review, (b) unorganized areas impede the review, (c) excessive inventory impedes the review, (d) inability to access systems during the review and/or (e) you request a second inventory which determines the results of the first inventory were correct.

13.16 Employment Practices

You shall maintain a competent, conscientious, and trained staff, and shall take such steps as are necessary to ensure that your employees render competent, prompt, courteous, and knowledgeable service in accordance with the System. You shall cause all employees, while working at the Franchised Business, to present a neat and clean appearance and to wear uniforms of such color, design, and other specifications as Franchisor may designate from time to time; and shall prohibit the wearing of such uniforms except during and within the scope of an employee's employment. The parties acknowledge and agree that these requirements are necessary to preserve the goodwill identified by the Marks. The parties further acknowledge and agree that Franchisor neither dictates nor controls labor or employment matters for you or your employees. You are exclusively responsible for hiring personnel, for determining the number of jobs offered or job vacancies to be filled, for determining and changing employee wages and benefits and work hours, and for disciplining and discharging your employees. You are exclusively responsible for labor relations with your employees. You shall defend and indemnify Franchisor and its Indemnified Parties (as defined in Section 21.3 below) against any and all proceedings, claims, investigations, and causes of action instituted by your employees or by others that arise from your employment practices.

13.17 Prohibited Sales

You are expressly prohibited from the display or sale of any adult/~~sophisticate~~sophisticated magazines and/or materials at the APLUS Store. We also reserve the right to restrict you from the displaying or selling other items such as periodicals, videos, drug paraphernalia and other merchandise which may be offensive to the general public, or prohibited by applicable local laws or regulations. You are also expressly prohibited from selling marijuana of any kind (THC, CBD, synthetic ~~marijuana (also known as Spice and K-2),~~or otherwise), Kratom, drug paraphernalia and "bath salts". Bath salts may be known as Bliss Blue Light, Blue Silk, Charge, Cosmic Blast, Disco Concentrate Bath Salts, Ivory Snow, Ocean Burst, Pure Ivory, Purple Wave, Snow Leopard, Stardust, Tranquility Bath Salts, White Dove, White Knight, White Rush, Zeus 2, Ivory Wave, White Lightening or other names. Further, the sale of drug paraphernalia, such as glass smoking pipes are also prohibited. Sales of these products and any other prohibited product, as Franchisor may designate from time to time, can result in Franchisor's immediate termination of this Agreement.

13.18 Maintenance of Premises and Equipment

Being in possession and control of the APLUS Store and Premises, you have the primary responsibility to keep and maintain the same in good order and condition at all times. You are responsible for informing Franchisor in a timely manner (in a form that Franchisor may prescribe) of any equipment failure, and or any need for repair or replacement of said Store equipment, Loaned Store Equipment, or

Premises, as stated herein. Franchisor reserves the right, following proper notification by you, to determine whether a need for repair or replacement of Store equipment, Loaned Store Equipment, or Premises exists. Notification by you to Franchisor of a need for repair, and assumption by Franchisor of responsibility for repair, shall not relieve you of any liability incurred to third parties, including your employees, customers, invitees and the general public, because of a state of disrepair.

You are responsible for any and all damage to the Loaned Store Equipment and the Premises, including that caused by third parties. You must repair or replace any Loaned Store Equipment, other equipment, buildings, and fixtures at the Premises so damaged. Franchisor reserves the right to determine how best to repair or replace damaged Store equipment, Loaned Store Equipment, or Premises, and may require you to follow its directions as to proper repair and/or replacement. Should you fail to comply with Franchisor's directions, Franchisor or its agents may repair or replace damaged property to its standards, costs of which will be billed to and paid by you.

13.19 Customer Privacy

The parties acknowledge and agree that protection of customer privacy and credit card information is necessary to protect the goodwill of businesses operating under the Marks and System. Accordingly, you agree that you shall cause the Franchised Business to meet or exceed, at all times, all applicable security standards developed by the Payment Card Industry Data Security Standards ("**PCI DSS**") council or its successor and other regulations and industry standards applicable to the protection of customer privacy and credit card information, including but not limited to the Fair and Accurate Credit Transaction Act ("**FACTA**"), and all other data security requirements Franchisor may prescribe. You are solely responsible for educating yourself as to these regulations and standards and for achieving and maintaining applicable compliance certifications. Pursuant to Section 21.3, you shall defend, indemnify and hold harmless Indemnified Parties from and against all losses, damages, liabilities, deficiencies, actions, judgments, interest, awards, penalties, fines, costs or expenses of whatever kind, including but not limited to notification and investigation expenses, reasonable attorneys' fees, the cost of enforcing any right to indemnification hereunder, and the cost of pursuing any insurance providers, arising out of or resulting from any third party claim or investigation against any Indemnified Parties arising out of or resulting from your failure to comply with any of yours obligations under this Section 13.19.

13.20. Legal Compliance

In addition to complying with its obligations under this Agreement, you shall comply with all applicable federal, state, and local laws, rules, regulations, ordinances, and orders. Such laws, rules, regulations, ordinances, and orders vary from jurisdiction to jurisdiction and may be amended or implemented or interpreted in a different manner from time to time. It is your sole responsibility to apprise itself of the existence and requirements of all such laws, rules, regulations, ordinances, and orders and to adhere to them at all times during the term of this Agreement. Failure to comply with applicable federal, state, and local laws, rules, regulations, ordinances, and orders is a material breach of this Agreement and Franchisor reserves the right to terminate this Agreement immediately for cause and without an opportunity to cure.

13.21. Other Franchisee's Employees.

You are not prohibited from soliciting or hiring other APLUS franchisee's employees.

13.22 Non-disparagement

Subject to applicable law, Franchisee and each Owner agree that neither will make any oral or written statement to the public or any third party that is false, negative, critical, or disparaging, implied or expressed, or otherwise degrades the reputation of, or concerning Franchisor or any of Franchisor's respective affiliates, subsidiaries, parents, and its respective owners, managers, board members, principals, officers, members, agents, or employees. This Section 13.22 shall not be construed to prohibit any person

from responding when required by law, subpoena, court order, or the like.

13.23 Data Security and Privacy.

Franchisee must comply with all applicable federal, state and local laws, rules, and regulations regarding data security, protection, and privacy, including, without limitation and if applicable, the California Consumer Privacy Act ("CCPA"), Cal. Civ. Code § 1798.100, et seq. Franchisee must comply with any privacy policies, data protection polices, and breach response policies that Franchisor periodically may establish. Franchisee must notify Franchisor immediately regarding any actual or suspected data breach at or in connection with the Franchised Business. Further, whenever and to the extent Franchisee operates as a "Service Provider" under the CCPA or in a similar capacity under any other applicable federal, state, or local privacy law, Franchisee represents, warrants, and covenants that:

13.23.1 Franchisee will not sell, make available or otherwise disclose any customer's "Personal Information" (as defined in the CCPA) to any third party for valuable consideration;

13.23.2 Franchisee will retain, use, or disclose Personal Information only for the specific purpose of performing the services specified in this Agreement, and not any commercial or noncommercial purpose other than providing the services specified in this Agreement;

13.23.3 Franchisee will not retain, use, or disclose Personal Information outside of the direct business relationship between Franchisee and Franchisor;

13.23.4 Franchisee will delete any Personal Information upon Franchisor's request unless Franchisee can prove that such request is subject to an exception under applicable law; and

13.23.5 Franchisee certifies that it understands and will fully comply with the restrictions of this Section. Franchisee also acknowledges and agrees that Franchisor may modify the restrictions by written notice to Franchisee, including adding other similar privacy restrictions that may be required under other federal, state, or local privacy laws.

13.24. Customer Complaints

Franchisee agrees to promptly address all complaints in accordance with the procedures contained ~~in the Manual~~on SunocoNet or as otherwise provided by the Franchisor. If Franchisee is unable or unwilling to resolve a customer complaint within forty-eight (48) hours, and it becomes necessary for us to reimburse a customer in settlement of his or her complaint related to your APLUS Store, you agree to promptly reimburse us for amounts expended on account of any such complaint. Your obligations and liabilities under this Section shall survive any termination or expiration of this Agreement.

14. FRANCHISOR'S ADDITIONAL OPERATIONS ASSISTANCE

14.1. General Advice and Guidance

Franchisor has and will continue to engage with designated third parties in its sole discretion to provide Franchisee with operational support, including but not limited to merchandising, promotional, marketing, and other functions on Franchisor's behalf (each, a "**Designated Service Provider**"). Franchisor shall be available to render advice, discuss problems and offer general guidance to Franchisee during normal business hours by telephone, e-mail, facsimile, newsletters, and other methods. Franchisor does not currently charge for this service; however, Franchisor retains the right to charge a fee for this service should Franchisee be deemed by Franchisor to be utilizing this service too frequently or in an unintended manner. Franchisor's advice or guidance to Franchisee relative to prices for products and services that, in Franchisor's judgment, constitutes good business practice is based upon the experience of Franchisor and its franchisees in operating a Franchised Business and an analysis of costs and prices charged for competitive products and services. Franchisee shall have the right to determine the prices to be charged by the Franchised Business; provided, however, that Franchisor shall have the sole right to: (1) set maximum retail prices, subject to state or federal law, for certain convenience store products; (2) set prices for certain

products as part of Franchisee's participation in Proprietary Programs; and (3) determine the prices to be charged for products sold through the APLUS and/or SUNOCO Internet site, including products sold to persons identified as customers of the Franchised Business.

14.2. Periodic Visits

Franchisor or Franchisor's representative shall make periodic visits, which may be announced or unannounced, to the Franchised Business for the purposes of consultation, assistance, and guidance with respect to various aspects of the operation and management of the Franchised Business. Franchisor may also accompany Franchisee and/or Franchisee's employees along any job site visits, in order to monitor certain business practices and better render any advice or opinions. Franchisor and Franchisor's representatives who visit the Franchised Business or accompany Franchisee and/or Franchisee's employees along job site visits may prepare, for the benefit of both Franchisor and Franchisee, written reports detailing any problems or concerns discovered during any such visit and outlining any required or suggested changes or improvements in the operations of the Franchised Business. A copy of any such written report may be provided to Franchisee. Franchisee shall implement any required changes or improvements as required by Franchisor with time being of the essence.

15. INSURANCE

15.1. Types and Amounts of Coverage

At its sole expense, Franchisee shall procure within sixty (60) days of the Effective Date, and maintain in full force and effect during the term of this Agreement, insurance as required by state law and as we specify below. All policies (except any workers' compensation insurance) shall expressly name Franchisor, and its subsidiaries and affiliates, as an additional insured – grantor of franchise and loss payee and all shall contain a waiver of all subrogation rights against Franchisor and its successors and assigns. In addition to any other insurance that may be required by applicable law, or by lender or lessor, Franchisee shall procure the applicable insurance policies in Attachment 1.

Franchisor reserves the right to require Franchisee to obtain insurance policies to protect against cybersecurity threats, and accordingly, to require that Franchisor is named as additional insured on these cybersecurity insurance policies. Franchisor's insurance requirements, including types of coverages and amount may change over time.

Franchisee acknowledges that the foregoing minimum insurance requirements do not constitute advice or a representation that such coverages are necessary or adequate to protect Franchisee from losses in connection with the Center. Nothing in this Agreement prevents or restricts Franchisee from acquiring and maintaining insurance with higher policy limits or lower deductibles than Franchisor requires.

15.2. Future Increases

Franchisor has the right to reasonably increase the minimum liability protection requirement annually and require different or additional insurance coverage(s) to reflect inflation, changes in standards of liability, future damage awards or other relevant changes in circumstances.

15.3. Carrier Standards

Such policies shall be written by an insurance company licensed in the state in which Franchisee operates and having at least an "A-" Rating Classification as indicated in the latest issue of A.M. Best's Key Rating Guide.

15.4. Evidence of Coverage

Franchisee's obligation to obtain and maintain the foregoing policies shall not be limited in any way by reason of any insurance which may be maintained by Franchisor, nor shall Franchisee's performance of this obligation relieve it of liability under the indemnity provisions set forth in Section 21.3. Franchisee shall provide to Franchisor proof of the endorsements along with insurance certificates and/or

other proof of coverage to Franchisor requires. Upon issuance of a policy and renewal of said policy, Franchisee shall provide to Franchisor, certificates of insurance showing compliance with the foregoing requirements within fifteen (15) days of Franchisee's receipt of such certificates. Such certificates shall state that said policy or policies shall not be canceled or altered without at least thirty (30) days' prior written notice to Franchisor and shall reflect proof of payment of premiums.

15.5. Failure to Maintain Coverage

Should Franchisee not procure and maintain insurance coverage as required by this Agreement, Franchisor has the right (but not the obligation) to immediately procure such insurance coverage and to charge the premiums to Franchisee, which charges, together with a reasonable fee for expenses incurred by Franchisor, not to exceed $1,000, in connection with such procurement, shall be payable by Franchisee immediately upon notice.

16. DEFAULT AND TERMINATION

16.1. Automatic Termination

The Franchise Agreement will terminate automatically, without notice, if Franchisee becomes insolvent (meaning unable to pay bills in the ordinary course of business as they become due); if Franchisee files a petition or have a petition initiated against it under federal bankruptcy laws or similar state laws; if a receiver of Franchisee's property or any part thereof is appointed by a court; if Franchisee makes a general assignment for the benefit of its creditors; if a final judgment against Franchisee remains unsatisfied of record for thirty (30) days or longer (unless supersedeas bond is filed); if execution is levied against Franchisee's business or property; or if a suit to foreclose any lien or mortgage against Franchisee's Franchised Business office or equipment is instituted against Franchisee and not dismissed within thirty (30) days or is not in the process of being dismissed.

16.2. Termination by Franchisor

16.2.1. The following constitute incurable defaults under the Franchise Agreement. If any of the following occur, Franchisor shall have the right to terminate this Agreement, without providing Franchisee an opportunity to cure. Termination shall be effective upon delivery of notice of termination.

(a) Franchisee fails to timely establish, equip, and commence operations of the Franchised Business pursuant to Section 5;

(b) Franchisee fails to have its Designated Manager satisfactorily complete any training program pursuant to Section 8;

(c) Franchisee fails to maintain all required professional licenses, permits and certifications for a period exceeding five (5) business days;

(d) Franchisee made any material misrepresentation or omission in its application for the Franchise or otherwise to Franchisor in the course of entering into this Agreement;

(e) Franchisee or any Owner is accused of a fraudulent, deceptive or illegal practices, or is convicted of or pleads no contest to, felony, a crime involving moral turpitude, or any other crime or offense that Franchisor believes is reasonably likely to have an adverse effect on the System, or Franchisee or Owner is involved in any other activity that otherwise may adversely affect the reputation of Franchisor, Franchisee, or the Franchised Business;

(f) Franchisee, after notice to cure, fails to refrain from activities, behavior or conduct likely to adversely affect the reputation of Franchisor, Franchisee, the Franchised Business or the System;

(g) Franchisee discloses, duplicates or otherwise uses in an unauthorized manner any portion of ~~the Manual~~SunocoNet, Trade Secrets or any other Confidential Information, or otherwise violates Section 7;

(h) If required by Franchisor, Franchisee fails to have any holder of a legal or in Franchisee (and any member of their immediate families or households), and any officer, director, executive, manager or member of the professional staff and all employees of Franchisee, execute a non-disclosure, in a form the same as or similar to the Non-Disclosure Agreement attached as Attachment 2, upon execution of this Agreement or prior to each such person's affiliation with Franchisee or fails to provide Franchisor with copies of all nondisclosure agreements signed pursuant to Section 7.4 if requested by Franchisor;

(i) Franchisee abandons, fails or refuses to actively operate the Franchised Business for five (5) or more consecutive days (unless the Franchised Business has not been operational for a purpose approved by Franchisor);

(j) Franchisee surrenders or transfers control of the operation of the Franchised Business without Franchisor's approval, makes or attempts to make an unauthorized direct or indirect assignment of the Franchise or an ownership interest in Franchisee, or fails or refuses to assign the Franchise or the interest in Franchisee of a deceased or incapacitated owner thereof as herein required;

(k) Franchisee fails to maintain the Franchised Business under the primary supervision of a Designated Manager during the one hundred eighty (180) day period following the death or Incapacity of Franchisee or any holder of a legal or beneficial interest in Franchisee pursuant to Section 18.6;

(l) Franchisee submits to Franchisor on two (2) or more separate occasions at any time during the term of the Franchise any reports or other data, information or supporting records that understate any Royalty Fee or any other fees owed to Franchisor by more than five percent (5%) for any accounting period and Franchisee is unable to demonstrate that such understatements resulted from inadvertent error;

(m) Franchisee misuses or makes an unauthorized use of any of the Marks or commits any other act which can reasonably be expected to impair the goodwill associated with any of the Marks;

(n) Franchisee fails on two (2) or more separate occasions within any period of twelve (12) consecutive months to submit reports or other information or supporting records when due, to pay any Royalty Fee, Marketing Fee, amounts due for purchases from Franchisor and any Affiliate, or other payment when due to Franchisor or any Affiliate, whether or not such failures to comply are corrected after notice thereof is delivered to Franchisee;

(o) Franchisee violates on two (2) or more occasions any health or safety law, ordinance or regulation, or operates the Franchised Business in a manner that presents a health or safety hazard to its customers, employees or the public;

(p) Franchisee fails to comply with any provision of this Agreement three or more times in a twelve (12) month period, whether or not cured;

(q) Franchisee defaults under any other agreement between Franchisor (or any Affiliate) and Franchisee, such that Franchisor or its Affiliate, as the case may be, has the right to terminate such agreement or such agreement automatically terminates;

(r) Franchisee's sale of illegal or prohibited products or services, or prohibited products or services per SunocoNet or Franchisor's ~~Manual or~~ other written directives;

(s) Franchisee or any Owner's violation of non-disparagement requirement pursuant to Section 13.22;

(t) Franchisee knowingly maintains false books or records, or maintains an alternative set of books and records with the intent to defraud the Franchisor;

(u) Franchisee's books and records are missing or incomplete for Franchisor's review for two (2) consecutive scheduled audits;

(v) Conduct of Franchisee or Owner for which a notice period with an opportunity to cure would not be reasonable or remedy the default;

(w) any default under any agreement between ~~you~~Franchisee and Franchisor;

(x) ~~your~~Franchisee's failure on two or more separate noticed occasions to comply with the same obligation in any time-frame; and

(y) ~~you receive~~Franchisee receives two or more default notices within a twelve (12) month time frame for any violation of this Agreement or the Franchisor's system standards.

16.2.2. The following constitute curable defaults under the Franchise Agreement. If any of the following occur, Franchisor shall have the right to terminate this Agreement, if ~~you fail~~Franchisee fails to cure during the requisite cure period after receiving notice. Termination shall be effective upon delivery of notice of termination.

16.2.2.1. Franchisee engages in any activity exclusively reserved to Franchisor, and fails to cure such offending activity within five (5) days after delivery of written notice;

16.2.2.2. Franchisee fails to comply with any federal, state, or local applicable law or regulation, and fails to cure such failure within ten (10) days after delivery of written notice;

16.2.2.3. Franchisee fails to pay any amounts due under this Agreement, and fails to cure such default within five (5) days after delivery of written notice default;

16.2.2.4. Franchisee fails to procure or maintain insurance as specified in Section 15 of this Agreement, and fails to cure such default within ten (10) days after delivery of written notice of default; or

16.2.2.5. Franchisee materially breaches any other provision of this Agreement, and fails to cure such default within thirty (30) days after delivery of written notice of default.

16.2.3. If provisions of this Agreement provide for periods of notice less than those required by applicable law, or provide for termination, cancellation or non-renewal other than in accordance with applicable law, Franchisor may reinstate or extend the term of this Agreement for the purpose of complying with applicable law by submitting a written notice to Franchisee without waiving any of Franchisor's rights under this Agreement.

16.3. Termination by Franchisee

If Franchisee is in full compliance with all of the terms of this Agreement and Franchisor materially breaches this Agreement and fails to commence reasonable efforts to cure such breach within thirty (30) days after receiving written notice identifying the claimed breach, Franchisee may elect to terminate this Agreement unless the breach cannot reasonably be cured within such thirty (30) days. If the breach cannot reasonably be cured in such thirty (30) days, Franchisee may elect to terminate this Agreement only if Franchisor does not promptly undertake and continue efforts to cure such material breach within a reasonable period of time and furnish Franchisee reasonable proof of such efforts.

16.4. Alternate Remedies

16.4.1. If Franchisee is in breach of any obligation under this Agreement, and Franchisor delivers to Franchisee a notice of termination pursuant to Section 16.2.2, Franchisor has the right to suspend its performance of any of its obligations under this Agreement including, without limitation, the sale or supply of any products or services for which Franchisor or its Affiliate is then-currently an Approved Supplier, Designated Service Provider, or Designated Wholesale Provider to Franchisee, until such time as Franchisee corrects the breach. If Franchisee's defaults are curable pursuant to Section 16.2.2, or if Franchisor chooses not to terminate your Franchise Agreement, Franchisor reserves the right to charge Franchisee ~~an additional one percent (1%)~~the Default Fee and Designated Wholesale Provider Non-

Compliance Fee for each day Franchisee remains non-compliant of ~~Gross Revenue per month~~its obligation and in addition to all other fees in this Agreement until Franchisee cures the default. These rights and remedies are in addition to all other remedies available to Franchisor under this Agreement and under law.

16.4.2. If, prior to the Expiration Date, Franchisee terminates this Agreement without cause, or if Franchisor terminates this Agreement on account of Franchisee's material default hereof pursuant to Sections 16.1 or 16.2, the parties acknowledge and agree that Franchisor will suffer damages for the loss of the benefit bargained for in this Agreement and irreparable damage to the integrity of the franchise system. As partial compensation for these damages Franchisor shall be entitled to collect from Franchisee, in addition to all other amounts due Franchisor (including, without limitation, the Final Payment described in Section 17.2), liquidated damages calculated as an amount equal the average monthly Royalty Fee during the immediately prior twelve (12) month period (or average of months actually open before termination if fewer than twelve (12) months) times twenty-four (24) months. The parties acknowledge and agree that foregoing calculation represents reasonable compensation for the harm. These rights and remedies are in addition to all other remedies available to Franchisor under this Agreement and under law.

16.5 Step In Rights.

To prevent any interruption of the business of the Franchised Business, you hereby authorize Franchisor (or Franchisor's designee), and Franchisor (or Franchisor's designee) shall have the right, but not the obligation, to operate the Franchised Business on your behalf for as long as Franchisor deems necessary and practical, and without waiver of any other rights or remedies Franchisor may have under this Agreement, in the event that: **(a)** your Owner or Designated Manager is absent or incapacitated by reason of illness, death or disability and, therefore, in Franchisor's sole determination, you are not able to operate the Franchised Business in full compliance with this Agreement, **(b)** any allegation or claim is made against your or any of your principals, or the operation of the Franchised Business, involving or relating to fraudulent, deceptive or illegal practices or activities, and/or **(c)** due to your failure to operate in accordance with our System. If Franchisor undertakes to operate the Franchised Business pursuant to this Section 16.5, Franchisor shall have the right to collect and pay from the revenues of the Franchised Business all operating expenses including, without limitation, Royalty Fees, Marketing Fees, Technology Fees, and employee salaries, and further shall be entitled to collect, as compensation for its efforts, a reasonable management fee not to exceed three hundred ($300) per day, plus out-of-pocket expenses, travel, food, and lodging expenses for Franchisor's personnel (collectively, "**Management Fee**"). If the Management Fee has not been collected from the revenues of the Franchised Business, the Management Fee shall be payable to Franchisor within seven (7) days of invoice. You shall indemnify and hold harmless Franchisor from any and all claims arising from the alleged acts and omissions of Franchisor and its representatives, pursuant to Section 21 below. Franchisor shall have the uninhibited right to choose its designee, who may be Franchisor's affiliate or another franchisee, without approval from Franchisee.

17. RIGHTS AND DUTIES UPON EXPIRATION OR TERMINATION

17.1. Actions to be Taken

Except as otherwise provided herein, upon termination or expiration, this Agreement and all rights granted hereunder to Franchisee shall terminate and Franchisee shall:

17.1.1. Immediately cease to operate the Franchised Business and shall not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former franchisee of Franchisor;

17.1.2. Cease to use the Trade Secrets or other Confidential Information, the System and the Marks including, without limitation, all slogans, symbols, logos, advertising materials, stationery, forms and any other items which display or are associated with the Marks;

17.1.3. Take such action as may be necessary to cancel or assign to Franchisor, at Franchisor's option, any assumed name or equivalent registration filed with state, city or county authorities which

contains the name APLUS or any other Mark, and Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within thirty (30) days after termination or expiration of this Agreement;

17.1.4. Pay all sums owing to Franchisor and any Affiliate, including amounts due under Section 17.2, below. In the event of termination for any default of Franchisee, such sums shall include, but not be limited to, all damages, costs and expenses, including reasonable attorneys' fees, with respect to litigation, arbitration, appellate or bankruptcy proceedings, unpaid Royalty Fees, and any other amounts due to Franchisor or any Affiliate;

17.1.5 Prior to the termination of the Agreement, if the Franchisee fails to pay any amounts owed to the Franchisor or its affiliates, fails to comply with any term of this Agreement or notify the Franchisor that the Franchised Business is closing, then in addition to the Franchisor's right to terminate this Agreement or to bring a claim for damages, the Franchisor has the option to:

(a) Remove the listing of the Franchised Business from all advertising published or approved by the Franchisor;

(b) Cease listing the Franchised Business on any technology platforms;

(c) Prohibit the Franchisee from attending any meetings or programs held or sponsored by the Franchisor;

(d) Terminate the Franchisee's access to any computer system or software Franchisor own, maintain or license to the Franchisee (whether licensed by the Franchisor or any of its affiliates);

(e) Suspend all services the Franchisor or its affiliate provide to the Franchisee under this Agreement or otherwise; and/or

(f) Contact the Franchisee's landlord, lenders, suppliers, and member regarding the status of the Franchisee's operations, and provide copies of any default or other notices to the Franchisee's landlords, lenders and suppliers.

(g) In addition, if the Franchisee notifies the Franchisor of closing the Franchised Business or otherwise communicates to others that the Franchisee is closing the Franchised Business, the Franchisee agrees that the Franchisee's billing processor may withhold up to one-half (1/2) of monies that would otherwise be payable to the Franchisee to cover any post termination obligations the Franchisee may have.

(h) The Franchisor's actions as outlined in Section 17.1.4. may continue until the Franchisee has brought the accounts current, cured any default and complied with the Franchisor's requirements, and the Franchisee has acknowledged the same in writing. The taking of any of the actions permitted in this section will not suspend or release the Franchisee from any obligation that would otherwise be owed to the Franchisor or its affiliates under the terms of this Agreement or otherwise.

17.1.~~5~~6.Pay to Franchisor all costs and expenses, including reasonable attorneys' fees, incurred by Franchisor subsequent to the termination or expiration of the Franchise in obtaining injunctive or other relief for the enforcement of any provisions of this Agreement;

17.1.~~6~~7.Immediately return to Franchisor ~~the Manual,~~ Trade Secrets and all other Confidential Information including records, files, instructions, brochures, agreements, referral contact list, disclosure statements and any and all other materials provided by Franchisor to Franchisee relating to the operation of the Franchised Business (all of which are acknowledged to be Franchisor's property);

17.1.~~7~~8.Assign all of Franchisee's email addresses, any websites, and telephone listings and numbers for the Franchised Business to Franchisor and shall notify the telephone company and all listing

agencies of the termination or expiration of Franchisee's right to use any telephone numbers or facsimile numbers associated with the Marks and shall authorize transfer of same to or at the direction of Franchisor; and

17.1.~~8~~9.Comply with all other applicable provisions of this Agreement.

17.2. Final Payment; Remedies

17.2.1. Within thirty (30) days following expiration or termination of this Agreement, Franchisee shall pay to Franchisor a final payment ("**Final Payment**") in an amount calculated as the product of Franchisee's Accounts Receivable (defined below), multiplied by seventy percent (70%), multiplied by nine percent (9%). Such amount is payable in lieu of the Royalty Fees and Marketing Fees that would otherwise be payable on Gross Revenue after the date of expiration or termination and is not in lieu of any Liquidated Damages for early termination or breach of the Franchise Agreement. The parties acknowledge and agree that the Final Payment represents a reasonable estimation of future Gross Revenue on Franchisee's accounts receivable, and is not a penalty. "**Accounts Receivable**" for purposes of this provision means amounts due Franchisee for services performed prior to expiration or termination.

17.2.2. To secure payment of the Final Payment and all other amounts due under this Agreement, Franchisee hereby grants to Franchisor a security interest in, and collaterally assigns to Franchisor all of its rights and interests to, Franchisee's Accounts Receivable and the proceeds thereof. If Franchisor exercises its rights under this Section 17.2.2, Franchisor shall have the exclusive right to contact Franchisee's customers for collection purposes, and do all other things appropriate or necessary to collect the Accounts Receivable. Franchisor shall have the right to retain from collected amounts nine percent (9%) of the Gross Revenue, representing Royalty fees and Marketing Fees due and owing thereon, and to reimburse itself all collection costs including, without limitation, collection agency fees, attorneys' fees, and court costs. Collection costs will be determined in the aggregate, without allocation to specific collected amounts.

17.3. Restrictive Covenants

17.3.1. Franchisee acknowledges that the restrictive covenants contained in this Agreement are fair and reasonable and are justifiably required for purposes including, but not limited to, the following:

(a) To protect the Trade Secrets, Goodwill, and Confidential Information of Franchisor;

(b) To induce Franchisor to grant a Franchise to Franchisee;

(c) To protect Franchisor's contractual relationships with other franchise; and

(d) To protect Franchisor against its costs in training Franchisee and its officers, directors, executives, professional staff and Designated Managers.

17.3.2. Except as otherwise approved in writing by Franchisor, neither Franchisee, nor any holder of a legal or beneficial interest in Franchisee, nor any officer, director, executive, manager, or member of the professional staff of Franchisee, shall, for a period of two (2) years after the expiration or termination of this Agreement, regardless of the cause of termination, either directly or indirectly, for themselves or through, on behalf of or in conjunction with any person or entity solicit or otherwise attempt to induce or influence any customer or other business associate of Franchisor and or APLUS and/or SUNOCO franchisees to terminate or modify his, her or its business relationship with APLUS and/or SUNOCO; or

17.3.3 In furtherance of this Section 17, Franchisor has the right to require certain individuals to execute standard form nondisclosure agreements in a form the same as or similar to the Nondisclosure Agreement attached as Attachment 2.

17.3.4 The two (2) year period shall be tolled during any event of non-compliance.

17.4. Franchisor's Option to Purchase Certain Business Assets and Assume Lease

Franchisor has the right (but not the obligation), for a period of sixty (60) days after termination or expiration of this Agreement, to purchase any or all assets of the Franchised Business including improvements, vehicles, service tools and equipment, supplies and other inventory or equipment. The purchase price shall be equal to the assets' fair market value, as determined by an independent appraiser. If Franchisor elects to exercise this option to purchase, it has the right to set off all amounts due from Franchisee under this Agreement, if any, against the purchase price. If applicable, at Franchisor's request, Franchisee shall assign to Franchisor or its designee Franchisee's interest in the lease for APLUS Store, including Franchisee's interest in all leasehold improvements, without additional compensation. If Franchisor does not request assignment of the lease before or as of the date of expiration or termination of this Agreement, then within twenty (20) days after termination or expiration of this Agreement, Franchisee shall modify the APLUS Store Premises, including, without limitation, the changing of the color scheme and other distinctive design features, as may be necessary to distinguish the appearance of the Franchised Business from that of other APLUS franchisee owned stores, and shall make such specific additional changes to the Franchisee's APLUS Store as Franchisor may reasonably request for that purpose. If Franchisee fails to de-identify the APLUS Store premises within a reasonable time, Franchisee hereby grant a license to Franchisor's personnel and designees to enter upon the APLUS Store premises and take all actions necessary to de-identify the premises including, without limitation, removing all signage, advertising materials, trade dress, displays, proprietary equipment, and Proprietary Products, and any other items which display the Marks or reflect Franchisor's trade dress. Franchisor may charge a reasonable fee for its services; Franchisee agrees to pay the fee on demand and to reimburse Franchisor for all de-identification related costs that it incurred.

17.5. Survival of Certain Provisions

All obligations of Franchisor and Franchisee, which expressly or by their nature survive the expiration or termination of this Agreement, shall continue in full force and effect subsequent to and notwithstanding their expiration or termination and until satisfied or by their nature expire.

18. TRANSFERABILITY OF INTEREST

18.1. Transfer by Franchisor

This Agreement and all rights and duties hereunder are fully transferable in whole or in part by Franchisor and such rights will inure to the benefit of any person or entity to whom transferred; provided, however, that with respect to any assignment resulting in the subsequent performance by the assignee of the functions of Franchisor, the assignee shall assume the obligations of Franchisor hereunder and Franchisor shall thereafter have no liability for the performance of any obligations contained in this Agreement.

18.2. Transfer by Franchisee to a Third Party

The rights and duties of Franchisee as set forth in this Agreement, and the Franchise herein granted, are personal to Franchisee (or its owners), and Franchisor has entered into this Agreement in reliance upon Franchisee's personal or collective skill and financial ability. Accordingly, neither Franchisee nor any holder of a legal or beneficial interest in Franchisee may sell, assign, convey, give away, pledge, mortgage, sublicense, or otherwise transfer, whether by operation of law or otherwise, any interest in this Agreement, the Franchise granted hereby, the assets of the Franchised Business or any part or all of the ownership interest in Franchisee without the prior written approval of Franchisor. Any purported transfer without such approval shall be null and void and shall constitute a material breach of this Agreement. If Franchisee is in compliance with this Agreement, Franchisor's consent to such transfer shall be conditioned upon the satisfaction of the following requirements:

18.2.1. Franchisee has complied with the requirements set forth in Section 19;

18.2.2. All obligations owed to Franchisor, and all other outstanding obligations relating to the Franchised Business, are fully paid and satisfied, and Franchisee is otherwise in compliance with this Agreement;

18.2.3. Franchisee (and any transferring owners, if Franchisee is a business entity) has executed a general release, in a form prescribed by Franchisor, of any and all claims against Franchisor, including its officers, directors, shareholders, managers, members, partners, owners, employees, and agents (in their corporate and individual capacities), including, without limitation, claims arising under federal, state or local laws, rules or ordinances, and any other matters incident to the termination of this Agreement or to the transfer of Franchisee's interest herein or to the transfer of Franchisee's ownership of all or any part of the Franchise; provided, however, that if a general release is prohibited, Franchisee shall give the maximum release allowed by law;

18.2.4. The prospective transferee has satisfied Franchisor in that it meets Franchisor's management, business and financial standards, and otherwise possesses the character and capabilities, including business reputation and credit rating, as Franchisor may require to demonstrate ability to conduct the Franchised Business, in addition to Franchisor's then-current requirements for franchisees;

18.2.5. The transferee and, if Franchisor requires, all persons owning any interest in the transferee, have executed the form of Franchise Agreement then being offered to new franchisees, which may be substantially different from this Agreement, and may include a different Royalty Fee, Marketing Fee rates and other material provisions; the initial term of the Franchise Agreement shall be the initial term provided for in the then-current franchise agreement, and all renewal terms shall be governed by the then-current franchise agreement, and the territory shall be the same as the territory granted pursuant to this Agreement;

18.2.6. The transferee has executed a general release, in a form prescribed by Franchisor, of any and all claims against Franchisor and its officers, directors, shareholders, managers, members, partners, owners, employees, and agents (in their corporate and individual capacities), with respect to any representations regarding the Franchise or the business conducted pursuant thereto or any other matter that may have been made to the transferee by Franchisee;

18.2.7. Franchisee has provided Franchisor with a complete copy of all contracts and agreements and related documentation between Franchisee and the prospective transferee relating to the intended sale or transfer of the Franchise;

18.2.8. Franchisee, or the transferee, has paid to Franchisor a transfer fee ("**Transfer Fee**") in the amount stated in Attachment 1;

18.2.9. The transferee has obtained all necessary consents and approvals by third parties and all applicable federal, state and local laws, rules, ordinances and requirements applicable to the transfer have been complied with or satisfied;

18.2.10. Franchisee has, and if Franchisee is an entity, all of the holders of a legal and beneficial interest in Franchisee have executed and delivered to Franchisor a nondisclosure agreement in a form satisfactory to Franchisor and in substance the same as the nondisclosure covenants contained in Sections 7 and 17;

18.2.11. The transferee agrees that its Designated Manager shall complete, to Franchisor's satisfaction, a training program in substance similar to the initial training described in Section 8.1 prior to assuming the management of the day-to-day operation of the Franchised Business;

18.2.12. In the event of a transfer among a single Franchisee entity or group of purchasers comprising a single Franchisee, Franchisor reserves the right for the continuing Franchisee or owners to sign a new Franchise Agreement;

18.2.13.The transferee shall provide proof of U.S. citizenship or permanent legal residency status; and

18.2.14.The transferee shall have completed Franchisor's then-current financial application, and attend and complete initial training, if so required.

18.3. Transfer to a Controlled Entity

18.3.1. If Franchisee wishes to transfer this Agreement or any interest herein to a corporation, limited liability company or other legal entity which shall be entirely owned by Franchisee ("**Controlled Entity**"), which Controlled Entity is being formed for the financial planning, tax or other convenience of Franchisee, Franchisor's consent to such transfer shall be conditioned upon the satisfaction of the following requirements:

(a) The Controlled Entity is newly organized and its charter or articles of formation provides that its activities are confined exclusively to the operation of the Franchised Business;

(b) Franchisee or all holders of a legal or beneficial interest in Franchisee own all of the equity and voting power of the outstanding stock or other capital interest in the Controlled Entity;

(c) All obligations of Franchisee to Franchisor or any Affiliate are fully paid and satisfied and Franchisee pays to Franchisor the Transfer Fee listed in the Summary Page;

(d) The Controlled Entity has entered into a written agreement with Franchisor expressly assuming the obligations of this Agreement and all other agreements relating to the operation of the Franchised Business. If the consent of any other party to any such other agreement is required, Franchisee has obtained such written consent and provided the same to Franchisor prior to consent by Franchisor;

(e) All holders of a legal or beneficial interest in the Controlled Entity have entered into an agreement with Franchisor jointly and severally guaranteeing the full payment of the Controlled Entity's obligations to Franchisor and the performance by the Controlled Entity of all the obligations of this Agreement;

(f) Each share certificate (or other certificate reflecting an ownership interest) shall have conspicuously endorsed on it a statement, in a form satisfactory to Franchisor, that the certificate is held subject to the transfer restrictions contained in the Franchise Agreement; and

(g) Copies of the Controlled Entity's articles of incorporation or organization, bylaws, operating agreement, federal tax identification number and other governing regulations or documents, including resolutions of the board of directors authorizing entry into this Agreement, have been promptly furnished to Franchisor. Any amendment to any such documents shall also be furnished to Franchisor immediately upon adoption.

18.3.2. The term of the transferred Franchised Business shall be the unexpired term of this Agreement, including all renewal rights, subject to any and all conditions applicable to such renewal rights.

18.3.3. Franchisor's consent to a transfer of any interest in this Agreement, or of any ownership interest in the Franchised Business, shall not constitute a waiver of any claims Franchisor may have against the transferor or the transferee, nor shall it be deemed a waiver of Franchisor's right to demand compliance with the terms of this Agreement.

18.4. Franchisor's Disclosure to Transferee

Franchisor has the right, without liability of any kind or nature whatsoever to Franchisee, to make available for inspection by any intended transferee of Franchisee all or any part of Franchisor's records relating to this Agreement, the Franchised Business or to the history of the relationship of the parties hereto. Franchisee hereby specifically consents to such disclosure by Franchisor and shall release and hold Franchisor harmless from and against any claim, loss or injury resulting from an inspection of Franchisor's records relating to the Franchised Business by an intended transferee identified by Franchisee.

18.5. For-Sale Advertising

Franchisee shall not, without prior written consent of Franchisor, place in, on or upon the location of the Franchised Business, or in any communication media, any form of advertising relating to the sale of the Franchised Business or the rights granted hereunder.

18.6. Transfer by Death or Incapacity

Upon the death or Incapacity of Franchisee (if Franchisee is an individual) or any holder of a legal or beneficial interest in Franchisee (if Franchisee is a business entity), the appropriate representative of such person (whether administrator, personal representative or trustee) shall, within a reasonable time not exceeding one hundred eighty (180) days following such event, transfer such individual's interest in the Franchised Business or in Franchisee to a third party approved by Franchisor, who shall complete the initial training program and otherwise meet Franchisor's requirements before resuming control of the Franchised Business. Such transfers, including transfers by will or inheritance, shall be subject to the conditions for assignments and transfers contained in this Agreement, unless prohibited by the laws of the state wherein Franchisee resided, with such choice of law provision being applicable only for this Section 18.6. During such one hundred eighty (180) day period, the Franchised Business must remain at all times under the primary management of a Designated Manager who otherwise meets Franchisor's management qualifications. Franchisee or its representative shall complete all required documents specified by Franchisor, including applications for such a transfer.

18.7 Transfer Evaluation Fee

Sunoco reserves the right to charge one thousand dollars ($1,000) to cover a portion of Sunoco's expenses incurred in evaluating the franchise application of the proposed transferee/assignee.

19. RIGHT OF FIRST REFUSAL

19.1. Submission of Offer

If Franchisee, or any of its Owners, proposes to sell or otherwise transfer (including a transfer by death or Incapacity pursuant to Section 18.6) the Franchised Business (or any of its assets outside of the normal course of business), any ownership interest in Franchisee or any ownership interest in the Franchise granted hereunder, Franchisee shall obtain and deliver a bona fide, executed written offer or proposal to purchase, along with all pertinent documents including any contract or due diligence materials that Franchisor may request, to Franchisor. The offer must apply only to an approved sale of the assets or interests listed above and may not include any other property or rights of Franchisee or any of its Owners, and shall contain then-current requirements of Franchisor.

19.2. Franchisor's Right to Purchase

Franchisor shall, for sixty (60) days from the date of delivery of all such documents, have the right, exercisable by written notice to Franchisee, to purchase the offered assets or interest for the price and on the same terms and conditions contained in such bona fide offer communicated to Franchisee. Franchisor has the right to substitute cash for the fair market value of any form of payment proposed in such offer. Franchisor's credit shall be deemed at least equal to the credit of any proposed buyer. After providing notice to Franchisee of Franchisor's intent to exercise this right of first refusal, Franchisor shall have up to sixty (60) days to close the purchase. Franchisor shall be entitled to receive from Franchisee all customary representations and warranties given by Franchisee as the seller of the assets or such ownership interest or, at Franchisor's election, such representations and warranties contained in the proposal.

19.3. Non-Exercise of Right of First Refusal

If Franchisor does not exercise its right of first refusal within sixty (60) days from the date of delivery of all such documents, the offer or proposal may be accepted by Franchisee or any of its Owners, subject to Franchisor's prior written approval as required by Section 18.2. Should the sale fail to close within one hundred twenty (120) days after the offer is delivered to Franchisor, or the initial offer materially changes since it was first submitted to Franchisor, Franchisor's right of first refusal shall renew and be

implemented in accordance with this Section 19.

20. BENEFICIAL OWNERS OF FRANCHISEE

Franchisee represents, and Franchisor enters into this Agreement in reliance upon such representation, that the individuals identified in Attachment 4 are the sole holders of a legal or beneficial interest (in the stated percentages) of Franchisee (each an "**Owner**"). Each Owner shall execute a copy of the Unlimited Guaranty and Assumption of Obligations, attached hereto as Attachment 3.

21. RELATIONSHIP AND INDEMNIFICATION

21.1. Relationship

This Agreement is purely a contractual relationship between the parties and does not appoint or make Franchisee an agent, legal representative, joint venture, partner, employee, servant or independent contractor of Franchisor for any purpose whatsoever. Franchisee may not represent or imply to third parties that Franchisee is an agent of Franchisor, and Franchisee is in no way authorized to make any contract, agreement, warranty or representation on behalf of Franchisor, or to create any obligation, express or implied, on Franchisor's behalf. During the term of this Agreement, and any extension or renewal hereof, Franchisee shall hold itself out to the public only as a franchisee and an owner of the Franchised Business operating the Franchised Business pursuant to a franchise from Franchisor. Franchisee shall take such affirmative action as may be necessary to do so including, without limitation, exhibiting a notice of that fact in a conspicuous place on all forms, stationery or other written materials, the content of which Franchisor has the right to specify. Under no circumstances shall Franchisor be liable for any act, omission, contract, debt, nor any other obligation of Franchisee. Franchisor shall in no way be responsible for any injuries to persons or property resulting from the operation of the Franchised Business. Any third-party contractors and vendors retained by Franchisee to convert or construct the premises are independent contractors of Franchisee alone. Franchisee further acknowledges and agrees that Franchisee is solely responsible for all decisions relating to employees, agents, and independent contractors that Franchisee may hire to assist in the operation of Franchised Business. Franchisee agrees that any employee, agent, or independent contractor that Franchisee hires will be Franchisee's employee, agent, or independent contractor, and not Franchisor's employee, agent, or independent contractor. Franchisee also agrees that Franchisee is exclusively responsible for the terms and conditions of employment of Franchisee's employees, including recruiting, hiring, firing, training, compensation, work hours and schedules, work assignments, safety and security, discipline, and supervision. Franchisee agrees to manage the employment functions of Franchisee's Store in compliance with federal, state, and local employment laws.

21.2. Standard of Care

This Agreement does not establish a fiduciary relationship between the parties. Unless otherwise specifically provided in this Agreement with respect to certain issues, whenever this Agreement requires Franchisee to obtain Franchisor's written consent or permits Franchisee to take any action or refrain from taking any action, Franchisor is free to act in its own self-interest without any obligation to act reasonably, to consider the impact on Franchisee or to act subject to any other standard of care limiting Franchisor's right, except as may be provided by statute or regulation.

21.3. Indemnification

Franchisee shall defend, indemnify and hold Franchisor and its affiliates, subsidiaries and parents, and their respective officers, directors, managers, members, partners, shareholders, independent contractors and employees (the "**Indemnified Parties**") harmless from all fines, suits, proceedings, claims, demands, liabilities, injuries, damages, expenses, obligations or actions of any kind (including costs and reasonable attorneys' fees) arising in whole or in part from Franchisee's ownership, operation, or occupation of the Franchised Business and APLUS Store, performance or breach of its obligations under this Agreement, failure to meet Franchisor requirements and System standards, breach of any warranty or representation in

this Agreement or from the acts or omissions of Franchisee, its employees or agents, including its advertising of the Franchised Business, except as otherwise provided in this Agreement. Franchisor and any Indemnified Party shall promptly give Franchisee written notice of any claim for indemnification under this Section 21.3. Any failure to give the notice shall not relieve Franchisee of any liability under this Agreement except to the extent the failure or delay causes actual material prejudice. Franchisor shall have the right to control all litigation, and defend and/or settle any claim against Franchisor or other Indemnified Parties affecting Franchisor's interests, in any manner Franchisor deems appropriate. Franchisor may also retain its own counsel to represent Franchisor or other Indemnified Parties and Franchisee shall advance or reimburse Franchisor's costs. Franchisor's exercise of this control over the litigation shall not affect its rights to indemnification under this Section 21.3. Franchisee may not consent to the entry of judgment with respect to, or otherwise settle, an indemnified claim without the prior written consent of the applicable Indemnified Parties. Franchisor and the other Indemnified Parties do not have to seek recovery from third parties or otherwise attempt to mitigate losses to maintain a claim to indemnification under this Section 21.3. The provisions of this Section 21.3. shall survive the termination or expiration of this Agreement.

21.4. Right to Retain Counsel

Franchisee shall give Franchisor immediate notice of any such action, suit, demand, claim, investigation or proceeding that may give rise to a claim for indemnification by an Indemnified Party. Franchisor has the right to retain counsel of its own choosing in connection with any such action, suit, demand, claim, investigation or proceeding. In order to protect persons, property, Franchisor's reputation or the goodwill of others, Franchisor has the right to, at any time without notice, take such remedial or corrective actions as it deems expedient with respect to any action, suit, demand, claim, investigation or proceeding if, in Franchisor's sole judgment, there are grounds to believe any of the acts or circumstances listed above have occurred. If Franchisor's exercise of its rights under this Section 21 causes any of Franchisee's insurers to refuse to pay a third-party claim, all cause of action and legal remedies Franchisee might have against such insurer shall automatically be assigned to Franchisor without the need for any further action on either party's part. Under no circumstances shall Franchisor be required or obligated to seek coverage from third parties or otherwise mitigate losses in order to maintain a claim against Franchisee. The failure to pursue such remedy or mitigate such loss shall in no way reduce the amounts recoverable by Franchisor from Franchisee. Franchisee agrees to not be a party to class action suit against Indemnified Parties, APLUS, and/or SUNOCO under any circumstances.

21.5. Area Representative Relationship.

(a) Franchisor may, in its sole discretion, utilize a relationship with parties known as Area Representatives who are designated by the Franchisor, within a defined geographic area, to assist in the offering of franchises for APLUS Stores. In addition, the Area Representative may be designated by Franchisor to perform the servicing of such APLUS Store in compliance with what is required of Franchisor in the Agreement and ~~Manual~~on SunocoNet. All Area Representatives are independent contractors and must complete a training program to Franchisor's satisfaction before they are permitted to assume their duties. Franchisor retains the right to compensate Area Representatives for services rendered by paying them a percentage of the Initial Franchise Fee and/or a percentage of the monthly Royalty fees collected from those APLUS stores located within the Area Representative's defined territory. Area Representatives do not collect these fees directly and do not share in any Marketing Fees paid by Franchisee. If such rights are assigned to the Area Representative, upon our notice Franchisee shall remit all such payments directly to the Area Representative.

(b) Franchisee and its controlling principals acknowledge that if the APLUS Store is located in an Area Representative's defined territory, that a substantial amount of the services required to be provided to Franchisee by Franchisor may be provided by Franchisor designated Area Representative.

(c) Franchisee and its controlling principals further acknowledge and agree that Franchisee will permit the Area Representative and its approved employees the same access to the APLUS Store, for inspections and other permitted APLUS Store visits under this Agreement as if the Area Representative was an employee of Franchisor. Franchisee agrees not to claim any defense of inadequate notice or other issue relating to an Area Representative in attempting to deny the Area Representative admittance in reasonable pursuit of its duties that are permitted or required of Franchisor in this Agreement.

(d) Franchisee and its controlling principals further acknowledge that Franchisor's liability for the actions of the Area Representative are limited to those actions performed by the Area Representative solely as a result of required obligations under this Agreement. Further, Franchisee agrees to seek damages solely from the Area Representative and to hold Franchisor harmless for any action, omission, error, either oral or in performance by the Area Representative which: (a) is contrary to law or public policy, or (b) is inconsistent with ~~any Manual~~SunocoNet or other written direction or policy of Franchisor.

22. STORE SPECIFIC ADDITIONAL TERMS AND CONDITIONS

This Agreement is hereby amended by the inclusion of certain Store specific terms and conditions further described in Attachment 1, attached hereto and made a part hereof.

23. GENERAL CONDITIONS AND PROVISIONS

23.1. No Waiver

No failure of Franchisor to exercise any power reserved to it hereunder, or to insist upon strict compliance by Franchisee with any obligation or condition hereunder, and no custom nor practice of the parties in variance with the terms hereof, shall constitute a waiver of Franchisor's right to demand exact compliance with the terms of this Agreement. Waiver by Franchisor of any particular default by Franchisee shall not be binding unless in writing and executed by Franchisor and shall not affect nor impair Franchisor's right with respect to any subsequent default of the same or of a different nature. Subsequent acceptance by Franchisor of any payment(s) due shall not be deemed to be a waiver by Franchisor of any preceding breach by Franchisee of any terms, covenants or conditions of this Agreement.

23.2. Injunctive Relief

As any breach by Franchisee of any of the restrictions contained in Sections 6, 7, and 17 would result in irreparable injury to Franchisor, and as the damages arising out of any such breach would be difficult to ascertain, in addition to all other remedies provided by law or in equity, Franchisor shall be entitled to seek injunctive relief (whether a restraining order, a preliminary injunction or a permanent injunction) from any court of competent jurisdiction against any such breach, whether actual or contemplated, without the necessity of posting security or bond and Franchisee shall be responsible for Franchisor's reasonable attorneys' fees incurred in pursuing the same. Franchisor's right to seek injunctive relief will not affect the parties' waiver of jury trial. Franchisor's rights herein shall include pursuing injunctive relief in any court of competent jurisdiction.

23.3. Notices

All notices required or permitted under this Agreement shall be in writing and shall be deemed received: (a) at the time delivered by hand to the recipient party (or to an officer, director, or partner of the recipient party); (b) on the next business day after transmission by e-mail or other reasonably reliable electronic communication system; (c) two (2) business days after being sent via guaranteed overnight delivery by a commercial courier service; or (d) five (5) business days after being sent by Registered Mail, return receipt requested. Either party may change its address by a written notice sent in accordance with

this Section 22.3. All notices, payments, and reports required by this Agreement shall be sent to Franchisor at the following address:

Sunoco Retail LLC
Attn: General Counsel
8111 Westchester Drive, Suite 600
Dallas, Texas 75225

23.4. Cost of Enforcement or Defense

If suit is brought to collect unpaid fees or other sums owed to Franchisor by you, in addition to such outstanding amounts, Franchisor shall be entitled to recover its reasonable attorney's fees, costs of litigation, and all other costs incurred by Franchisor to collect unpaid amounts. In all other matters, if either party is required to enforce this Agreement in a judicial proceeding, then each party shall bear its own costs, including accounting and attorneys' fees, travel costs, expert witness fees, filing fees, and other costs related to the action or claim.

23.5. Unlimited Guaranty and Assumption of Obligations

All holders of a legal or beneficial interest in Franchisee of five percent (5%) or greater shall be required to execute, as of the date of this Agreement, the Unlimited Guaranty and Assumption of Obligations attached as Attachment 3, through which such holders agree to assume and discharge all of Franchisee's obligations under this Agreement and to be personally liable hereunder for all of the same.

23.6. Approvals

Whenever this Agreement requires the prior approval or consent of Franchisor, Franchisee shall make a timely written request to Franchisor for such approval and, except as otherwise provided herein, Franchisor's approval or consent granted shall be effective only if in writing. Franchisor makes no warranties or guarantees upon which Franchisee may rely, and assumes no liability or obligation to Franchisee or any third party to which it would not otherwise be subject, by providing any waiver, approval, advice, consent or services to Franchisee in connection with this Agreement, or by reason of any neglect, delay or denial of any request for approval.

23.7. Entire Agreement

This Agreement, including its attachments, exhibits, amendments, and schedules constitutes the entire, complete, and fully integrated agreement between Franchisor and Franchisee concerning the subject matter hereof, and supersedes all prior representations, promises, and agreements. No amendment, change or variance from this Agreement shall be binding on either party unless memorialized in a writing executed by both parties. Nothing in this or any related agreement, however, is intended to disclaim any representations we made in the franchise disclosure document that we furnished to you.

23.8. Severability

23.8.1. Except as noted below, each Section, part, term and provision of this Agreement shall be considered severable. If any Section, paragraph, part, term or provision herein is ruled to be unenforceable, unreasonable or invalid, such ruling shall not impair the operation of or affect the remaining portions, Sections, paragraphs, parts, terms and provisions of this Agreement, and the latter shall continue to be given full force and effect and bind the parties; and such unenforceable, unreasonable or invalid Sections, paragraphs, parts, terms or provisions shall be deemed not part of this Agreement. If Franchisor determines that a finding of invalidity adversely affects the basic consideration of this Agreement, Franchisor has the right to, at its option, terminate this Agreement.

23.8.2. Notwithstanding the above, each of the covenants contained in Sections 7 and 17 shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of any such covenant is held to be unenforceable, unreasonable or invalid, then it shall be amended to provide for

limitations on disclosure of Trade Secrets or other Confidential Information to the maximum extent provided or permitted by law.

23.9. Construction

All captions herein are intended solely for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision hereof.

23.10. Force Majeure

No party shall be deemed in default of this Agreement for any delay or failure to fulfill any obligation (other than a payment obligation) hereunder so long as and to the extent to which any delay or failure in the fulfillment of such obligation is prevented, frustrated, hindered or delayed as a consequence of circumstances of "**Force Majeure**," which shall be defined as those significant events outside the party's control, including but not limited to Acts of God (such as tornadoes, earthquakes, hurricanes, floods, fire or other natural catastrophe), war, acts of terrorism, civil unrest, government actions or regulations, national pandemic or epidemic, or any other event similar to those enumerated above; provided however, that neither an act or failure to act by a governmental authority, nor the performance, non-performance or exercise of rights under any agreement with you by any lender, landlord, or other person shall be an event of Force Majeure under this Agreement, except to the extent that such act, failure to act, performance, non-performance or exercise of rights results from an act which is otherwise an event of Force Majeure. Your financial inability to perform or your insolvency shall not be an event of Force Majeure under this Agreement. Such excuse from liability shall be effective only to the extent and duration of the event(s) causing the failure or delay in performance and provided that the party has not caused such event(s) to occur and continues to use diligent, good faith efforts to avoid the effects of such event and to perform the obligation. A party claiming the benefit of this provision shall, as soon as reasonably practicable after the occurrence of any such event, (a) provide written notice to the other party of the nature and extent of any such Force Majeure condition; (b) use commercially reasonable efforts to remove any such causes and resume performance under this Agreement, as applicable, as soon as reasonably practicable; and (c) otherwise continue performing its obligations hereunder.

23.11. Timing

Time is of the essence. Except as set forth in Section 23.10, failure to perform any act within the time required or permitted by this Agreement shall be a material breach.

23.12. Withholding Payments

Franchisee shall not, for any reason, withhold payment of any Royalty Fees or other amounts due to Franchisor or to an Affiliate. Franchisee shall not withhold or offset any amounts, damages or other monies allegedly due to Franchisee against any amounts due to Franchisor. No endorsement or statement on any payment for less than the full amount due to Franchisor will be construed as an acknowledgment of payment in full, or an accord and satisfaction, and Franchisor has the right to accept and cash any such payment without prejudice to Franchisor's right to recover the full amount due, or pursue any other remedy provided in this Agreement or by law. Franchisor has the right to apply any payments made by Franchisee against any of Franchisee's past due indebtedness as Franchisor deems appropriate. Franchisor shall set off sums Franchisor owes to Franchisee against any unpaid debts owed by Franchisee to Franchisor.

23.13. Further Assurances

Each party to this Agreement will execute and deliver such further instruments, contracts, forms or other documents, and will perform such further acts, as may be necessary or desirable to perform or complete any term, covenant or obligation contained in this Agreement.

23.14. Third Party Beneficiaries

Anything to the contrary notwithstanding, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than Franchisor or Franchisee, and their respective successors and assigns as may be contemplated by this Agreement, any rights or remedies under this Agreement.

23.15. Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one agreement.

23.16 No Affiliate Liability

Franchisee acknowledges and agrees that except as otherwise expressly provided in this Agreement or the disclosure document, none of Franchisor's past, present, or future directors, officers, employees, incorporators, members, partners, stockholders, subsidiaries, guarantors, parents, affiliates, controlling parties, entities under common control, ownership, or management, vendors, service providers, agents, attorneys, or representatives will have any liability for (i) any of Franchisor's obligations or liabilities relating to or arising from this Agreement, (ii) any claim against Franchisor based on, in respect of, or by reason of the relationship between Franchisee and Franchisor, or (iii) any claim against Franchisor based on any of Franchisor's alleged unlawful acts or omissions.

23.17. No Liability for Others' Products or Acts

Franchisor disclaims all express and implied warranties and all other liability concerning any defects, malfunctions, or other deficiencies in equipment or other products manufactured by anyone other than Franchisor or its affiliates, subsidiaries or parents, or such parties' acts or omissions. Franchisee agree not to make any claims against Franchisor or their affiliates, subsidiaries or parents with respect to products that Franchisor and their affiliates did not manufacture, even if Franchisor or their affiliates, subsidiaries or parents sold Franchisee the product or designated or approved its source. Franchisee is required to assert any claims only against the manufacturer of the product, even if Franchisee obtained it through Franchisor or their affiliate, subsidiary or parent.

23.18. No Liability for Acts of the Other Party

Franchisor and Franchisee may not make any impress or implied agreements, warranties, guarantees, or representations, or incur any debt, in the name or on behalf of the other or represent that our relationship with Franchisee is other than franchisor and franchisee. Franchisor will not be obligated for any damages to any person or property directly or indirectly arising from Franchisee's operation of the business Franchisee conduct under this Agreement.

23.19 Other Franchisees

The Franchisee acknowledges that other Franchised Business franchisees have or will be granted franchises at different times and in different situations and further acknowledge that the provisions of such franchises may vary substantially from those contained in this Agreement. The Franchisee also acknowledge that because complete and detailed uniformity under varying circumstances may not be practical, there may be variations the Franchisor may grant to other of the Franchised Businesses (whether franchised or centers that Franchisor or its affiliate operate) and the Franchisee will not be entitled require the Franchisor to grant similar variations or privileges to the Franchisee.

24. DISPUTE RESOLUTION

24.1. Choice of Law

Except to the extent this Agreement or any particular dispute is governed by federal law, this Agreement shall be governed by and construed in accordance with the laws of the State of Texas (without reference to its conflict of laws principles).

24.2. Consent to Jurisdiction

Any action brought by either party against the other shall only be brought and maintained exclusively in the Federal or state courts situated in the judicial district in which Franchisor maintains its principal business address, currently Dallas County, Texas, at the time the action is commenced. The parties waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision. Notwithstanding the foregoing, claims for injunctive relief may be brought by Franchisor where Franchisee is located. This exclusive choice of jurisdiction and venue provision shall not restrict the ability of the parties to confirm or enforce judgments in any appropriate jurisdiction.

24.3. Cumulative Rights and Remedies

No right or remedy conferred upon or reserved to Franchisor or Franchisee by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be in addition to every other right or remedy. Nothing contained herein shall bar Franchisor's right to obtain injunctive relief against threatened conduct that may cause it loss or damages, including obtaining restraining orders and preliminary and permanent injunctions.

24.4. Limitations of Claims

YOU MUST BRING ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE RELATIONSHIP BETWEEN US AND YOU WITHIN TWO (2) YEARS FROM THE DATE ON WHICH THE VIOLATION, ACT, OR CONDUCT GIVING RISE TO THE CLAIM OCCURS, REGARDLESS OF WHEN YOU KNEW OR SHOULD HAVE KNOWN OF THE FACTS GIVING RISE TO THE CLAIM, OR YOUR CLAIM WILL BE BARRED UNLESS A JUDICIAL PROCEEDING, AS PERMITTED, IS COMMENCED IN THE APPROPRIATE FORUM WITHIN THIS TWO-YEAR PERIOD.

24.5. Limitation of Damages

Franchisee waives, to the extent permitted by law, any claim for consequential, punitive or exemplary damages against the Franchisor in any Claim. Further, in any Claim, Franchisee agrees, to the extent permitted by law, that its maximum damages recoverable by Franchisee for any claims whether arising under contract or tort law shall be limited to a refund of Franchisee's Franchise Fee and Royalty Fees paid to Franchisor within the past eighteen (18) month period.

24.6. Waiver of Jury Trial and Punitive Damages

FRANCHISEE AND FRANCHISOR EACH IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, WHETHER AT LAW OR EQUITY, BROUGHT BY EITHER OF THEM AGAINST THE OTHER AND ALSO WAIVE THE RIGHT TO SEEK OR RECOVER PUNITIVE DAMAGES IN ANY SUCH ACTION.

24.7. Class Action Waiver

To the extent permitted by law, in any Claim brought by Franchisee, Franchisee agrees to bring such claim individually and not bring or join in a class action.

24.8. Disavowal of Oral Representations

You and we must acknowledge that we want all terms of our business relationship to be defined in this written agreement and that neither of us want to enter into a business relationship with the other which any terms or obligations are subject to any oral statements or in which oral statements serve as the basis for

creating rights or obligations different than or supplementary to the rights and obligations as set forth in this Agreement. Therefore, you and we agree that this Agreement will supersede and cancel any prior and/or contemporaneous discussions between us. We each agree that we placed and will place no reliance on any such discussions. You agree that no representations have been made to you concerning this Agreement or the Franchised Business other than contained in this Agreement and in the Franchise Disclosure Document you received before you signed this Agreement (the "FDD"). You agree that no claims, representations, warranties, guarantees express or implied regarding actual or potential earnings sales profits or success of your Franchised Business have been made to you other than as forth in Item 19 of the FDD, if any.

25. ACKNOWLEDGMENTS

25.1. Receipt of this Agreement and the Franchise Disclosure Document

Franchisee represents and acknowledges that it has received, read and understands this Agreement; and that Franchisor has accorded Franchisee ample time and opportunity to consult with advisors of its own choosing about the potential benefits and risks of entering into this Agreement. Franchisee represents and acknowledges that it has received, at least fourteen calendar-days prior to the date on which this Agreement was executed, the franchise disclosure document required by the Trade Regulation Rule of the Federal Trade Commission entitled Disclosure Requirements and Prohibitions Concerning Franchising and Business Opportunity Ventures.

25.2. Consultation by Franchisee

Franchisee represents that it has been urged to consult with its own advisors with respect to the legal, financial and other aspects of this Agreement, the business franchised hereby and the prospects for that business. Franchisee represents that it has either consulted with such advisors or has deliberately declined to do so.

25.3. True and Accurate Information

Franchisee represents that all information set forth in any and all applications, financial statements and submissions to Franchisor is true, complete and accurate in all respects, and Franchisee acknowledges that Franchisor is relying upon the truthfulness, completeness and accuracy of such information.

25.4. Risk

Franchisee represents that it has conducted an independent investigation of the business contemplated by this Agreement and acknowledges that, like any other business, an investment in a Franchised Business involves business risks and that the success of the venture is dependent, among other factors, upon the business abilities and efforts of Franchisee. Franchisor makes no representations or warranties, express or implied, in this Agreement or otherwise, as to the potential success of the business venture contemplated hereby.

25.5. No Guarantee of Success

Franchisee represents and acknowledges that it has not received or relied on any representation, promise, or guarantee, express or implied, made by Franchisor or any authorized representative of Franchisor, as to the revenues, profits or likelihood of success of the Franchised Business. Franchisee represents and acknowledges that no representations have been made by Franchisor's officers, directors, employees or agents that are not contained in, or are inconsistent with, the statements made in the franchise disclosure document delivered to Franchisee in connection with the grant of the franchise memorialized by this Agreement.

25.6. No Violation of Other Agreements

Franchisee represents that its execution of this Agreement will not violate any other agreement or commitment to which Franchisee or any holder of a legal or beneficial interest in Franchisee is a party.

~~[Signature Page to Follow]~~

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby have duly executed this Agreement as of the Effective Date.

FRANCHISOR: **SUNOCO RETAIL LLC**	**FRANCHISEE:**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

ATTACHMENT 1 TO THE FRANCHISE AGREEMENT

KEY TERMS

A. LEASED APLUS STORE

1. Section 3, Fees:

TYPE OF FEE	AMOUNT	WHEN DUE
☐ Royalty Fee (no restrictions)	Up to 6% of monthly Gross Sales, currently ___% of monthly Gross Sales	Monthly on the 20th
☐ Alcoholic Beverages Assessment	1% of monthly Gross Sales	Monthly on the 20th
Minimum Monthly Royalty Fee	☐ $2,000 per month OR ☐ $_____	Monthly on the 20th
Collateral Security Deposit	☐ $10,000 OR ☐ $_____	Before opening the Store

2. Section 4.1., Initial Term.

The Initial Term of the Agreement shall expire on the

☐ fifth (5th) anniversary of the Commencement Date OR

☐ _____ anniversary of the Commencement Date

3. Section 5.1., Franchised Business Location.

The approved Franchised Business location is~~-~~: _____

_____

4. Section 13.4, Hours and Days of Operation.

Hours and Days of Operation: _____ hours per day, ____ days per week, ____ days per year

5. Section 15.1. Types and Amounts of Coverage

INSURANCE COVERAGE REQUIREMENTS

Type of Coverage	Limit
Workers' Compensation	Statutory Limits
Employer's Liability	$500,000 Per Accident $500,000 Disease – Policy Limit $500,000 Disease – Per Employee
Commercial General Liability	$500,000 combined single limit per occurrence.

Special Form Property	Replacement cost of the value of Sunoco's property. (Replacement value amount to be provided by Sunoco)
Excess Liability**	$1,000,000 per occurrence in excess of other stated coverage.

**** Excess Liability coverage may be waived if Franchisee carries $1,500,000 General Liability coverage**

6. Section 18, Transferability of Interest

Section 18.2.8 is amended with the following:

"**Transfer Consideration**" is defined as the total transfer price for assignment for all businesses conducted at the Franchised Business, less the amount of consideration paid for the transfer of inventories at cost and equipment at fair market value.

Before any completed transfer under this Section 18, franchisee shall pay a Transfer Fee follows:

(a) If capital spent by Franchisor pursuant to the Premises Lease, attached hereto as Attachment 6 ("**Lease**"), or any other agreement within the past ten (10) years prior to transfer or assignment is less than four hundred thousand ($400,000) dollars the transfer fee shall be 10% of the of the Transfer Consideration with a minimum of fifteen ($15,000) dollars.

(b) If capital spent by Franchisor pursuant to the Lease or any other agreement within the past ten (10) years prior to transfer or assignment is greater than four hundred thousand ($400,000) dollars, you shall pay a site-specific transfer fee as follows:

Years Since Capital Spending (Site Specific)	**Transfer Fee**
Year 1	50% of the Transfer Consideration with a minimum of $15,000
Year 2	45% of the Transfer Consideration with a minimum of $15,000
Year 3	40% of the Transfer Consideration with a minimum of $15,000
Year 4	30% of the Transfer Consideration with a minimum of $15,000
Year 5	25% of the Transfer Consideration with a minimum of $15,000
Year 6	20% of the Transfer Consideration with a minimum of $15,000
Year 7	15% of the Transfer Consideration with a minimum of $15,000
Year 8+	10% of the Transfer Consideration with a minimum of $15,000

The Transfer Fee shall be ten percent (10%) of the Transfer Consideration where:

(i) a second (or third, etc.) transfer of the applicable Premises occurs during the ten (10) year period from the major capital spend (i.e. capital in excess of four hundred thousand dollars ($400,000), and

(ii) Franchisor received, in connection with the first transfer, the transfer fee per the above schedule.

Under the following circumstances, the Transfer Fee may be reduced to a lesser amount, but in no event less than one thousand five hundred ($1,500.00) dollars:

(a) Transfer from a sole proprietor to a wholly owned corporation in which 100% of the shares of the corporation are held by the former sole proprietor;

(b) Transfer to a corporation where there are only two (2) shareholders and you will be the 51% shareholder;

(c) Transfer of the minority stock of a corporation with multiple shareholders with one shareholder being the 51% majority shareholder. One person must retain 51% of all shares;

(d) The dissolution of a two-partner partnership or a two-shareholder corporation resulting in one of the former partners or shareholders remaining as a sole proprietor; and

(e) Corporate name change only of the franchisee provided that franchisee in its notice to Franchisor details the reason(s) for the requested name change and provides any additional information required by Franchisor and Franchisor consents to the request.

7. Supplemental Terms:

The parties acknowledge and agree that the Agreement is hereby supplemented by the inclusion of the following terms and conditions:

"22. STORE SPECIFIC ADDITIONAL TERMS AND CONDITIONS

22.1. Construction/Conversion of Leased APLUS Store Premises

22.1.1. Within the timeframe established by Sunoco, Sunoco shall undertake such construction or conversion of the Premises as is necessary, in Sunoco's sole opinion, to make the Premises suitable for operation of an APLUS Store. Notwithstanding the foregoing, in addition to any other rights of termination, Sunoco may revoke this Agreement before the Commencement Date in the event any of the following conditions ("**Conditions Precedent**") have not been satisfied. The Conditions Precedent are as follows:

22.1.1.a. Sunoco must obtain, in a form satisfactory to Sunoco, all licenses, permits, variances, and other required governmental approvals necessary for such construction and conversion of the Premises.

22.1.1.b. Sunoco must obtain, in a form satisfactory to Sunoco, contractor(s) bid(s) covering all construction and/or conversion, including the cost of installing all Store equipment to be installed by Sunoco, but not including the purchase price of the Store equipment. Sunoco retains the right to reject any bids that are not acceptable in Sunoco's sole opinion.

22.1.1.c. If the Premises is located in a jurisdiction where beer and wine licenses are available to convenience food store operators, Franchisee must obtain a beer and wine license at your sole cost and expense. If by law, a beer and wine license is not available until construction is completed or the APLUS Store is open for business, this requirement shall be waived as a Condition Precedent; however, you acknowledge and agree you will diligently pursue obtaining a beer and wine license at the earliest possible date.

22.1.1.d. If before the Commencement Date, circumstances arise that render the construction or conversion uneconomical in Sunoco's sole discretion, Sunoco may revoke or terminate this Agreement.

22.1.2. The Franchise Fee, minus Franchisor's costs, are refundable at Franchisor's sole discretion if Franchisor is unable to timely undertake its obligations under Section 22.1.1 above.

22.2 Sunoco Premises Lease

Prior to the Commencement Date, Franchisee will execute a lease between Franchisee and Sunoco for the

Premises in the form of Attachment 6 attached hereto and made a part hereof ("**Premises Lease**")."

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby have duly executed this Attachment 1.A., effective as of the Effective Date.

FRANCHISOR: **SUNOCO RETAIL LLC**	**FRANCHISEE:**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

ATTACHMENT 1 TO THE FRANCHISE AGREEMENT
KEY TERMS

B. NON-LEASED APLUS STORE

1. Section 3, Fees:

TYPE OF FEE	AMOUNT	WHEN DUE
☐ Royalty Fee (no restrictions)	Up to 4% of monthly Gross Sales, currently ___% of monthly Gross Sales	Monthly on the 20th
☐ Alcoholic Beverages Assessment	1% of monthly Gross Sales	Monthly on the 20th
Minimum Monthly Royalty Fee	☐ $1,000 per month OR ☐ $_____	Monthly on the 20th
Collateral Security Deposit	☐ $10,000 OR ☐ $_____	Before opening the Store

2. Section 4.1., Initial Term.

The Initial Term of the Agreement shall expire on the

☐ tenth (10th) anniversary of the Commencement Date OR

☐ _____ anniversary of the Commencement Date

3. Section 5.1., Franchised Business Location.

The approved Franchised Business location is

_____: _____

4. Section 13.4, Hours and Days of Operation.

Hours and Days of Operation: _____ hours per day, ____ days per week, ____ days per year

5. Section 15.1. Types and Amounts of Coverage

INSURANCE COVERAGE REQUIREMENTS

Type of Coverage	Limit
Workers' Compensation	Statutory Limits
Employer's Liability	$500,000 Per Accident $500,000 Disease – Policy Limit $500,000 Disease – Per Employee
Commercial General Liability	$500,000 combined single limit each occurrence.
Special Form Property	N/A
Excess Liability**	$1,000,000 per occurrence in excess of other stated coverage.

****Excess Liability coverage may be waived if franchisee carries $1,500,000 General Liability**

coverage

6. Section 18, Transferability of Interest

In Section 18.2.8, the Transfer Fee shall equal $15,000.00.

7. Supplemental Terms:

The parties acknowledge and agree that the Agreement is hereby supplemented by the inclusion of the following terms and conditions:

22. STORE SPECIFIC ADDITIONAL TERMS AND CONDITIONS

22.1. Construction or Conversion

22.1.1. In the case of ground-up construction or conversion of an existing building to an APLUS Store, as soon as reasonably practicable after execution of this Agreement, you shall supply Sunoco and its designated third party engineering vendor with the following items sufficient to enable the third party engineering vendor to prepare standard engineering and architectural plans, including but not limited to, plans of Sunoco's then current typical APLUS Store scheme suitable for your property so as to enable you to apply for the applicable permits necessary for the construction or modification of the Premises and, under certain conditions, a beer and wine license and to construct, or (where applicable) convert to such a typical facility (hereinafter collectively referred to as the "**Plans**"):

(a) photographs of the entire site, including improvements and corner signage, if any, and of adjacent business properties;

(b) current topographic survey of the property, showing all existing elevations and site features; width of streets; type of curbs cuts and corner radius; existing sidewalks and/or approaches, including the material and condition; location of existing power poles, light poles, hydrants, traffic light poles, water, gas and electrical curb boxes; buildings and islands on the site, if any, by dimension; paving; landscaping; trees; fencing retaining walls; underground motor fuel storage, if any; property line dimensions, angles and bearings; known setbacks, easements and code restrictions; and north arrow and notes on any special building, zoning and/or sign code regulations affecting the property;

(c) copy of the deed, lease or other document(s) evidencing your right to possess and modify the Premises; and a copy of all restrictions, if any, affecting the Premises and your rights;

(d) where applicable, general arrangement "As Built" drawing(s) including informational sketches and data showing: drawing used for construction of building (if available); exterior dimensions, length, width and height of every vertical and horizontal surface; interior dimensions, length, width and height of every room, location of all existing electrical outlets, plumbing lines, fixtures, switches, controls, furniture, obstructions in area to be occupied by walk-in coolers; all other major obstructions such as columns, downspouts, vents and ducts; existing ceiling layout and placement of all light fixtures, and grilles; location of heating, air conditioning, and water heating units, type, size and conditions; electrical panel, size of service, number of circuits, condition of panel; if reusable as is, or with supplementary panel and if three-phase service is available; description of existing structural system, age, type, size, location of beams, columns, bearing walls, shear walls; current condition of building, roof, exterior, interior, restrooms, walkways, existing motor fuel storage and dispensing system, if any, showing age, size and type of underground tanks (steel or fiberglass), make and size of suction pumps, leak detectors, make and model of pumps and or dispensers and self-serve console/equipment, if any; describe necessary repairs; provide photographs of: all four sides of building, interior of office, storage, bays, electrical panel, heating/air conditioning unit, unusual conditions, existing islands, signs and canopies; local building restrictions affecting plans;

(e) such additional information as Sunoco may request in order to prepare Plans or that you may deem pertinent. If you do not have an as-built survey in AutoCAD, one will be created by our third party vendor, the cost of which will be passed on to you. During the as-built site survey, Franchisee must provide access to all areas requiring survey. Third party engineering vendor will generate an architectural as-built in AutoCAD to APLUS specifications, which will include floor plan, interior and exterior elevations, and photographs.

22.1.2. Upon receipt of the foregoing, as soon as reasonably practicable, the third party vendor will design store layout to APLUS standards and submit layout to Sunoco and Franchisee for review and approvals. Third party engineering vendor will charge Franchisee, and Franchisee must pay, a project management fee, which will cover the procurement of required equipment, engineering support for the project and working with the Franchisee's general contractor.

22.1.3. Third party engineering vendor shall submit the preliminary Plans to you for comment. It may be necessary for you to have the Plans modified in order to meet local building codes and other requirements; Sunoco does not represent that the Plans will be sufficient to meet such local requirements. All such modifications and other changes not resulting from local requirements but requested by you must be approved in advance by Sunoco and are at your expense.

22.1.4. After receiving comments from you on the preliminary Plans, which the third party engineering vendor and/or Sunoco, in its discretion, may incorporate or note, shall prepare the final plans ("**Final Plans**") and submit them to you. The Final Plans shall include architectural and engineering plans consistent with the available information as furnished by you.

22.1.5. Within thirty (30) days after receipt of the Final Plans, you shall apply for all licenses, permits, variances and other governmental approvals ("**Permits**") necessary for such construction or conversion and you shall undertake construction or conversion at the earliest possible date. You shall construct or convert the Premises to an APLUS Store, as the case may be, in accordance with the Final Plans and shall not make alterations or changes to the Store except with the prior written consent of Sunoco during the term hereof.

22.2. Equipment and Construction Funding Agreement

If you accept funding for your Store for equipment and construction, you must also execute the Equipment and Construction Funding Agreement, attached hereto as Attachment 7 and incorporated herein ("**Funding Agreement**"). Sunoco agrees to use the Funded Amount (as defined in the Funding Agreement, to offset the cost of equipment and construction at the Store and to pay invoices on Franchisee's behalf to a third party. If any portion of the Funded Amount remains after payment of the subject construction and equipment is made, Sunoco will release remaining funds to the Franchisee via a credit to Franchisee's account with Sunoco. The amount of funding offered to you will depend on whether your APlus Store is a newly constructed store or conversion APlus Store. Sunoco has the sole right to determine the amount of the funding.

The Funded Amount shall be amortized monthly in equal installments beginning in the first year of the term of APLUS Agreement. If APLUS Agreement is terminated for any reason prior to the expiration of the term, Franchisee shall repay to Sunoco the unamortized Funded Amount. Sunoco shall maintain records indicating the total amount due and owing from Franchisee with respect hereto and shall, upon written request by Franchisee, provide Franchisee with copies of such records. Franchisee's obligation to repay the Funded Amount upon termination of this Agreement shall (a) be in addition to any other right or claims Sunoco has or may have with respect to such termination.

22.3. As it relates to the equipment purchased under the Funding Agreement, you, at your own cost and expense, shall (a) maintain the equipment in good repair and operating condition, (b) replace any equipment that is stolen, lost, destroyed or damaged beyond repair, which replacement equipment shall become our property, (c) replace any parts of the equipment which become worn out, lost, destroyed or damaged, which replacement parts shall become our property, (d) file the necessary tax returns and pay any property taxes

associated with the equipment, and (e) obtain insurance coverage for the equipment as required by the terms of your agreement. Tax issues may arise with respect to the Funding Agreement. Sunoco does not make any representation as to the proper tax treatment of the funding and you should consult your own tax advisor.

22.4. Sunoco reserves the uninhibited right terminate this Agreement in the event you do not complete the required construction or conversion of the Premises to an APLUS Store per System standards. The Franchise Fee and any other fees paid to Sunoco to date are nonrefundable.

22.5. As soon as reasonably practicable after you have completed construction or conversion, obtained a beer and wine license (if available) and satisfactorily completed Sunoco's APLUS Training Program, Sunoco shall install exterior signage up to Sunoco's specifications. Depending upon the size, type, and design of the building, Sunoco may charge you for the cost and installation of the APLUS signage and/or exterior graphics. If you are not the sole and exclusive owner of the Premises, as a condition to Sunoco performing its obligations set forth in the preceding sentence, you shall submit, in form satisfactory to Sunoco, a consent of all owners of the Premises to the modification of the Premises, and a waiver in recordable form, of all claims of the owner, and any party claiming through or under the owner, including any mortgagees, to any improvements installed by Sunoco on the Premises and consent to removal by Sunoco of such improvements upon termination of this APLUS franchise relationship. After Sunoco installs exterior signage, it provides initial paint, the exterior APLUS sign, sign pole and interior graphics, Sunoco shall issue a notice to you giving you permission to open. If you fail to open the APLUS Store for business on the Commencement Date as established by the aforementioned notice, in addition to any other remedies herein provided, at its option, Sunoco shall have the right to collect, as liquidated damages and not as a penalty, in addition to the Minimum Monthly Royalty Fee, the prorated daily Minimum Monthly Royalty Fee per day for each calendar day you fail to open the APLUS Store for business in accordance with the terms and provisions of this Agreement. In addition, if you fail to open the APLUS Store for business within thirty (30) days after the Commencement Date, Sunoco may thereupon terminate this Agreement."

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby have duly executed this Attachment 1.B., effective as of the Effective Date.

FRANCHISOR: **SUNOCO RETAIL LLC**	**FRANCHISEE:**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

ATTACHMENT 1 TO THE FRANCHISE AGREEMENT
KEY TERMS

C. CAPTIVE MARKET PREMISES APLUS STORE

The respective sections in Attachment 1.A or Attachment 1.B shall be replaced with the following for an APLUS Store in a Captive Market:

1. Section 3, Fees:

TYPE OF FEE	AMOUNT	WHEN DUE
☐ Royalty Fee (no restrictions)	Up to 15% of monthly Gross Sales, currently ____% of monthly Gross Sales	Monthly on the 20th
☐ Alcoholic Beverages Assessment	1% of monthly Gross Sales	Monthly on the 20th
Minimum Monthly Royalty Fee	☐ $2,000 per month OR ☐ $_____	Monthly on the 20th
Collateral Security Deposit	☐ $10,000 OR ☐ $_____	Before opening the Store

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby have duly executed this Attachment 1.C., effective as of the Effective Date.

FRANCHISOR:
SUNOCO RETAIL LLC

By: _____

Name: _____

Title: _____

FRANCHISEE:

By: _____

Name: _____

Title: _____

ATTACHMENT 2 TO THE FRANCHISE AGREEMENT

NONDISCLOSURE AGREEMENT

This "**Agreement**" made as of_____, is by and between _____, ("**Franchisee**") and _____ ("**Individual**").

W I T N E S E T H:

WHEREAS, Franchisee is a party to that certain Franchise Agreement dated _____ ("**Franchise Agreement**") by and between Franchisee and the Sunoco Retail LLC ("**Company**") for operation of an APLUS and/or SUNOCO franchised business ("**Franchised Business**"); and

WHEREAS, Franchisee desires Individual to have access to and review certain Trade Secrets and other Confidential Information, which are more particularly described below; and

WHEREAS, Franchisee is required by the Franchise Agreement to have Individual execute this Agreement prior to providing Individual access to said Trade Secrets and other Confidential Information; and

WHEREAS, Individual understands the necessity of not disclosing any such information to any other party or using such information to compete against Company, Franchisee or any other franchisee of Company in any business **(i)** that offers or provides (or grants franchises or licenses to others to operate a business that offers or provides) similar products and services as the Franchised Business, **(ii)** in which Trade Secrets and other Confidential Information (as defined below) could be used to the disadvantage of Franchisee, or Company, any affiliate of Company or Company's other franchisees (hereinafter, "**Competitive Business**"); provided, however, that the term Competitive Business shall not apply to any business operated by Franchisee under a Franchise Agreement with Company.

NOW, THEREFORE, in consideration of the mutual promises and undertakings set forth herein, and intending to be legally bound hereby, the parties hereby mutually agree as follows:

1. Trade Secrets and Confidential Information

Individual understands Franchisee possesses and will possess Trade Secrets and other Confidential Information that are important to its business.

a) For the purposes of this Agreement, a "**Trade Secret**" is information in any form (including, but not limited to, materials and techniques, technical or non-technical data, formulas, patterns, compilations, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, product plans, passwords, lists of actual or potential customers or suppliers) related to or used in the Franchised Business that is not commonly known by or available to the public and that information: **(i)** derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and **(ii)** is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

b) For the purposes of this Agreement "**Confidential Information**" means technical and non-technical information used in or related to the Franchised Business that is not commonly known by or available to the public, including, without limitation, Trade Secrets and information contained ~~in the Manual~~on SunocoNet and training guides and materials. In addition, any other information identified as confidential when delivered by Franchisee shall be deemed Confidential Information. Confidential Information shall not include, however, any information that: **(i)** is now or subsequently becomes generally available to the public through no fault of Individual; **(ii)** Individual can demonstrate was rightfully in its possession, without obligation of nondisclosure, prior to disclosure pursuant to this Agreement; **(iii)** is independently developed without the use of any Confidential Information; or **(iv)** is rightfully obtained

from a third party who has the right, without obligation of nondisclosure, to transfer or disclose such information.

c) Any information expressly designated by Company or Franchisee as Trade Secrets or Confidential Information shall be deemed such for all purposes of this Agreement, but the absence of designation shall not relieve Individual of his or her obligations hereunder in respect of information otherwise constituting Trade Secrets or Confidential Information. Individual understands Franchisee's providing of access to the Trade Secrets and other Confidential Information creates a relationship of confidence and trust between Individual and Franchisee with respect to the Trade Secrets and other Confidential Information.

2. Confidentiality/Non-Disclosure

a) Individual shall not communicate or divulge to (or use for the benefit of) any other person, firm, association, or corporation, with the sole exception of Franchisee, now or at any time in the future, any Trade Secrets or other Confidential Information. At all times from the date of this Agreement, Individual must take all steps reasonably necessary and/or requested by Franchisee to ensure that the Confidential Information and Trade Secrets are kept confidential pursuant to the terms of this Agreement. Individual must comply with all applicable policies, procedures and practices that Franchisee has established and may establish from time to time with regard to the Confidential Information and Trade Secrets.

b) Individual's obligations under Section 2(a) of this Agreement shall continue in effect after termination of Individual's relationship with Franchisee, regardless of the reason or reasons for termination, and whether such termination is voluntary or involuntary, and Franchisee is entitled to communicate Individual's obligations under this Agreement to any future customer or employer to the extent deemed necessary by Franchisee for protection of its rights hereunder and regardless of whether Individual or any of its affiliates or assigns becomes an investor, partner, joint venturer, broker, distributor or the like in a Franchised Business.

3. Reasonableness of Restrictions

Individual acknowledges that each of the terms set forth herein, including the restrictive covenants, is fair and reasonable and is reasonably required for the protection of Franchisee, Company, and Company's Trade Secrets and other Confidential Information, the Company's business system, network of franchises and trade and service marks, and Individual waives any right to challenge these restrictions as being overly broad, unreasonable or otherwise unenforceable. If, however, a court of competent jurisdiction determines that any such restriction is unreasonable or unenforceable, then Individual shall submit to the reduction of any such activity, time period or geographic restriction necessary to enable the court to enforce such restrictions to the fullest extent permitted under applicable law. It is the desire and intent of the parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies applied in any jurisdiction where enforcement is sought.

4. Relief for Breaches of Confidentiality, Non-Solicitation

Individual further acknowledges that an actual or threatened violation of the covenants contained in this Agreement will cause Franchisee and Company immediate and irreparable harm, damage and injury that cannot be fully compensated for by an award of damages or other remedies at law. Accordingly, Franchisee and Company shall be entitled, as a matter of right, to an injunction from any court of competent jurisdiction restraining any further violation by Individual of this Agreement without any requirement to show any actual damage or to post any bond or other security. Such right to an injunction shall be cumulative and in addition to, and not in limitation of, any other rights and remedies that Franchisee and Company may have at law or in equity.

5. Miscellaneous

a) This Agreement constitutes the entire Agreement between the parties with respect to the subject matter hereof. Nothing in the Franchise Agreement or any related agreement is intended to disclaim the representations we made in the franchise disclosure document.

b) Except to the extent this Agreement or any particular dispute is governed by the U.S. Trademark Act of 1946 or other federal law, this Agreement shall be governed by and construed in accordance with the laws of the State of Texas (without reference to its conflict of laws principles). References to a governmental agency also refer to any regulatory body that succeeds the function of such agency.

c) Any action brought by either party, shall only be brought in the appropriate state or federal court located in or serving the judicial district in which Franchisor maintains its principal business address, currently Dallas County, Texas. The parties waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision. Claims for injunctive relief may be brought by Company where Franchisee is located. This exclusive choice of jurisdiction and venue provision shall not restrict the ability of the parties to confirm or enforce judgments in any appropriate jurisdiction.

d) Individual agrees if any legal proceedings are brought for the enforcement of this Agreement, each party shall pay its own attorneys' fees and other costs related to such enforcement.

e) This Agreement shall be effective as of the date this Agreement is executed and shall be binding upon the successors and assigns of Individual and shall inure to the benefit of Franchisee, its subsidiaries, successors and assigns. Company is an intended third party beneficiary of this Agreement with the independent right to enforce the confidentiality and non-disclosure provisions contained herein.

f) The failure of either party to insist upon performance in any one or more instances upon performance of any terms and conditions of this Agreement shall not be construed a waiver of future performance of any such term, covenant or condition of this Agreement and the obligations of either party with respect thereto shall continue in full force and effect.

g) The Section headings in this Agreement are included solely for convenience and shall not affect, or be used in connection with, the interpretation of this Agreement.

h) In the event that any part of this Agreement shall be held to be unenforceable or invalid, the remaining parts hereof shall nevertheless continue to be valid and enforceable as though the invalid portions were not a part hereof.

i) This Agreement may be modified or amended only by a written instrument duly executed by Individual, Franchisee and Company.

j) The existence of any claim or cause of action Individual might have against Franchisee or Company will not constitute a defense to the enforcement by Franchisee or Company of this Agreement.

k) Except as otherwise expressly provided in this Agreement, no remedy conferred upon Franchisee or Company pursuant to this Agreement is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given pursuant to this Agreement or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power or remedy pursuant to this Agreement shall preclude any other or further exercise thereof.

INDIVIDUAL CERTIFIES THAT HE OR SHE HAS READ THIS AGREEMENT CAREFULLY, AND UNDERSTANDS AND ACCEPTS THE OBLIGATIONS THAT IT IMPOSES WITHOUT RESERVATION. NO PROMISES OR REPRESENTATIONS HAVE BEEN MADE TO SUCH PERSON TO INDUCE THE SIGNING OF THIS AGREEMENT.

THE PARTIES ACKNOWLEDGE THAT THE COMPANY IS A THIRD PARTY BENEFICIARY TO THIS AGREEMENT AND THAT THE COMPANY SHALL BE ENTITLED

TO ENFORCE THIS AGREEMENT WITHOUT THE COOPERATION OF THE FRANCHISEE. INDIVIDUAL AND FRANCHISEE AGREE THAT THIS AGREEMENT CANNOT BE MODIFIED OR AMENDED WITHOUT THE WRITTEN CONSENT OF THE COMPANY.

IN WITNESS WHEREOF, Franchisee has hereunto caused this Agreement to be executed by its duly authorized officer, and Individual has executed this Agreement, all being done in duplicate originals with one original being delivered to each party as of the day and year first above written.

FRANCHISEE:

By: _____

Its: _____

INDIVIDUAL

Signature: _____

Name Printed: _____

ATTACHMENT 3 TO THE FRANCHISE AGREEMENT

UNLIMITED GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS UNLIMITED GUARANTY AND ASSUMPTION OF OBLIGATIONS is given on _____ _____, by _____.

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement dated _____ ("**Agreement**") by Sunoco Retail LLC ("**Franchisor**"), each of the undersigned hereby personally and unconditionally guarantees to Franchisor and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that _____ ("**Franchisee**") shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement. Each of the undersigned shall be personally bound by, and personally liable for, Franchisee's breach of any provision in the Agreement, including those relating to monetary obligations and obligations to take or refrain from taking specific actions or engaging in specific activities, such as those contemplated by Sections 3, 6, 7, and 17 of the Agreement. Each of the undersigned waives: **(a)** acceptance and notice of acceptance by Franchisor of the foregoing undertakings; **(b)** notice of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed; **(c)** protest and notice of default to any party with respect to the indebtedness or non-performance of any obligations hereby guaranteed; **(d)** any right it may have to require that an action be brought against Franchisee or any other person as a condition of liability; and **(e)** any and all other notices and legal or equitable defenses to which it may be entitled.

Each of the undersigned consents and agrees that: **(a)** its direct and immediate liability under this Guaranty shall be joint and several; **(b)** it shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; **(c)** such liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person or entity; and **(d)** such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may from time to time grant to Franchisee or to any other person including, without limitation, the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this Guaranty, which shall be continuing and irrevocable during the term of the Agreement.

This Guaranty represents the entire agreement and understanding of these parties concerning the subject matter hereof, and supersedes all other prior agreements, understandings, negotiations and discussions, representations, warranties, commitments, proposals, offers and contracts concerning the subject matter hereof, whether oral or written.

This Guaranty shall be binding upon Guarantor and his or her heirs, executors, administrators, successors and assigns and shall inure to the benefit of Franchisor and its successors, endorsees, transferees and assigns. Without limiting any other provision hereof, Guarantor expressly agrees that Guarantor's death shall not serve as a revocation of or otherwise affect the guaranty made hereunder and that Guarantor's estate and heirs shall continue to be liable hereunder with respect to any Guaranteed Obligations created or arising after Guarantor's death.

The validity, interpretation and enforcement of this Guaranty and any dispute arising out of the relationship between Guarantor and Franchisor, whether in contract, tort, equity or otherwise, shall be governed by the internal laws of the State of Texas (without giving effect to principles of conflicts of law).

Guarantor hereby irrevocably consents and submits to the non-exclusive jurisdiction of the courts in which Franchisor maintains its principal business address, currently the Courts of the State of Texas and the United States District Court located in or serving Dallas County, Texas and waives any objection based on venue or forum non conveniens with respect to any action instituted therein arising under this Guaranty or any of the other franchise agreements or in any way connected with or related or incidental to the dealings of Guarantor and Franchisor in respect of this Guaranty or any of the other franchise agreements or the transactions related hereto or thereto, in each case whether now existing or hereafter arising and whether in contract, tort, equity or otherwise, and agrees that any dispute arising out of the relationship between Guarantor or Franchisee and Franchisor or the conduct of any such persons in connection with this Guaranty, the other franchise agreements or otherwise shall be heard only in the courts described above (except that Franchisor shall have the right to bring any action or proceeding against Guarantor or his or her property in the courts of any other jurisdiction which Franchisor deems necessary or appropriate in order to realize on any collateral at any time granted by Franchisee or Guarantor to Franchisor or to otherwise enforce its rights against Guarantor or his or her property).

IN WITNESS WHEREOF, this Guaranty has been entered into the day and year first before written.

PERSONAL GUARANTOR

_____
Personally and Individually (Printed Name)

_____
Personally and Individually (Signature)

HOME ADDRESS

_____
_____
_____

TELEPHONE NO.:_____
PERCENTAGE OF OWNERSHIP
IN FRANCHISEE: _____%

PERSONAL GUARANTOR

_____
Personally and Individually (Printed Name)

_____
Personally and Individually (Signature)

HOME ADDRESS

_____
_____
_____

TELEPHONE NO.: _____
PERCENTAGE OF OWNERSHIP
IN FRANCHISEE: _____%

ATTACHMENT 4 TO THE FRANCHISE AGREEMENT

HOLDERS OF LEGAL OR BENEFICIAL INTEREST IN FRANCHISEE; GOVERNING PERSONS

If the Franchisee operates the business other than as a sole proprietorship, please complete the following:

(a) Franchisee is a [TYPE OF ENTITY], formed under the laws of the state of [STATE] on [DATE OF FORMATION].

(b) The following individuals or entities hold a legal or beneficial interest in the Franchisee:

Name	Home Address	Telephone Number	Email Address	% of Ownership

(c) The following individuals are the Franchisee's governing persons:

Name	Home Address	Telephone Number	Email Address	Title

ATTACHMENT 6 TO THE FRANCHISE AGREEMENT

PREMISES LEASE

PART I
COVER PROVISIONS

Date Prepared: _____

Contract #: **<<DealerEst_Account_Relationship_AccountNumber>>**

APLUS PREMISES LEASE

COVER PROVISIONS

THIS LEASE ("Lease") is made _____, between Sunoco Retail LLC with respect to retail operations and credit card processing fees and Sunoco, LLC with respect to the wholesale fuel supply business (such entities being collectively referred to as "Lessor" or "Sunoco") on the one hand and **<<LEGAL_LEGAL_ENTITY_NAME>>** (hereinafter referred to as "Franchisee" "Lessee," or "You") on the other hand.

In consideration of the mutual covenants and promises contained in Parts I, II, and III, each of the parties, intending to be legally bound, agrees as follows:

1.01 PREMISES: Sunoco leases and you accept and lease Premises located at:

<<DEALEREST_ACCOUNT_RELATIONSHIP_SHIPPINGSTREET>>, <<DEALEREST_ACCOUNT_RELATIONSHIP_SHIPPINGCITY>>, <<DEALEREST_ACCOUNT_RELATIONSHIP_DELIVERY_COUNTY>> COUNTY, <<DEALEREST_ACCOUNT_RELATIONSHIP_SHIPPINGSTATE>> <<DEALEREST_ACCOUNT_RELATIONSHIP_SHIPPINGPOSTALCODE>>

consisting of an APlus mini market or an APlus Express and a Sunoco motor fuel dispensing facility and as more fully described in Section 2.01 ("Premises").

1.02 TERM The term of this Lease shall be for five (5) years ("Term"), unless sooner terminated. The Term shall begin on _____<<Legal_APLUS_CODO_Extension_Date>> ("Commencement Date") and shall end on _____ ("Expiration Date").

1.03 RENT$ <<Legal_Monthly_Rent>>.

1.04 ROYALTY: The amount listed in Attachment 1 of the APlus Franchise Agreement.

MINIMUM MONTHLY ROYALTY: $2,000 PER MONTH

The Royalty, including the Minimum Monthly Royalty shall be collected in advance and will be credited against royalty due as calculated on the total Gross Sales at the end of each month. The Rent and Royalty (which includes the Minimum Monthly Royalty) are due and payable in advance, without demand or notice: (i) where a monthly installment is required, on or before the tenth (10^{th}) day of the month; or (ii) where a semi-monthly installment is required, on or before the tenth (10^{th})

day of the month and on or before the twenty-fifth (25th) day of the month. Rent and fees shall be prorated on a daily basis for periods of less than one (1) month.

1.05 UNDERLYING LEASE **(if applicable):**

Sunoco's right to grant possession of Premises to Franchisee is subject to an underlying lease. The underlying lease may expire or may not be renewed at the expiration of the Current Term or of any renewal options thereof. Sunoco's underlying lease contains a Current Term of _____ **to** _____ ("Current Term"). There are _____Options Remaining.

Turnpike Location (if applicable):

Turnpike Authority:_____;

Concessionaire: _____;

1.06 PERSONAL SUPERVISION This Lease is made on the condition and with the understanding that the Premises will be under the direct, daily, on-Premises supervision of **<<LEGAL_PERSONAL_SUPERVISION_BY>>** (majority shareholder if corporate Franchisee), who will personally manage and oversee the daily operation of the APlus at least forty (40) hours per week including 8:30 a.m. to 4:30 p.m. on at least three (3) weekdays (Monday through Friday). If you operate two (2) or more APlus stores, including the Premises, you must have at least one (1) employee employed full time at the Premises who has completed successfully the APlus training program.

1.07 HOURS OF OPERATION You shall operate the Premises twenty-four (24) hours per day.

1.08 MAJORITY SHAREHOLDER **(corporate lessees only):**
<<LEGAL_MAJORITY_SHAREHOLDERS>>.

1.09 CUSTOMER FIRST You acknowledge and agree that Sunoco shall have the right but not the obligation to settle customer complaints involving products or services purchased at your location, whereupon Sunoco may elect to charge your account in the amount paid by Sunoco to settle the Customer's complaint. This right supersedes Section 2.06(C)(3) of the Sunoco Motor Fuel Supply Agreement.

1.10 PARTS OF PREMISES LEASE

Part I	Cover Provisions
Part II	General Provisions
Part III	Maintenance Provisions

The parts and provisions above constitute this Premises Lease and are incorporated herein and are made a part hereof for all purposes.

NOTE: BEFORE SIGNING IN THE SPACE BELOW, YOU SHOULD CAREFULLY READ ALL OF THIS LEASE AGREEMENT, WHICH IS A BINDING LEGAL DOCUMENT CONTAINING SEVERAL PARTS AND ATTACHMENTS. THIS IS THE ENTIRE LEASE AGREEMENT BETWEEN SUNOCO AND YOU CONCERNING LEASING OF THE PREMISES. NO MODIFICATION TO OR UNDERSTANDINGS OR PROMISES CONCERNING THIS

PART I
COVER PROVISIONS

LEASE AGREEMENT SHALL BE BINDING ON SUNOCO UNLESS IN WRITING AND SIGNED BY SUNOCO'S AUTHORIZED REPRESENTATIVE.

YOU ACKNOWLEDGE HAVING READ THIS LEASE AGREEMENT AND THAT YOU FULLY UNDERSTAND ALL OF THE TERMS, PROVISIONS, AND CONDITIONS HEREIN.

WITNESSES:

_____

_____

_____

FRANCHISEE:
<<LEGAL_LEGAL_ENTITY_NAME>>

BY: _____

TITLE: _____

DATE: _____

SUNOCO RETAIL LLC

BY: _____

TITLE: _____

DATE: _____

SUNOCO, LLC

BY: _____

TITLE: _____

DATE: _____

APLUS PREMISES LEASE

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PREMISES LEASE

GENERAL PROVISIONS

PART II
GENERAL PROVISIONS

1.11 Description of Property; Loaned Equipment; Trademarks

(A) In consideration of your payment of the Monthly Fees required by Sections 1.03 and 1.04 and the performance of your other obligations set forth herein, Lessor hereby leases to you and you hereby lease from Lessor the Premises located at the address set forth in Section 1.01, together with all buildings, improvements, and appurtenances situated thereon or pertaining thereto (hereinafter collectively referred to as the "Premises"), except such portion of the Premises as Lessor designates now or in the future for the installation of and use as an Electronic Banking Machine(s) (such portion hereinafter referred to as the "ATM" site). The essential purpose of this Lease is for the Premises to be used as an APlus mini market or APlus Express and where applicable a service station selling Sunoco branded Motor Fuel(s). "Motor Fuel(s)" includes automotive gasoline usable as a motor vehicle fuel, excluding without explicit written approval of Sunoco the following: diesel fuel, kerosene, and fuels that are gaseous at standard temperature and pressure. The premises include underground storage tanks ("USTs") for Motor Fuels, related lines and connections, Motor Fuel dispensers, and other loaned personal property located thereon.

Loaned Equipment

(B) Sunoco loans to you, for the Term of this Lease, certain Motor Fuel equipment as more fully described in Section 1.04 of the Motor Fuel Supply Agreement and certain APlus Store equipment as more fully described in Item 7 of the APlus Franchise Disclosure Document for your particular size APlus Store (hereinafter collectively referred to as "Loaned Equipment") for use by you in operating your Sunoco APlus franchise. The Loaned Equipment is or will be installed on the Premises by Sunoco. The Loaned Equipment is subject to the same terms and conditions of this Lease applicable to the Premises. Lessor and you agree that Lessor, in its sole discretion, may replace any of the Loaned Equipment. You further agree not to remove or collateralize the Loaned Equipment from the Premises without prior written approval of Lessor.

Trademarks

(C) It is understood and agreed that you are a "franchisee" and a "retailer" as defined by the Petroleum Marketing Practices Act, 15 U.S.C. § 2801 *et seq.* (the "PMPA"). As such, you are authorized and permitted by Sunoco to display certain trademarks owned, controlled, or licensed by Sunoco in connection with the sale of Sunoco's branded Motor Fuel and APlus convenience store items from the Premises. The service marks, trade dress, service names, advertising, signs, devices, symbols, slogans, and designs and other trade indicia adopted and used or authorized for use by Sunoco in Sunoco's business related to such APlus mini market/Express and Sunoco Branded Motor Fuel (collectively, "Marks"). You are authorized and permitted to display the Marks in connection with the sale of such APlus items and the resale of such Sunoco Branded Motor Fuel, provided that all Marks are displayed or used in the manner as specified by Sunoco. As used herein, "Sunoco Branded Motor Fuels" shall mean Sunoco Motor Fuels manufactured, authorized, or supplied and delivered by Sunoco to your Premises for purposes of sale to the motoring public through dispensing pumps bearing Sunoco's brand identification. Sunoco shall be the sole determiner of specifications, grades, types, and authorized sources of Sunoco Branded Motor Fuels. All trademark rights and goodwill resulting from your display or use of the Marks and sale of Sunoco Branded Motor Fuels shall inure to Sunoco's benefit. Sunoco reserves the right, without prior notice to you, to change, alter, or modify any of the Marks or their manner of display or use.

You agree that you will not:

(1) *adulterate, mislabel, or misbrand such Motor Fuels;*

(2) *contaminate such Motor Fuels;*

(3) *add any ingredient to such Motor Fuels without Sunoco's prior written consent;*

(4) *use the Marks except in connection with the APlus mini market/Express and Sunoco Branded Motor Fuels.*

You further agree not to:

(5) *claim any right, title, or interest in or to such Marks;*

(6) *directly or indirectly deny or assail or assist others in denying or assailing the sole and exclusive ownership or right to control, as between Sunoco and you, of Sunoco in and to the Marks;*

(7) *register, adopt as your own property, or use or assist others in registering, adopting, or using any Marks, advertising, signs, devices, symbols, slogans, designs, or other trade indicia confusingly similar to the Marks; or*

(8) *commit other trademark violations or acts that would affect the value of the Marks or Sunoco's good will and ownership rights thereto. Any rights to any Marks obtained by you contrary to the foregoing provisions shall be held in trust for Sunoco and, upon request, you shall assign such rights free of charge to Sunoco.*

(D) Sunoco may revise specifications for its Marks and their display requirements by giving you written notice. Any such revisions to specifications or display requirements must be fully implemented by you within the time period set forth in such written notice.

(E) This Lease covers the Premises only, and Sunoco does not lease its Sunoco or APlus service marks, trade dress, and service names, symbols, signs, logos, color combinations, or other forms of identification associated with Sunoco and/or the APlus franchise, to you except for use on the Premises in accordance with this Lease, your APlus Franchise Agreement for the operation of an APlus convenience store, and any Motor Fuel Supply Agreement between you and Sunoco.

1.12 Term

(A) Except as otherwise provided herein, the Term of this Lease shall begin on the "Commencement Date" set forth in Part 1. If no date is set forth in Part 1, the Commencement Date shall be the date established by Lessor by notice to you as the date the Premises are ready for occupancy and for the commencement of operation of an APlus Store on the Premises.

(B) Unless the time for establishing the Commencement Date is extended by mutual agreement of the parties, Lessor shall establish the Commencement Date within the number of days set forth in Part 1 from the date set forth in the first sentence of this Lease and in such event, unless a lesser time is approved by you, you shall be entitled to at least fifteen (15) days' notice of the Commencement Date.

The Term of this Lease shall end as of 10:00 a.m. on the Expiration Date set forth in Section 1.02 of the APlus Premises Lease Part I Cover Provisions unless terminated earlier pursuant to the terms hereof.

Underlying Lease

(C) Notwithstanding any other provision of this Lease, this Lease is subject to the terms and conditions of any existing lease, contract, encumbrance, or easement, or any such document, right or interest that may hereafter be exchanged or substituted therefor affecting Lessor's rights to the Premises. In no event shall you have or claim any right of possession or occupation of the Premises at variance with the terms hereof or beyond the period of Lessor's right thereto. Notwithstanding any other provision of this Lease, the Term of this Lease shall automatically terminate without prior notice to you twenty-four (24) hours before the expiration or termination of any such underlying lease or contract. Nothing contained herein shall obligate Lessor to renew any such underlying lease, contract, encumbrance, or easement. Nor shall anything contained herein obligate Lessor to exercise or not exercise any option pursuant to any such underlying lease, contact, encumbrance, or easement. If the Premises are held by Lessor under lease, Lessor shall have the right to exercise any termination rights under such underlying lease without liability to you. You shall not knowingly engage in any business or activity upon Premises whereby the underlying lease would be breached or could be terminated by Sunoco's lessor.

1.13 Terms of Payment

(A) You shall pay for all products purchased and for all royalties, fees, and other sums due to Lessor in a manner as determined by Lessor from time to time in accordance with Lessor's standard credit practices.

(B) All credit terms and methods of payment of which you receive written notice from Sunoco shall be deemed a part of this Lease. Such terms and methods may be amended or terminated at any time and from time to time by Sunoco, upon written notice to you. The right to amend and terminate credit terms and methods of payment shall be in addition to, and not in substitution, for other rights and remedies available to Sunoco.

(C) You hereby authorize Sunoco, as evidenced by your signature on Sunoco's "EFT/DTC" Authorization form, to electronically draft funds for rent, royalty, fees, product purchases, and such other charges as mutually agreed upon, directly from your designated bank account consistent with Sunoco's credit practices. If insufficient funds are in your designated bank account to pay in full sums owed by you to Sunoco upon draft presentation during the Term of this Lease, Sunoco reserves the right to require you to make such payments (fees, rental, product, and others) in full on the required payment date by wire transfer or by such other methods as Sunoco in its sole discretion determines. This right is in addition to any other rights and remedies Sunoco has resulting from your failure to pay sums due in a timely manner.

(D) Past due rent and other payments shall bear interest from date due until paid, at rates established by Sunoco, or by law. Sunoco's right to collect a finance charge does not operate as a waiver of Sunoco's right to terminate this Lease for your failure to pay sums owed when due. Also, checks or drafts returned unpaid by your bank, for any reason, shall be assessed, and you shall pay, a returned-check charge at rates established by Sunoco. All payments shall be made by you without offset or counterclaim.

1.14 Collateral Security Deposit; Right of Offset

(A) To secure payment of accounts owing by you to Sunoco, you shall deposit cash with Sunoco in amounts determined by Sunoco. Sunoco, in its sole discretion, may require you to execute and deliver financing statements, security agreements, or other documents to perfect Sunoco's security interests.

(B) You grant Sunoco the right, if you fail to pay any and all sums owed to Sunoco when due, to offset and apply sums held by Sunoco and owing to you. This offset right and application of funds shall be in addition to, and not in substitution for, other rights and remedies available to Sunoco by law and other provisions of this Lease.

(C) If you default at any time in the performance of any of the terms and conditions of this Lease, Lessor, at its option, shall have the right—in addition to any other remedy it may possess either at law, in equity, or under the terms of this Lease—to correct such default and deduct any cost or expense in connection therewith from the Collateral Security Deposit required by Section 1.06 of your Motor Fuel Supply Agreement.

(D) Immediately upon application of all or part of the Collateral Security Deposit toward such cost or expense, you shall pay to Lessor an amount equal to that portion of the Collateral Security Deposit so applied so as to restore such deposit to the amount set forth in Section 1.06 of your Motor Fuel Supply Agreement.

(E) If Lessor's cost exceeds the amount of the Collateral Security Deposit set forth in Section 1.06 of your Motor Fuel Supply Agreement, your liability shall not be limited to the amount of the deposit and you shall pay the entire amount of such cost as an additional fee.

(F) Except as provided herein and in Sections 2.14(A)(6) and 2.20(A)(2) of this Lease, the Collateral Security Deposit shall be refunded to you upon termination of this Lease in accordance with your Motor Fuel Supply Agreement.

1.15 Monthly Fees

(A) You shall pay to Sunoco the applicable Rent and Royalty set forth in Sections 1.03 and 1.04 above. Rent and fees shall be prorated on a daily basis for periods of less than one (1) month.

Premises Modification

(B) You understand and agree that from time to time, as a result of experience, changes in the law, or changes in the marketplace, Sunoco may determine that your APlus Store needs to be upgraded or remodeled. You agree to conform to such changes that Sunoco in its sole discretion has determined are reasonable, and make all expenditures necessary to implement such changes. Based upon the scope of the work performed and the amount of capital invested in the APlus Store, Sunoco reserves the right to increase your Rent. You will be provided with prior written notice of any increases to the Rent. You will be asked to execute an agreement consenting to the additional Rent to be paid before the commencement date of construction.

Store Facilities Rent

(C) Rent shall be paid to Sunoco in any and all months in which the APlus Franchise Agreement is not in effect ("Store Facilities Rent"). If the APlus Franchise Agreement is not in effect, the

Store Facilities Rent shall begin on the later of the Commencement Date or the termination date of the APlus Franchise Agreement. Such rent is payable on or before the tenth (10^{th}) day of the month following the month in which such sales were made and for which rent is due. You shall pay to Sunoco as a minimum Store Facilities Rent each calendar month the sum set forth in Section 1.03 herein, in advance on or before the tenth (10th) day of each month, in addition to seventeen percent (17%) of your total monthly Store Gross Sales (The term "Gross Sales" as used in this Lease shall have the meaning set forth in Section 1 of your APlus Franchise Agreement.) Sunoco will calculate your monthly Gross Sales by using an average of the total Gross Sales for the twelve (12) month period immediately preceding the termination of your APlus Franchise Agreement. For periods less than a full calendar month, such advance Store Facilities Rent shall be prorated on a daily basis. You shall not be responsible for payment of Store Facilities Rent or store facilities security deposit as long as the APlus Franchise Agreement is in effect and you are responsible for payment of the Royalty Fee thereunder.

Additional Charges

(D) If you fail to perform your obligations under this Lease, including payment of any charges or costs for which you are responsible pursuant to this Lease, Sunoco may in its discretion perform such obligations or pay such items. Such costs or payments shall be deemed additional charges that are due and payable to Sunoco within five (5) days from demand. At its option, Sunoco may also apply toward such costs and payments all or part of the Collateral Security Deposit as provided for in Section 2.04(B).

1.16 Delivery of Possession

(A) Sunoco agrees to deliver to you possession of the Premises at the time and date the Term of this Lease commences. You agree, however, that if Sunoco is unable to so deliver possession of the Premises, Sunoco shall not be liable for any damages caused thereby. In such event, you shall not be liable to Sunoco for Monthly Fees until such time as Sunoco delivers possession of the Premises to you and, at your option, you may terminate this Lease at any time before the tender of possession by Sunoco by giving written notice thereof to Sunoco. If you do not so terminate this Lease, the Term hereof shall not be extended by reason of such inability of Sunoco to deliver possession.

Quiet Possession

(B) Sunoco agrees that, upon payment of the Rent, Royalty, and fees and the performance by you of your covenants and obligations herein and fulfillment by you of all conditions herein prescribed, subject to all provisions of this Lease, you shall and may peaceably hold and enjoy the use and possession of the Premises and Loaned Equipment.

Taxes

(C) Except as otherwise provided in Sections 2.09 and 2.10, Sunoco shall pay all basic or general real and personal property taxes assessed upon the Premises and the Loaned Equipment except any increase in such taxes attributable to or assessed upon any improvements, additions, or equipment made or installed by you. Basic or general real and personal property taxes are those taxes that are calculated by multiplying the assessed value of the property by an applicable property tax rate. Nothing contained in this Section 2.06(C) shall in any way modify or amend the provisions of Section 2.13.

Purchase by Sunoco of APlus Store Inventory

(D) Upon expiration or termination of this Lease, Sunoco may agree to purchase from you, free and clear of all liens, security interests, and other encumbrances, at your net cost determined on a first-in/first-out basis and evidenced by receipted invoices, all APlus Store inventory on the Premises held for sale by you and purchased from Sunoco. Such inventory must be in first-class and resalable condition, must be in the original packages or containers, and must bear the original labels and trademarks with no evidence of deterioration.

1.17 Authorized Use; Standards of Operation; Safety

(A) You agree to use the Premises and Loaned Equipment solely for the diligent, businesslike, and lawful operation of a convenience food store and where applicable a Motor Fuel service station engaged in the retail sale of Sunoco Branded Motor Fuels. In addition, no auto body repairs, engine removal, or internal engine repairs and overhaul, transmission repairs, painting, or towing of any wrecked vehicles is permitted at the Premises. No other businesses may be conducted on the Premises without prior written consent of Sunoco.

Lawful Operation

(B) You shall at all times operate the Premises and Loaned Equipment in strict accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations and with the lawful directives and orders of public officials administering such laws, ordinances and regulations, and all terms, conditions, and requirements of zoning, use, and building permits and ordinances applicable to the Premises or Loaned Equipment and all restrictions of record affecting the Premises.

(1) *You agree to immediately notify Sunoco, in writing, of any citations, notices of violation, or other communications alleging violations of federal, state, or local laws, ordinances, rules, regulations, directives, or orders affecting Premises or Loaned Equipment.*

(2) *You shall post the octane rating of each grade of gasoline on each gasoline dispenser at the Premises in accordance with current federal regulations. Decals with this information must be applied to each dispenser so that they can be easily read by the motoring public.*

(3) *You shall comply with all applicable federal regulations as they relate to unleaded gasoline requirements.*

Standards of Operation and Appearance.

(C) You agree to comply with the following standards of operation and appearance and with such standards as may be imposed by your APlus Franchise Agreement and Sunoco Motor Fuel Supply Agreement:

(1) *You agree to operate the Premises in such a manner as to not damage, tarnish, diminish, or disparage Sunoco's goodwill, service marks, trade dress, and service names.*

(2) *You agree to be present on a regular basis for a total of at least forty (40) hours per week including 8:00 a.m. to 5:00 p.m. on at least three (3) weekdays (Monday through Friday) if you operate one (1) APlus Store. You are required to participate in the management and*

the direct operation of the franchise. Your required participation includes supervising your employees and directing or making sales of products and service to the consumer.

(3) *You agree that if you lease two (2) or more APlus Stores, the same forty (40) hour requirement in Subsection 2.07(C)(2) above applies to you, except that you must be present at each APlus Store from 8:00 a.m. to 5:00 p.m. at least two (2) weekdays and you must have at least one (1) employee who has successfully completed the APlus Training Program at each APlus Store. You have four (4) months to replace the trained manager after he or she is no longer employed by you.*

(4) *You agree to maintain and offer for sale at retail an inventory of Sunoco Branded Motor Fuels sufficient to promptly and efficiently satisfy the requirements of customers at all times the Premises are required to be open.*

(5) *You agree to arrange and display inventory, advertising and sales promotion material in a lawful and orderly manner, visible to the public and to exclude any graphics and/or materials not specifically approved in writing by Sunoco.*

(6) *You agree to wear and to have your employees wear neat, clean uniforms of a type and style approved by Sunoco.*

(7) *You agree to have sufficient lighting and illuminated signs to provide full vision of the Premises, including enclosed areas, at all times while open for operation.*

(8) *You agree not to sell or provide for the sale of alcoholic beverages except pursuant to a valid and current license, and in no event to permit the serving or consumption of alcoholic beverages on the Premises.*

(9) *You agree not to permit any form of gambling on the Premises except where, with Sunoco's prior written approval, you are duly licensed by the proper state, local, or federal authorities to act as a lottery agency.*

(10) *You agree not to conduct or permit any form of illegal activity, including the sale or use of narcotics, on the Premises.*

(11) *You agree to keep the Premises, grounds, and driveway free and clear of vehicles, equipment, and other obstructions that may restrict traffic flow, endanger customer safety, or detract from the Premises' appearance. You also agree not to permit the parking, storage, sale, or rental on the Premises of any motor vehicles, trailers, or other conveyances, unless such vehicles are being worked on by you with a current work order. You also agree not to permit the parking of any vehicle at the "sign point" or in any area on a parallel line between the pump islands and the street. You also agree not to park vehicles that block pump islands or restrict traffic flow; to remove all such motor vehicles, trailers, and other conveyances from the Premises at your expense within twenty-four (24) hours after written notice from Sunoco.*

(12) *You agree not to keep animals or weapons on the Premises that threaten your health, safety, or well-being or that of your employees, customers, or invitees.*

(13) *You agree to keep the Premises in an acceptably clean, attractive, safe, and healthful condition, free of ice, snow, and other dangerous conditions and wrecked, junked,*

and unlicensed vehicles. All Motor Fuel islands shall be open and passable to the public. All restrooms shall be maintained and kept clean, sanitary, fully stocked, and in good operating condition. Sales rooms, offices, service bays, and other facilities at Premises shall be kept clean, healthful, attractive, and in good operating condition. All tools, merchandise, and equipment shall be kept clean and stored in an orderly manner. Grease and other such substances, trash, debris, discarded tires and parts shall not be allowed to accumulate on or about Premises, except in appropriate and properly maintained containers, and shall be periodically removed from Premises by means of sanitary removal services.

(14) *You agree to keep current all Premises' advertising signs and point-of-sale material and maintain same in good condition visible to the motoring public and to remove such signs when soiled or out of date.*

(15) *You agree not to sell any adult/sophisticate magazines and/or materials at the Premises. Sunoco, in its sole discretion reserves the right to restrict and/or prohibit the display and sale of other periodicals, drug paraphernalia, and other merchandise that Sunoco in its sole discretion determines may be offensive to the general public.*

Safety Rules

(D) Class I Safety Rules

(1) *You agree:*

(a) not to use, maintain, or permit to be used or maintained on the Premises any welding equipment of any type or any open flame equipment;

(b) not to use or allow the use of any portable open flame heating equipment (*e.g.,* space heaters or salamander heaters) anywhere in the Premises' building;

(c) not to drain or permit the drainage of Motor Fuels inside the Premises' buildings, not to use or permit the use of any flammable liquid (such as Motor Fuels) for cleaning purposes on the Premises; not to permit Motor Fuels, kerosene, used oil, solvents, antifreeze solution, or other chemical solutions used on the Premises to enter any public or private water system, storm drain, or sewage disposal system;

(d) not to store or permit the storage of Motor Fuels or other flammable liquids inside the building;

(e) not to burn or permit the burning of trash in the vicinity of the building or the underground storage vents on the Premises;

(f) not to dispense or permit the dispensing of Motor Fuels into glass containers or any other unapproved containers;

(g) not to adjust or attempt to adjust, alter, change, disconnect, dislodge, displace, remove, render inoperable, tamper with, or otherwise interfere with the operational integrity of any leak detection and other safety devices on the Premises;

(h) not to install or permit the installation of storage and dispensing equipment for compressed natural gas or liquefied petroleum gases; and

(i) to have and keep filled and ready for use one or more fire extinguishers on the Premises.

Class II Safety Rules

(2) *You further agree:*

(a) not to permit smoking near pumps and tank trucks;

(b) to store oil-soaked rags only in covered metal containers;

(c) to notify Sunoco immediately in writing of any unsafe conditions; and

(d) not to use the Premises as living quarters.

Other Safety Rules and Regulations

(3) *You agree to comply with all other safety rules and regulations promulgated from time to time by Sunoco or public authorities.*

Hours of Operation

(E) If the APlus Franchise Agreement is terminated or not in effect for any reason and the Premises Lease is in effect, you agree to maintain inventories of, and to offer to sell to the public at retail, all grades of Motor Fuel offered by Sunoco during the hours of operation specified in Part I herein.

1.18 Exclusive Control of Premises by You.

(A) You shall exercise and be responsible for the exclusive control of the Premises and all activities conducted thereon. You shall undertake all obligations hereunder as an independent contractor. Neither you nor your employees shall hold yourself or themselves out at any time as employees or agents of Sunoco.

(1) *You shall be solely responsible for the hiring, discipline, training, discharge, compensation, benefits, management, control, work rules, and payment and withholding of all payroll and other taxes imposed upon or determined by wages and salaries of all personnel used or employed by you, or on your behalf in connection with your business.*

(2) *You shall be solely responsible for the continuous display on the exterior of the building in a conspicuous manner at a point visible and accessible to the public and as specified on the APlus Store Permanent Decal Kit as provided to you by Sunoco, a legible sign meeting Sunoco's specifications, showing that you are the proprietor of the business being conducted thereon. Notwithstanding the foregoing, you shall grant access at all times to the ATM site (if any) to the general public as well as to representatives of the bank or its affiliates or agents including ingress to, temporary parking on, and egress from, the site for the purpose of installation, maintenance, use and removal of all or any part of the equipment involved.*

(3) *You shall be solely responsible for full compliance with the terms and conditions set forth herein and for ensuring that those employed by you know how to operate the business in a safe and proper manner. As part of this obligation, you shall have present at the Premises during all operating hours an employee who has the ability to communicate with the public in the English language.*

(4) *Without limiting your status and obligations as an independent contractor under 2.08(A) above, you shall be solely responsible for implementation and maintenance procedures for safe operation of the APlus Store, including safe cash handling and employee training. Sunoco and you expressly acknowledge that you are solely responsible for the security of all persons at the Premises, including customers, contractors, and employees. Nothing contained in this Lease may be construed as: (a) an assumption by Sunoco of any duty owed by you to any person, including any customer, contractor, or employee; or (b) giving Sunoco the right to control your provision of security measures at the Premises.*

1.19 License, Permits, and Taxes

(A) You agree to obtain and maintain at your own expense all permits and licenses necessary for the operation of the Premises, Loaned Equipment, and its business(es). You agree to pay promptly when due and to hold Sunoco harmless from all fees, sales, and use, rental, gross receipts, inventory, excise, income, and any taxes (including interest, penalties, and additions to tax) imposed by any federal, state, or local government authority upon you or Sunoco (except those taxes based upon or measured by the net income of Sunoco, or based upon the installation or use of the ATM site) in connection with the operation of the business(es) conducted upon, or with respect to charges for the use of the Premises, or in connection with any payment made pursuant to this Lease.

(B) You agree to pay promptly when due and to hold Sunoco harmless from any taxes (including interest, penalties, and additions to tax) imposed upon any of your property located on or used in connection with the operation of the Premises. You agree to pay promptly when due and to hold Sunoco harmless from all applicable sales or use taxes and other similar taxes (including interest, penalties and additions to tax) imposed upon or with respect to charges for the use of any Loaned Equipment or the use of the Premises. You shall furnish to Sunoco promptly upon request any documentation that in Sunoco's sole discretion is required to evidence the payment of any tax, including official receipts of the appropriate taxing authorities, copies of tax returns, and canceled checks.

1.20 Utilities

You shall be solely responsible for and agree to pay promptly when due any and all monthly charges and to hold Sunoco harmless from all charges, taxes, user fees, benefit assessments, special assessments or other similar assessments imposed upon or with respect to the ownership, use, or possession of the Premises including such charges, taxes, fees, or assessments for Utilities on the Premises. As used herein "Utilities" means telephone, Internet service, cable television service, water, gas, electricity, heat, sewage disposal (whether on or off-site systems), and cesspool cleaning. If Sunoco pays for any of the foregoing, you shall reimburse Sunoco for such payments upon demand.

1.21 Maintenance

Your Responsibility – General

(A) You agree to be solely responsible for the following:

(1) *maintenance, repair, and replacement of all equipment not loaned or owned by Sunoco;*

(2) *prompt performance of all maintenance, repairs, or replacements required by you in accordance with Part III (Maintenance Provisions) of this Lease;*

(3) *to maintain records of all preventive and remedial maintenance performed on Loaned Equipment and the Premises and to make these records available to Sunoco upon request;*

(4) *to allow patrons access to air and water dispensing facilities;*

(5) *to remove all debris including snow and ice, from the Premises and ATM site (if any);*

(6) *to promptly report to Sunoco all physical damage to the Premises and Loaned Equipment;*

(7) *all other maintenance and repairs of which you fail to notify Sunoco in writing within five (5) business days after the damage occurs or you first become aware of the necessity for such maintenance or repairs or of which you fail to notify Sunoco before termination or expiration of this Lease, if this Lease will terminate or expire before the expiration of such five (5) business-day period.*

Compliance with Underground Storage Tank Requirements ("UST").

(B) You shall comply with all laws, rules, regulations, and orders now or hereinafter in effect relative to the storing of Motor Fuels (where authorized) kerosene, and other petroleum products ("Products") on the Premises that require you to maintain and reconcile accurate inventory records of your underground storage of Products and to monitor and to detect leaks from such USTs. Sunoco may charge administrative costs and fees if you fail to comply with the obligations set forth in this and the following section.

(C) You shall be responsible for the following on a daily basis:

(1) *You shall calculate and record each Product's physical inventory to the nearest one-eighth (1/8) inch by carefully gauging the physical volume of Product in each UST. This includes checking each UST for accumulated water with water finding paste and immediately determining each Product's Daily Over/Short (end book) inventory by recording the sales of all Product dispenser totalizers, deliveries, and other regulatory requirements.*

(2) *You shall reconcile each Product's book to physical inventory, figuring gains and losses, so that trends are readily discerned. (Simply recording dispensing equipment meter readings and Product deliveries is not acceptable.) You must reconcile the data on a daily basis and use the required state form for reconciliation.*

(3) *You shall keep UST fills and gauge boxes free of debris, ice, snow, water, dirt, and parked vehicles at all times before delivery and ensure that all UST fill caps and fittings are securely replaced and locked after removal and in good condition at all times.*

(4) *You shall, on an "as needed basis," maintain the appropriate API color coding system for each fill box.*

(D) You shall also be responsible for the following:

(1) *In accordance with Environmental Protection Agency ("EPA") Guidelines or state standards (if applicable), you shall calculate a daily reconciliation by Product, as follows: (1) open stick gallons plus gallons delivered minus gallons sold to equal the Book Inventory Gallons and check for daily over/short (end minus book) then calculate +/- month-to-date in an accounting manner acceptable to Sunoco to establish inventory variations and trends.*

(2) *You shall gauge each UST for water accumulation daily with a dipstick using water-finding paste (or electronically), and notify Sunoco immediately if any UST contains one (1) inch or more of water; and immediately stop selling product to the public if any UST contains two (2) inches or more of water. No further Product deliveries will be made by Sunoco until water is removed.*

(3) *You shall ensure that all Product dispenser mechanical totalizers are working and dispenser meters are calibrated correctly, as required by law.*

(4) *You shall notify Sunoco's Central Dispatch immediately if Product inventory reconciliation indicates an abnormal Product quantity difference, loss gain, or variance, and confirm such notification in writing with full details in seven (7) days. Such notice shall be sent to Sunoco's Compliance Manager, 3801 West Chester Pike, Newtown Square, PA 19073.*

(a) An "abnormal" Product quantity difference is defined herein as the lesser of the following:

(i) disparities in monthly reconciliations greater than one percent (1%) of an UST's Product flow-through plus one hundred thirty (130) gallons, (or such other amount as specified by applicable state or other law); or

(ii) any change or variation in the trend of daily reconciliation differences.

(5) *You shall maintain Product and Leak detection records at Premises for a period of three (3) years, or as required by law. You shall allow Sunoco, and local, state, or federal enforcing authorities, during normal business hours, to inspect your records and to monitor compliance with this provision if there is cause to believe there may be a UST leak or Product contamination. Upon the termination or nonrenewal of this Lease, you must provide Sunoco with a copy of all inventory records for the previous three (3) years.*

(6) (a) *You shall conduct and monitor periodically monthly monitoring leak detection system used and/or installed on Premises, as required by law or by Sunoco and monitor Premises for traces of petroleum by sight and by smell if any such leak detection system indicates the possibility of a release.*

(b) You shall immediately notify Sunoco of suspected failure of any UST system (including piping/lines) and/or dispensing Equipment. You shall also immediately notify Sunoco of any dispensing Equipment failure, immediately close a Product dispenser's crash-impact valve if there are indications or suspicions of a dispenser leak

above the crash-impact valve, and prominently post a sign on any such dispenser that it is "Temporarily Out of Service." In addition, you shall immediately turn off the electricity to any submerged pump whose Product-Line Leak-detector is activated (as indicated by slow Product flow), take that Product "off-sale," and immediately notify Sunoco after prominently posting appropriate "Temporarily Out of Service" sign(s).

(7) *You shall develop a Release Response Plan for Premises. At a minimum, this plan must include emergency phone numbers for:*

(a) local fire and health departments;

(b) agencies responsible for emergency environmental reporting at the local, state, and federal levels; and

(c) Sunoco.

(8) *If heating oil is stored in a UST system on the Premises, you must perform manual tank gauging for the UST System during periods when the building's furnace is not in use. There should be no change in the liquid level of the UST when the furnace is not in use. If monitoring detects a change over time, begin necessary suspected release procedure.*

(9) *If Sunoco makes a maintenance service call for a leak or alleged Product loss, the following procedure must be employed:*

(a) You (or an authorized employee) may observe the petroleum dispensing equipment being checked by Sunoco maintenance representatives.

(b) Upon conclusion of the service call, Sunoco maintenance representatives will summarize findings and action taken, if any, on a "Receipt of Services Performed" which will then be signed by you (or an authorized employee), with a copy left on Premises.

(10) *You shall be solely liable for all related Product losses, claims, fines, penalties, consent orders, regulatory notice of violations, customer complaints, and damage to personal and real property should you fail to comply with these provisions. Additionally, if after written notice from Sunoco, any inventory control, monitoring leak monitors, leak detection reports and records and/or any other compliance records are not provided within the time period set forth in the notice, Sunoco may immediately suspend deliveries of Product to you until such reports and records are received by Sunoco.*

(11) *Your failure to comply with the above items shall constitute a material default under the terms of this Lease.*

APlus Store Equipment

(E) You agree to repair and maintain all APlus Store equipment as defined in and in accordance with the terms and conditions concerning such repair and maintenance set forth in the APlus Franchise Agreement. Such terms and conditions are incorporated herein by reference and shall survive termination of the APlus Franchise Agreement for the remaining Term of this Lease if the APlus Franchise Agreement terminates before the termination of this Lease. Notwithstanding the foregoing, Sunoco shall have the right to remove Loaned APlus equipment

as defined in the APlus Franchise Agreement upon termination of the APlus Franchise Agreement.

Nonperformance

(F) In addition to any other remedies Sunoco may have, you hereby agree that if you fail to perform your obligations hereunder and fail to correct such default within five (5) days after receipt from Sunoco of notice thereof, Sunoco may perform or have performed your obligations as are necessary to correct such default. Any costs to Sunoco or payments by Sunoco incurred for such items and such costs shall be deemed additional charges pursuant to Section 2.05(D) above. These additional charges shall be due and payable within five (5) days from demand.

Termination or Expiration

(G) Upon termination or expiration of this Lease, you shall deliver the Premises and Loaned Equipment to Sunoco in the condition in which you are obligated to maintain them hereunder.

Sunoco's Responsibility

(H) Except as set forth in Section 2.13(A) herein and in the Franchisee Maintenance Responsibility Schedule as set forth in Part III below, Sunoco shall be responsible for performing or having performed all other maintenance and repairs to the Premises or Loaned Equipment.

1.22 Housekeeping

General

(A) You shall maintain the Premises, Loaned Equipment, and your own property and equipment on the Premises in a clean, neat, orderly, sanitary, safe, and trash- and weed-free condition and in accordance with the Franchisee Maintenance Responsibility Schedule as set forth in Part III below.

Restroom Housekeeping and Maintenance

(B) You, at your own expense, shall be solely responsible for:

(1) *maintaining the restrooms in a clean, sanitary, fully stocked and properly operating condition, including the repair of clogged toilets, urinals, toilet flush mechanisms, leaking faucets, soap, towel and toilet tissue dispensers, door closers, latches, toilet seats, lighting and other fixtures;*

(2) *furnishing of adequate restroom supplies;*

(3) *allowing patrons free access to restrooms during business hours;*

(4) *the removal of all unauthorized charge-type door-locking devices and replacement of doors that have been damaged by the installation of any unauthorized locking devices; and*

(5) *the removal of unauthorized vending machines in restrooms and repairs to or replacements of walls or partitions that have been damaged by the installation and removal of any such unauthorized vending machines.*

(C) You hereby agree that, if you fail to perform your obligations under this subsection and Section 2.12 of this Lease and fail to correct such default within five (5) days after receipt from Sunoco of notice thereof, Sunoco may perform or have performed such obligations of you by a janitorial service or such other contractors as are deemed necessary by Sunoco to correct such default. Any costs so incurred by Sunoco shall be deemed additional charges pursuant to Section 2.05(D).

1.23 Alterations to Premises and the Installation of Equipment

(A) (1) Except with prior written consent of Sunoco, you shall not make additions, alterations, or changes to the Premises, nor erect or add any buildings or other enclosures on the Premises. Additions or alterations made to the Premises by you with the prior written consent of Sunoco shall be performed in a good and workmanlike manner in accordance with Sunoco's engineering standards.

(2) *Except with prior written consent of Sunoco, you shall not place upon the Premises any sign not previously approved by Sunoco or other advertising materials not relating to the diligent, businesslike, and lawful operation of an APlus convenience food store and Motor Fuel service station;*

(3) *Except with prior written consent of Sunoco, you shall not cause or permit the installation and location on the Premises of any public pay phones. Such equipment installation is subject to Sunoco's licensing terms and requirements as Lessor. If prior written approval is not obtained, Sunoco has the right to remove such public pay phone at your expense;*

(4) *At the end of this Lease, the Premises shall be restored to their original condition at your expense, normal wear and tear excepted. However, Sunoco may in writing waive all or part of this requirement, and may permit your additions and alterations, or any part thereof, to remain upon Premises. If so, such additions and alterations shall become Sunoco's property.*

(B) Sunoco reserves the right to:

(1) *reconstruct or modernize the Premises (See Section 2.05(B) for Premises Modification fee increases); and*

(2) *permit the installation of ATMs, related phone lines, and equipment necessary to their operation on a limited portion of the Premises as solely determined by Sunoco.*

(C) If you make alterations or modifications to the Premises without Sunoco's prior written consent, you shall be required to pay to Sunoco all costs associated with the removal of such unauthorized alterations or modifications, including attorneys' fees.

1.24 Damage to or Destruction of Premises

Your Responsibility

(A) (1) You are responsible for any and all damage to Sunoco's facilities, Loaned Equipment, and the Premises, including damage caused by third parties. You must repair or replace any damaged facilities, Loaned Equipment, or Premises.

(2) *You will submit to Sunoco a completed Damage Report in the event of any damage to Sunoco's facilities, Loaned Equipment, or Premises. The Damage Report must include the names of all persons involved, the date and time of the incident, the names of all witnesses, the names of insurance companies, and the nature and extent of the damages. Additionally, you shall provide a copy of a police report regarding the incident if the damage occurred during a period when the Premises was closed or in those instances where the individual(s) responsible for the damage flee(s).*

(3) *Sunoco will make diligent efforts to recover costs of repair or replacement from persons liable for damages to its property, and will reimburse you for any costs so recovered, but you retain primary responsibility.*

(4) *Sunoco shall make all necessary repairs and replacements to the Premises and Loaned Equipment resulting from each such incidence of accidental or malicious physical damage. You agree to execute and deliver any instruments and papers and to do whatever else is necessary or required for Sunoco to pursue its legal remedies in collecting all expenses resulting from any repairs or replacement to equipment or Premises from the individual(s) responsible for such accident or physical damage.*

(5) *Notification by you to Sunoco of a need for repair and the assumption by Sunoco for repair shall not relieve you of any liability incurred by or to third parties, including your employees, customers, invitees, and the general public, because of a state of disrepair.*

(6) *If the Premises or Loaned Equipment is damaged by fire or other casualty caused directly, or indirectly by your negligence or willful misconduct or that of your agents, employees, or contractors or by your default under any provision of this Lease, at your sole expense, you shall repair such damage or rebuild the Premises in accordance with plans and specifications approved by Sunoco; or, at Sunoco's option, Sunoco may repair or rebuild and you shall reimburse Sunoco for all costs thereof. If you are responsible for such damage in accordance with this subsection, the fees prescribed in Sections 1.03 and 1.04 shall be payable in accordance with the terms thereof.*

Sunoco's Responsibility - Partial Destruction

(B) (1) Except as provided in Section 2.14(A), if the Premises or Loaned Equipment are damaged by fire or other casualty, but not to an extent to render the Premises unfit for the conduct of business at determined solely by Sunoco, Sunoco shall repair such damage. During such period of repair, you shall pay the Monthly Fees as set forth in Sections 1.03, 1.04, and 2.05, except that the Monthly Fees set forth in Sections 1.03, 1.04, 2.05(A), and 2.05(D) shall abate to the extent such damage renders the Premises not usable for their normal functions.

Sunoco's Responsibility – Total Destruction

(2) *Except as provided in Section 2.14(A), if the Premises are destroyed to an extent that the conduct of business is no longer practicable, either party may, by giving written notice to the other within thirty (30) days after the occurrence of such damage, terminate this Lease effective as of the date of such damage.*

If this Lease is not so terminated, Sunoco may elect to repair the Premises conditioned upon your timely execution of an agreement to pay Sunoco's estimated increased Rent

applicable to the Premises upon completion of the restoration and to comply with such other terms and conditions as Sunoco deems necessary. If you fail or refuse to agree to any such agreement, Sunoco may terminate this Lease effective of the date of any such damage.

During any restoration of the Premises, Rent, Royalty and fees payable under Sections 1.03, 1.04, and 2.05 will be abated.

1.25 Condemnation and Other Interference with Use of Premises

(A) Should the Premises, in whole or in part, be condemned or otherwise taken pursuant to power of eminent domain, Sunoco may terminate this Lease at any time thereafter upon notice to you.

(B) You shall have no claim to any portion of a condemnation award payable to Sunoco with respect to Premises; provided, however, you may be entitled to any separate award payable to you by the condemning authority for the taking of your leasehold interest, loss of business opportunity, or good will.

1.26 Indemnity; Reimbursement; Insurance

Indemnity

(A) You shall fully protect, defend, reimburse, indemnify, and hold harmless Sunoco, its parent, the respective subsidiaries and affiliates, and the respective officers, directors, employees, and agents of Sunoco, and each and every one of them free and harmless at all times from and against any and all claims, liabilities, litigation expenses, losses, demands, damages, fines, and causes of action and injury to any person (or death) and property of you, including your employees, agents, contractors, customers, and invitees, caused by or resulting in any way from but not limited to the following:

(1) *Operation of your business, including the operation or condition of the Premises (e.g., driveways, walkways, and signs) and the service and repair of motor vehicles by you, your employees, customers, invitees, agents, and contractors;*

(2) *performance or non-performance of your obligations under this Lease;*

(3) *operation, use, condition, and state of repair of Loaned Equipment, the UST System, Motor Fuels, and kerosene (if applicable) dispensing equipment, storage tanks, oil/water separators, and the building fixtures and improvements, and motor vehicles under your care, custody, or control;*

(4) *loss, discharge, and spill of petroleum products on or from the Premises (excluding loss, discharge, or spill caused by Sunoco or its carriers occurring while delivering Motor Fuels or kerosene, if applicable, to the Premises);*

(5) *contamination, mixing, misbranding, and dispensing of Products by you, your personnel, agents, contractors, customers, and suppliers (excluding Sunoco and its contractors);*

(6) *claims and demands of your personnel, agents, and contractors for compensation, wages, benefits, and other remuneration, including fines, interest, and penalties assessed by appropriate governmental authority in any way associated with payment or non-payment of such remuneration;*

(7) *claims and demands of governmental taxing authorities, including taxes, fines, interest, and penalties, associated with payment, non-payment, reporting, or non-reporting of taxes and assessments owed by you or your business~~.~~;*

(8) *acts or omission of you or your personnel, agents, contractors, invitees, and customers as a result of which Sunoco's licenses or permits are or could be canceled by governmental authority, or whereby the underlying lease to the Premises, if any, would be breached~~.~~; and*

~~For~~*for a Turnpike Location, you shall*

also defend and indemnify the

applicable Turnpike Authority and

Concessionaire from and ~~against~~ the above identified claims,

liabilities, litigation, etc.

(9)

(B) You shall further indemnify and reimburse Sunoco for:

(1) *costs, expenses, and fees (including court costs and attorneys' fees) incurred by Sunoco relating to litigation undertaken successfully by Sunoco against you to enforce, terminate, or nonrenew this Lease, or to collect money or recover Equipment and property due from you to Sunoco.*

(2) *costs, expenses, fees (including court costs, attorneys' fees, and cost of litigation), taxes, fines, penalties, and judgments incurred or paid by Sunoco by reason of a violation of law by you.*

(C) The parties hereto agree that, in consideration of Sunoco's execution of this Lease, any claim of any kind by you based on or arising out of this Lease or otherwise shall be barred unless asserted by you by commencement of an action within twelve (12) months after delivery of the products or other event, action, or inaction to which the claim relates**.**

(D) All amounts due Sunoco from you, by reason of indemnities and obligations imposed upon you by this Lease, shall become due and payable by you to Sunoco upon demand, as part of your account to Sunoco.

(E) Notwithstanding any provisions elsewhere set forth above, you shall be liable to Sunoco hereunder, and you do agree to protect, indemnify, and save harmless Sunoco or any other person for claims, losses, and damages, whether caused in part by Sunoco's negligence, but not if caused by Sunoco's sole negligence.

(F) This Section 2.16 shall survive termination of this Lease.

Insurance

(G) At your sole cost and expense, through the duration of the term of your franchise relationship with Sunoco, you shall obtain, keep, and maintain in full force and effect insurance through a financially responsible carrier (with a rating of "A-" or better by A.M. Best) acceptable to Sunoco which is primary as to any other valid collectible insurance. Sunoco must be included

as an additional insured on all policies listed in subsections (1), (3), and (4). Sunoco is entitled to all coverage limits equal to or greater than the minimum requirements. Such insurance at a minimum shall include the following:

(1) *COMMERCIAL GENERAL LIABILITY INSURANCE against claims for damage to persons or property arising out of your operation of the Franchise at the Premises, including product liability, completed operations coverage and liquor liability (if applicable) with a minimum limit of at least $500,000 for bodily injury and property damage, combined single limit each occurrence. The coverage must include contractual liability covering the indemnification and hold harmless provisions of Section 2.16, subject to the Commercial General Liability Policy's standard terms and conditions.*

(2) *WORKERS' COMPENSATION (COVERAGE A) AND EMPLOYER'S LIABILITY (COVERAGE B) INSURANCE*

Coverage A – Statutory Limits

Coverage B - Limits of at least:

$500,000 Each Accident

$500,000 Disease-Policy Limit

$500,000 Disease-Each Employee

(3) *EXCESS LIABILITY INSURANCE coverage with minimum limits of at least $500,000 per occurrence in excess of the coverages described in subsections (1), 2(b), and (4).*

(4) *ALL RISK PROPERTY INSURANCE coverage for the replacement cost value of all Sunoco's property described in Section 2.01, including the "Premises" and "Loaned Equipment", as defined in this Lease.*

Additional Insurance Coverages

(5) *If you conduct motor vehicle service or repairs at the Premises you shall have the following additional insurance coverages:*

(a) GARAGEKEEPERS LEGAL LIABILITY INSURANCE coverage for all automobiles with minimum limits of $100,000 per occurrence.

(b) GARAGE LIABILITY INSURANCE coverage for bodily injury and property damage with minimum limits of at least $500,000 combined single limit per occurrence.

(c) AUTOMOBILE LIABILITY INSURANCE coverage both bodily injury and property damage with minimum limits of at least $500,000 combined single limit per occurrence.

NOTE: SUNOCO MUST BE INCLUDED AS AN ADDITIONAL INSURED AND LOSS PAYEE ON ALL INSURANCE POLICIES.

FOR TURNPIKE LOCATIONS, THE APPLICABLE TURNPIKE AUTHORITY AND CONCESSIONAIRE SHALL BE INCLUDED AS AN ADDITIONAL INSURED AND LOSS PAYEE ON ALL INSURANCE POLICIES.

(H) You shall provide to Sunoco before commencement of this Agreement a certificate or other appropriate evidence of insurance coverage as above required, satisfactory to Sunoco, and a renewal certificate of such policy shall be furnished to Sunoco before each policy renewal date. Each certificate shall include a provision that such policies may not be canceled or materially changed without at least thirty (30) days' prior written notice to Sunoco. You shall keep such insurance coverage in full force and effect during your Franchise relationship with Sunoco.

(I) Your failure to maintain required insurance coverage, and to pay the premiums and renewal premiums of all such policies of insurance as they become due and payable, and to deliver all such certificates of insurance and renewals thereof or duplicate originals to Sunoco within the time required, shall constitute a material default by you under the terms of this Agreement. Additionally, if, after written notice from Sunoco, the required certificates of insurance are not provided within the time set forth in the notice, in addition to the immediate suspension of deliveries of Motor Fuels as provided in Section 2.10 of your Motor Fuel Supply Agreement, this Lease may be terminated.

1.27 Sunoco's Right of Entry and Inspection

(A) Sunoco, including its representatives and contractors, shall have full unrestricted rights of ingress and egress to the Premises at any time during normal business hours, for purposes of: (1) conducting inspections and maintenance of Premises and Loaned Equipment; (2) to engage in the audit, examination, and inventory of your merchandise, Motor Fuels, and accounting records, as provided herein; (3) to determine your compliance with this Lease; and (4) as otherwise necessary to exercise Sunoco's rights, options, and privileges under this Lease, including access for purposes of remedying any default or omission by you.

(B) Sunoco is not liable to you for interruption of business or loss of profits resulting from Sunoco's exercise, in a reasonable manner, of its rights, options, and privileges under this Lease.

(C) Sunoco also reserves the right to enter the Premises to reconstruct or modernize the Premises. This right includes the right to totally tear down and rebuild, change, or add physical structures or other improvements deemed necessary or desirable by Sunoco to facilitate modernization of the APlus facilities and Loaned Equipment on the Premises or to enter upon the Premises to change, alter or modify its service marks, trade dress, service names, and other similar indicia. If Sunoco elects to reconstruct or modernize the Premises, the fees prescribed in Sections 1.03, 1.04, 2.05(A), 2.05(C), and 2.05(D) shall abate to the extent such construction or modernization work renders the Premises not usable for their normal functions. If Sunoco reconstructs or modernizes the Premises, the Term of this Lease shall not be extended. Based upon the scope of the remodeling or reconstruction performed at the Premises, Sunoco reserves the right to charge additional Monthly Fees pursuant to Section 2.05(B). You will be provided prior written notice of the increase in monthly fees.

1.28 Sunoco's Right of Audit; Records and Reports

(A) Upon termination of the APlus Franchise Agreement between you and Sunoco, but where existing Premises Lease is in effect, Sunoco reserves the right to conduct an audit of records, reports, and Gross Sales.

(B) In case of such an audit, you covenant and agree, upon request by Sunoco, to submit to Sunoco on forms supplied or approved by Sunoco itemized statements showing all information necessary for the determination of all sums due from you to Sunoco pursuant to this Lease.

(C) On or before the last calendar day of January, April, July, and October, respectively, of each year the Lease is in effect, you shall deliver to Sunoco a statement certified as correct by you and prepared in accordance with accepted retail merchandising accounting practices showing the amount of Gross Sales during the calendar quarter immediately preceding the month in which such statement is due. All such statements shall be submitted on Sunoco's form entitled "Quarterly Gross Sales Verification Statement" and shall be acknowledged by your accountant at the place indicated thereon.

(D) You agree to keep and maintain on the Premises true and correct Records reflecting the Gross Sales generated from the APlus Store on the Premises for not less than three (3) years from the date sales were made to which such Records relate, or the prior completed audit, including Register Records and Original Transaction Records as set forth below:

(1) *Register Records. You shall record, at the time of sale in the presence of the customer, all sales or other transactions, whether cash, credit, charge account, or otherwise, in a cash register(s) having cumulative non-resettable grand totals which shall be sealed in a manner approved by Sunoco.*

(2) *Original Transaction Records. Cash register detail tapes, including detail tapes from temporary registers and any reset to a register by the cash register company's service personnel, together with the following;*

(a) sales slips for over rings, voids, and refunds;

(b) records of merchandise additions;

(c) copies of vendors' invoices;

(d) daily sales report;

(e) source Records for adjustment to sales such as over ring receipt tapes; voided receipt tapes;

(f) copies of all audits and physical inventories;

(g) check register; and

(h) such other sales records, if any, that would normally be examined by an independent accountant pursuant to generally accepted auditing standards in performing an audit of your gross sales.

(3) *You shall maintain such records in accordance with properly accepted accounting methods and procedures. The terms of this Section 2.18 are in addition to and shall in no way limit Sunoco's right of audit and your obligation to maintain records under the APlus Franchise Agreement. In addition, to ascertain your compliance with this Lease and any temporary voluntary allowance program that may be in effect, you hereby agree that Sunoco shall have the right at all reasonable times to verify sums due from you to Sunoco and to verify*

your reports and to ascertain volumes of Sunoco Branded Motor Fuel in tanks and any and all volume information appearing on Sunoco branded motor fuel dispensing devices and to inspect and audit your books and records, including records of preventive and remedial maintenance and daily inventory records referred to in Section 2.11(A) and all permits and licenses.

1.29 Default Notices

(A) If you are in default of a provision of this Lease, Sunoco may issue you a written default notice.

(B) If Sunoco issues you a written default notice for your breach of any provision of this Lease, and, if after forty-eight (48) hours from receipt of the default notice, you have not cured the breach, Sunoco may, at its sole discretion, perform the necessary work to cure the condition and charge you for the reasonable costs incurred by Sunoco in performing the work.

(C) Sunoco reserves the right to assess ~~an additional Royalty~~a Default Fee in the amount of ~~one percent ($1%)~~,500 per event of ~~your total Gross Sales~~default or non-compliance, plus $1,500 for each month the default continues, or the cost of reinspection and enforcement, whichever is greater, in any month in which a default notice is issued on any deficiency ~~for which a previous default notice had been issued~~ or noncompliance. Franchisee shall pay the Default Fee within ~~a twelve (12) month period. This additional one percent (1%) Monthly Royalty Fee shall be assessed on your total Gross Sales for the month in which the second default is issued and will be collected~~three (3) days of our Franchisor's demand. Any late payment due under this Section is subject to interest charge as stated in the ~~month following the notice of assessment to you~~Franchise Agreement. Default Fee is in addition to all other rights and remedies available to the Franchisor .

(D) The remedies set forth in (B) and (C) above are in addition to and not in waiver of Sunoco's other rights and remedies arising from such default(s) including termination or nonrenewal of this Lease.

1.30 Termination or Nonrenewal

Sunoco's Right to Terminate or ~~Nonrenew~~Non-renew

(A) Except as provided by law, Sunoco may, in addition to any other remedies it may have and subject to the valid requirements of any applicable statute, terminate or ~~nonrenew~~non-renew this Lease if any default or violation under the Motor Fuel Supply Agreement results in grounds for termination or nonrenewal as set forth in the Petroleum Marketing Practices Act, 15 U.S.C. § 2801 *et seq.* ("PMPA"), or if any default under the APlus Franchise Agreement results in grounds for termination or nonrenewal of that agreement, or upon the occurrence of any of the following:

(1) *your failure to exert good faith efforts to comply with the provisions of this Lease, the APlus Franchise Agreement, the Motor Fuel Supply Agreement, or any related agreement between you and Sunoco, or between you and a third party contractor that performs services under this Lease, following written notice to you from Sunoco of such failure and a reasonable opportunity to exert good faith efforts to comply with such provisions;*

(2) *unlawful, fraudulent, or deceptive acts or practices or criminal misconduct by you, your employees, or representatives relevant to the operation of the Premises;*

(3) *your misrepresentations or misstatements that induce Sunoco to enter into this Lease;*

(4) *the sale, display, rental, or distribution at the APlus Store of prohibited merchandise or of any merchandise or service that Sunoco has notified you is of a quality that is not consistent with the favorable image of the Franchise;*

(5) *a transfer or attempted transfer of this Lease in a manner that is not in accordance with Section 2.22 herein;*

(6) *operation of the Premises in a manner hazardous to public health or safety, your failure to comply with federal, state, or local laws or regulations relevant to the operation of the APlus Store, or your loss of the right under applicable laws or regulations to conduct business at the Premises;*

(7) *your failure to obtain the release of any attachment, garnishment, execution, lien, or levy against the Premises or the APlus Store within seventy-two (72) hours of receiving notice of same;*

(8) *your declaration of bankruptcy or judicial determination of your insolvency; the entry by you into any arrangement with creditors or any assignment for the benefit of creditors; or the commencement of any proceeding to appoint, or the appointment of, a receiver or trustee for you or for your business or property;*

(9) *your continuing severe physical or mental disability for at least three (3) months duration that renders you unable to provide for the continued proper operation of the Premises except as provided in Section 2.22 below;*

(10) *your permanent disability or death subject to any survivorship rights you may have under Section 2.22 below;*

(11) *loss of Sunoco's right to grant possession of the Premises through expiration of an underlying lease;*

(12) *condemnation or other taking, in whole or in part, of the Premises pursuant to the power of eminent domain;*

(13) *destruction (other than by Sunoco) of all or a substantial part of the Premises;*

(14) *your failure to pay Sunoco in a timely manner when due fees and all sums to which Sunoco is legally entitled;*

(15) *your failure to operate the Premises for seven (7) consecutive days, or such lesser period which under the facts and circumstances constitutes an unreasonable period of time;*

(16) *your willful adulteration, commingling, mislabeling, or misbranding of Motor Fuels or other violations of Sunoco's trademarks;*

(17) *your knowing failure to comply with federal, state, or local laws or regulations relevant to the use or operation of the Premises;*

(18) *conviction of you or your Designated Personal Supervisor of any felony involving moral turpitude;*

(19) *your failure to maintain required insurance coverage and to supply Sunoco with current insurance certificates evidencing such coverage;*

(20) *numerous bona fide customer complaints concerning your operation of the Premises or a single, bona fide complaint evidencing egregious or unconscionable behavior by you or your employees in dealing with customers;*

(21) *termination or nonrenewal of your APlus Franchise Agreement or your loss of the right to sell Sunoco Branded Motor Fuels at the Premises;*

(22) *a determination made by Sunoco in good faith and in the normal course of business to withdraw from the marketing of Motor Fuels through retail outlets or from the APlus convenience store business in the relevant geographic market area in which the Premises are located;*

(23) *the loss of Sunoco's right to license the use of its trademarks; or*

(24) *the occurrence of any other event relevant to the relationship between the parties that makes termination or nonrenewal reasonable, including those set forth in subsection (B) below.*

Sunoco's Right to Nonrenew

(B) Sunoco may nonrenew the relationship between the parties if it has grounds for termination or in any of the following events:

(1) *you and Sunoco fail to agree to changes or additions to the franchise relationship, as defined in the PMPA that are the result of a determination made by Sunoco in good faith and in the normal course of business;*

(2) *receipt of numerous bona fide customer complaints by Sunoco concerning your operation of the Premises;*

(3) *your failure to operate the Premises in a clean, safe and healthful manner on at least two previous occasions;*

(4) *a good faith determination by Sunoco, made in its normal course of business:*

(a) to convert the Premises to a use other than the sale or distribution of Motor Fuel,

(b) to materially alter, add to or replace the Premises,

(c) to sell such Premises, or

(d) that the renewal of the franchise relationship is likely to be uneconomical to Sunoco despite any reasonable changes or additions to the agreements between the parties that may be acceptable to you.

Your Right To Terminate

(C) You shall have the right to terminate the Lease by giving Sunoco not less than ninety (90) days prior written notice of termination.

1.31 Sunoco's Other Remedies

Upon Termination or Expiration of Lease

(A) In addition to the rights of termination prescribed in Section 2.20, Sunoco shall have the following remedies. All such remedies are cumulative, concurrent, and in addition to any other remedies Sunoco may have at law or in equity or pursuant to this Lease. The election of any remedies by Sunoco shall not preclude Sunoco from pursuing any other remedies.

(1) *If Sunoco initiates judicial proceedings to recover possession of the Premises after termination or expiration of this Lease and recovers judgment for possession, you shall pay Sunoco its reasonable attorneys' fees incurred in connection with those proceedings.*

Damages for Holding Over

(2) *If you remain in possession of the Premises beyond the Lease Term hereof for whatever reason, then Sunoco may elect to treat you as a tenant-at-will, with the further right to terminate such tenancy upon thirty (30) days' prior written notice to you. You shall be obligated to pay to Sunoco a Holdover Rental for such tenancy equal to one hundred fifty percent one hundred fifty percent (150%) of the Rent for each month or part thereof of such tenancy at will ("Holdover Rental"). The monthly Holdover Rental shall be calculated by using an average of the prior three (3) months total Rent due Sunoco multiplied by one hundred fifty percent (150%). Acceptance by Sunoco of Holdover Rental for any month shall not be construed as a waiver of Sunoco's rights to evict you at any time after the termination of this Lease. Nor shall such acceptance of Holdover Rental by Sunoco be treated or construed as an expressed or implied renewal or continuation of this Lease. No action by a representative of Sunoco, such as a promise or representation made orally or by correspondence, shall be treated or construed as an agreement to renew or continue this Lease, and you are not entitled to rely upon any such action, promise, or representation in that respect.*

(3) *Either sum set forth in (1) or (2) above shall be payable in addition to any other special damages caused directly or indirectly by your holding over after the expiration or termination of this Lease. Sunoco's acceptance of either sum shall in no way affect Sunoco's right to immediate possession of the Premises and Loaned Equipment and shall not afford you any right of possession beyond the date of termination or expiration of this Lease.*

Withholding of Monies by Sunoco

(B) Upon expiration or termination of this Lease, Sunoco shall have the right to withhold from you payment of any monies due and owing you from any source whatsoever until Sunoco receives notification from your creditors, including tax authorities, that you have paid or otherwise satisfied all your creditors and all taxes imposed upon you by reason of your operation of the Premises, including all income, unemployment, social security, rental, and sales and use taxes. You shall not be entitled to interest on such monies so withheld.

Process of Re-Entry.

(C) Upon expiration or termination of this Lease, Sunoco may: (1) pursue any judicial or administrative process or procedure to obtain possession of the Premises and Loaned Equipment; or (2) if permitted by applicable law, without aid of any judicial or administrative process or procedure, re-enter the Premises, dispossess you, and retake possession of the Premises and Loaned Equipment.

Acceleration of Rent

(D) Upon termination of this Lease pursuant to Section 2.20, Sunoco may accelerate the payment of all rent and other sums payable during the balance of the Term of this Lease.

Default in Payment of Fees and Other Sums

(E) In addition to any other rights Sunoco may have at law or in equity or pursuant to this Lease, upon default in payment of fees or other sums due and owing Sunoco pursuant to this Lease or otherwise, or upon default in payment of any other sums due and owing Sunoco, Sunoco or any representative acting for or on behalf of Sunoco may enter the Premises and, without demand, proceed by distress and sale of the goods left on the Premises to levy for fees and other charges herein payable as rent and all costs and officer's commissions, including watchman's wages and any other charges pursuant to law or statute that Sunoco may be required to pay. In such case, all costs, commissions, and other charges shall immediately attach and become part of the claim of Sunoco for fees and any tender of fees without such costs, commissions, and charges made after the issue of a warrant of distress shall not be sufficient to satisfy Sunoco's claim. You hereby expressly waive in favor of Sunoco the benefit of all laws regarding any limitation as to the goods upon which, or the time within which, distress is to be made after removal of goods. The purpose and intent of the foregoing provision is that all of your goods, whether on the Premises or elsewhere, shall be liable to distress for payment of rent. You further hereby waive in favor of Sunoco all rights of tenants that may be waived, including all exemptions, notices, rights of replevin, appraisal, appeal, and stay of execution. Upon distress, Sunoco shall have the right to remove from the Premises all goods so levied upon. You further hereby agree that Sunoco shall have the right to follow goods fraudulently removed from the Premises, and that Sunoco shall have the right to sell any goods distrained for fees at any time within five (5) days after distrain.

1.32 Assignment, Subletting, and Successor-in Interest

Assignment and Subletting

(A) This Lease shall not be assigned in whole or in part by you nor shall your interest in the Premises or Loaned Equipment be assigned in whole or in part, either voluntarily or by operation of law, except with Sunoco's prior written consent. This Lease shall not be sublet in whole or in part by you nor shall your interest in the Premises or Loaned Equipment be sublet in whole or in part, either voluntarily or by operation of law. Any assignment or attempt to assign without Sunoco's prior written consent or any subletting or attempt to sublet shall result in immediate termination of your interest in and to this Lease, the Premises, and Loaned Equipment.

(B) For purposes of this Section, reference to "Franchisee" or "Lessee" shall mean you, if you are a sole proprietor; if a partnership, all partners; if a corporation with two shareholders, both

shareholders; or if a corporation with more than two shareholders, the majority shareholder named in Part 1 of this Lease. That person must be an officer or director as well as a majority shareholder.

(C) If the APlus Franchise Agreement between you and Sunoco is terminated or not in effect for any reason, but this Lease is still in effect, you may not transfer or assign this Lease without first offering to transfer or assign one hundred percent (100%) of the rights in the Premises to Sunoco, in writing signed by you, at a stated price and stated terms.

(D) Sunoco may accept in writing at any time within sixty (60) days (excluding federal and state holidays) from receipt of the written offer by agreeing to purchase one hundred percent (100%) of the rights in the Premises and to pay the stated price on the stated terms, less the amount of the transfer fee that is payable to Sunoco in the event of an assignment. The offer must be received in the appropriate Division Office.

(E) If Sunoco declines or does not accept the written offer within sixty (60) days, you may thereafter transfer or assign this Lease to a third party if Sunoco gives its prior written consent, but not at a lower price or on more favorable terms than had been stated and offered to Sunoco in writing.

(F) If the Lease is not transferred or assigned within three (3) months from the date it was offered to Sunoco, then you must re-offer to transfer or assign it to Sunoco before transfer or assignment to a third party.

(G) In any event, you may not assign this Lease without the prior written consent of Sunoco.

(H) If you desire to assign this Lease, you shall provide Sunoco with not less than sixty (60) days prior written notice of your intent to assign this Lease, or such longer notice as Sunoco is entitled to receive under applicable state law. If Sunoco refuses consent, the terms of the first Section of this Section 2.22 shall apply. Sunoco may withhold its consent to a proposed assignment if Sunoco's then-current requirements are not satisfied. Such requirements may include the requirement that a transfer fee or other fees be paid.

(I) **SUNOCO RESERVES THE RIGHT TO REFUSE TO CONSENT TO ANY PROPOSED TRANSFER OR ASSIGNMENT THAT WOULD RESULT IN SUNOCO HAVING ANY MATERIAL INCREASED RISK, BURDEN, OR CHANCE OF NOT OBTAINING PERFORMANCE. SUNOCO SHALL NOT BE HELD LIABLE FOR ANY LOSSES CAUSED TO YOU DUE TO DISAPPROVAL OR CONDITIONAL APPROVAL.**

(J) If you assign this Lease in connection with an assignment of the APlus Franchise Agreement, you shall comply with the provisions of the APlus Franchise Agreement regarding assignment. Compliance with such provisions shall be deemed to satisfy the requirements of this Section, notwithstanding any provisions of this Lease to the contrary.

Successor-In-Interest.

(K) Notwithstanding the terms of Sections 2.20(A)(9) and 2.20(A)(10), this Lease shall not terminate upon your death or permanent disability, if you, before your death or permanent disability, deliver a successor-in-interest designation pursuant to Sunoco's procedures and on a form prescribed by Sunoco and, upon your death or permanent disability, the designated

successor-in-interest assumes all of your duties and obligations under the Lease and the designated successor-in-interest meets Sunoco's then-current requirements.

(L) Sunoco and you shall have such further rights and shall comply with such additional requirements as are provided by applicable law.

(M) Sunoco shall have the unrestricted right to transfer or assign all or any part of its rights or obligation under this Franchise Agreement to any person or legal entity.

1.33 Surrender of Premises

(A) This Lease and your use and possession of the Premises (including all assignments) shall end as of the effective date of the termination, nonrenewal, or cancellation of this Lease. Upon such effective date, you shall immediately surrender, quit, and return possession of the Premises to Sunoco. The Premises, including Loaned Equipment, must be clean and restored to original condition with all refuse removed, normal wear and tear excepted. Notice and demand to you to quit and for possession and re-entry by Sunoco are waived.

(B) Should you fail to surrender, quit, and return possession of the Premises to Sunoco at the end of this Lease, Sunoco shall have the right to enter upon the Premises and evict you from the Premises, for purposes of repossessing same, without having liability to you for trespass or damage by reason of such re-entry and eviction.

(C) Subject to Sunoco's rights set forth in Section 2.21 (A) and (B) of this Lease, you shall remove all of your personal property from the Premises at the end of this Lease. Any property left or found upon Premises ten (10) days after the end of this Lease or the date you have been requested to remove same may be removed, stored, or disposed of by Sunoco without liability to you for the value, loss, or damage thereto occasioned by such removal, storage, or disposition. Costs incurred by Sunoco for restoration of the Premises to original condition, and for removal, storage, and disposition of your property left or found on the Premises, shall be borne by you and paid to Sunoco.

(D) Notwithstanding the foregoing, and without waiving any of Sunoco's rights to evict you and re-enter the Premises, which rights shall be continuing and remain in full force and effect from and after the end of this Lease, if you remain in possession of the Premises for whatever reason, other than by virtue of a separate agreement in writing signed by Sunoco, then Sunoco may elect to treat you as a tenant-at-will of the Premises.

(E) If you lease the Premises from Sunoco and the APlus Franchise Agreement ONLY is terminated but the Premises Lease and Motor Fuel Supply Agreements remain in effect, your obligations under these agreements shall continue and you shall remain obligated to pay to Sunoco as additional rent, and not as a penalty, a Store Facilities Rent. Such Store Facilities Rent shall be equal to fourteen percent (14%) of your monthly Store Gross Sales calculated using an average of the total Gross Sales for the twelve (12) month period immediately preceding the termination of your APlus Franchise Agreement.

1.34 Waiver by You

You waive, to the extent permitted by applicable law, all notices or demands to quit possession prescribed by any law, statute, or ordinance relating to any summary process or other procedure for obtaining possession of the Premises.

PART II
GENERAL PROVISIONS

1.35 Compliance with Applicable Law

To the extent any provisions of this Lease are inconsistent with applicable law, they shall not be effective and Sunoco and you shall comply with applicable law regarding such matters.

1.36 Severability

If any provision of this Lease is declared invalid, the remaining portion shall remain in full force and effect as if this Lease has been executed with the invalid portion thereof eliminated.

1.37 General

Entire Lease

(A) This Lease and the attached Schedules and Maintenance Provisions contain the entire agreement and understanding between Sunoco and you pertaining to the leasing of the Premises and Loaned Equipment. There are no oral representations, stipulations, warranties, or understandings with respect to the subject matter of this Lease that are not fully set forth herein. All prior or contemporaneous promises, representations, agreements, or understandings in connection with the leasing of the Premises and Loaned Equipment are expressly merged in this Lease. You hereby acknowledge that, except as provided in Subsection (D) below, no employee or representative of Sunoco is authorized to make any representation or agreement modifying, clarifying, or amplifying the terms and conditions of this Lease.

Notices

(B) Any notice required or permitted by or pertaining to this Lease shall be in writing and, if to you, shall be addressed to you at the Premises and, if to Sunoco, to the address specified in the first Section of this Lease except notices of requests to assign Lease (as detailed in Section 2.22 above) shall be forwarded to Sunoco's Division Office. Any such notice shall be sent by prepaid, certified, or registered mail, or via overnight mail, and shall be deemed served as of the date of mailing or shall be personally delivered to you and shall be deemed served as of the date of receipt. At Sunoco's sole discretion, Sunoco may send and may require you to send certain notices by means ~~of Sunoco's Internet Portal~~through SunocoNet.

Waiver

(C) Failure of either Sunoco or you to require performance of any provision of this Lease shall not affect either party's right to require full performance thereof at any time thereafter. The waiver by either Sunoco or you of any provision of this Lease shall not constitute or be deemed a waiver of similar breach in the future or of any other breach or nullify the effectiveness of such provisions.

Amendments

(D) No amendment, addition to, or alteration, modification, or waiver of any provision of this Lease shall be of any effect unless in writing and signed by you and an authorized representative of Sunoco.

PART II
GENERAL PROVISIONS

Approval

(E) This Lease and any modification thereof shall not become effective and binding upon Sunoco until accepted by Sunoco as evidenced by the signature of one of Sunoco's representatives authorized to execute this Lease. Your occupancy of the Premises before such acceptance by Sunoco shall not be construed as a waiver by Sunoco of this requirement.

Consequential/Special Damages

(F) No claim shall be made under this Lease for special or consequential damages except as expressly provided herein or required by law.

Pronouns

(G) The use herein of any personal pronoun shall include the masculine, feminine, and neuter pronouns.

PREMISES LEASE

MAINTENANCE PROVISIONS

PART III
MAINTENANCE PROVISIONS

FRANCHISEE MAINTENANCE RESPONSIBILITY SCHEDULE

1.38 Maintenance of Premises And Equipment.

(A) Franchisee, being in possession and control of the Equipment and Premises, has primary responsibility to keep and maintain the Equipment and Premises in good order and condition at all times.

(B) Franchisee is responsible for informing Sunoco in a timely manner of any Equipment failure or any need for repair or replacement of Equipment or Premises. Sunoco reserves the right, following proper notification by Franchisee, to determine in Sunoco's sole discretion whether a need for repair or replacement of Equipment or Premises exists.

(C) Notification by Franchisee to Sunoco of a need for repair, and assumption by Sunoco of responsibility for repair, shall not relieve Franchisee of any liability incurred to third parties, including Franchisee's employees, customers, invitees, and the general public, because of a state of disrepair.

(D) Franchisee is responsible for any and all damage to Sunoco's Equipment and Premises, including that caused by third parties. Franchisee must repair or replace any Equipment, buildings, and fixtures at the Premises so damaged. Sunoco reserves the right to determine how best to repair or replace damaged Equipment or Premises. Sunoco may require Franchisee to follow its directions as to proper repair and/or replacement. Should Franchisee not comply with Sunoco's directions, Sunoco or its agents may repair or replace damaged property to its standards, costs of which will be billed to and paid by Franchisee.

(E) Franchisee will submit to Sunoco a completed Damage Report, in the event of any damage to Sunoco's Equipment or Premises. Such Damage Report must include names of persons involved, date, time, names of witnesses, names of insurance companies, and nature and extent of damages.

(F) Sunoco will make diligent efforts to recover costs of repair or replacement from persons liable for damages to its Equipment or Premises, and will reimburse Franchisee for any costs to recover, but Franchisee retains primary responsibility, as stated above.

(G) Sunoco reserves the right, without liability to Franchisee, to change these Maintenance provisions at any time, upon giving Franchisee thirty (30) days' prior written notice of such change.

1.39 Franchisee Maintenance Responsibility Schedule.

(A) The following schedule specifies whether the Franchisee or Sunoco is responsible for repairing, maintaining, and/or replacing the listed items.

(B) Sunoco's responsibility for repairs to or replacement of the designed items listed below is limited to repairs resulting from normal wear and tear and not from Franchisee's negligence or

PART III
MAINTENANCE PROVISIONS

FRANCHISEE MAINTENANCE RESPONSIBILITY SCHEDULE

Franchisee's failure to keep and maintain same in good order and condition at all times or repairs necessitated by damages caused by Franchisee's employees, customers, invitees, vandals, or any other parties.

(C) Franchisee is required to maintain a Preventive Maintenance ("PM") contract with either Sunoco (see Exhibit "A") or a reputable contractor (see Exhibit "B" for requirements). If Franchisee chooses an independent contractor for PM, Franchisee must provide a copy of the PM contract to Sunoco's Maintenance Department each year during the Term of this Lease.

Item	***Sunoco***	***Franchisee***
Structure, Buildings, Canopies & Kiosks		
Structural Steel, Foundations, Masonry and Framework	Repair or replace.	None.
Roofing & Flashing	Repair or replace.	None.
Smoke Detector & Sprinkler System for Fire Control	Repair or replace.	Periodic testing, inspections, and operational costs.
Glass	None.	Replace all broken or cracked glass in doors and windows. Clean up broken glass. Place warning signs and secure area until glass is replaced.
Doors (including overhead, front, bathroom, office, and emergency exit)	Replace.	Maintain and repair/replace/adjust door hardware including handles, hinges, cables, closures and thresholds. Replace lost keys and change locks as required. Replace glass with same type glass. Replace overhead door springs.

PART III
MAINTENANCE PROVISIONS

FRANCHISEE MAINTENANCE RESPONSIBILITY SCHEDULE

Item	***Sunoco***	***Franchisee***
Painting	Periodic repainting of buildings, kiosk, and canopies. Sunoco will also provide paint for touch-ups.	Touch-up paint.
Gutters & Downspouts	Repair or replace.	Maintain clean and clear of any blockage, including canopies.
Concrete & Tile Floor	Repair or replace deteriorated floors.	Maintain clean and clear of obstacles. Notify Sunoco of any potentially hazardous holes, cracks, or spalled sections.
Heating, Venting & Air Conditioning		
HVAC Equipment	Responsible for major repairs and replacements. Major repairs are defined generally as those over $250 per occurrence.	Must carry a Preventive Maintenance ("PM") contract per Part III, Section 3.02(c) herein (see Exhibit "B" for requirements). Franchisee is responsible for the first $250 of any repairs.
Wall and Window Mounted Heaters, Air-Conditioners; Kiosk Heaters and Air Conditioners.	None.	Repair or replace.

PART III
MAINTENANCE PROVISIONS

FRANCHISEE MAINTENANCE RESPONSIBILITY SCHEDULE

Item	***Sunoco***	***Franchisee***
Refrigeration Systems		
Walk-In Coolers and Walk-In Freezers	Responsible for major repairs and replacements. Major repairs are defined generally as those over $250 per occurrence. Including repair and/or replacement of compressors, condensers, evaporator coils, exchangers, and burners.	Maintain unit clear and free of any blockage. Must carry a Preventive Maintenance ("PM") contract per Part III, 3.02(c) herein (see Exhibit "B" for requirements). Franchisee is responsible for the first $250 of any repairs.
All Other Coolers/Freezers	None.	Repair or replace.
Rest Rooms	None.	Must ensure clean, sanitary, fully stocked, and fully functional restrooms available for customers' use.
Plumbing		
Water Heater	Repair or replace.	None.
Wash Bowls, Sinks, Toilet Fixtures, Urinals, and Miscellaneous Furnishings	None.	Repair or replace (includes but is not limited to faucets, valves, toilet seats, soap dispensers, mirrors, towel dispensers, toilet tissue holders).
Sewer System, Septic Tank, Cesspool	Repair or replace.	All cleaning, pumping, and disposal costs.

PART III
MAINTENANCE PROVISIONS

FRANCHISEE MAINTENANCE RESPONSIBILITY SCHEDULE

Item	***Sunoco***	***Franchisee***
Fixture Drains, Floor Drains, and Sewer Lines	Repair or replace.	Clean drains and sewer lines, including plugged lines.
Building Water Systems	Repair or replace damaged/deteriorated underground piping.	Repair or replace water treatment systems and above ground piping.
Sumps, Grease Traps, and Oil/Water Separators	Repair or replace.	Periodic cleaning, pumping, and disposal.
Electrical/Electronic		
Interior Fixtures and Interior Illuminated Signs	None.	Repair or replace the following: lamps, tubes, ballast, sockets, lens, deflectors Per Sunoco specifications. Keep clean and in operating order. Replace fuses, reset all circuit breakers and report short circuits, power surges, disruptions or overloads to Sunoco.
Electronic Equipment (including credit card pump control and data processing equipment)	Repair or replace (unless owned by Franchisee).	Comply with all operating and cleaning requirements of the equipment and systems in accordance with Sunoco contracts and furnish and change all consumables including manufacturers' specified ribbons and printer paper. Notify Sunoco of any alarms/failures.

PART III
MAINTENANCE PROVISIONS

FRANCHISEE MAINTENANCE RESPONSIBILITY SCHEDULE

Item	***Sunoco***	***Franchisee***
Equipment		
Intercom Systems & Speakers	Repair or replace.	None.
Tire Air-Dispenser	None.	Repair or replace hoses, nozzles, gauges, towers, meters, and fittings.
Air Compressor	Repair or replace.	Maintain oil levels, change oil, drain water, secure belt guards, and change air filter on compressor.
Lifts and Hoists	Repair or replace.	Keep piston rings clean, safety legs and paint lift heads secure. Lubricate as necessary.
Shelving, Gondolas, Racks, Pegboard Cabinets, Counters, and Benches	None.	Clean and maintain. Repair or replace hinges and hardware on cabinets.
Food Store Miscellaneous Equipment	None.	Repair or replace.
Water Filtration	None.	Replace filter per manufacturer's recommendation
Service Center Miscellaneous Equipment	None.	Repair or replace.
Safes	None.	Repair or replace.

PART III
MAINTENANCE PROVISIONS

FRANCHISEE MAINTENANCE RESPONSIBILITY SCHEDULE

Item	***Sunoco***	***Franchisee***
Fire Extinguisher	None.	Repair or replace.
Cash Drawers and Lazy Susans	Replace.	Repair.
Signage and Yard Lights		
Canopy Lights, Area and Yard Lights, Trademark Signage, and other Sunoco Owned Exterior Illuminated Signs	Repair or replace.	None.
Permanent Building Fascia Signs, Pump Toppers and Island Lights	Repair or replace.	None.
Exterior Lights and Electrical Systems	Replace ballasts, transformers, wiring, conduits, and lighting fixtures. Replace lamps and tubes if fixture is above 12 ft.	Reset all circuit breakers, replace fuses, and report to Sunoco all outages, short circuits, power surges, disruptions, or overloads. Replace lamps and tubes if fixture is 12 feet or below. Keep clean and in operating order.
Pump & Tank		
Underground Storage Tanks for Motor Fuel and Other Products	Repair or replace.	None.

PART III
MAINTENANCE PROVISIONS

FRANCHISEE MAINTENANCE RESPONSIBILITY SCHEDULE

Item	***Sunoco***	***Franchisee***
Fire Suppression Equipment	Replace.	Repair/recharge. Inspection of system pursuant to state and local codes as required.
Heating Oil Storage Tanks, Piping, and Equipment.	Repair or replace.	Remove contaminants.
Dispensers: Motor Fuel and Other Product	Repair or replace; change filters.	Furnish and install all nozzles, hoses, whip hoses, breakaways, swivels, and retractor cable per Sunoco specifications. Notify Sunoco immediately of any other equipment failures including leaks, spills, and slow flow rates. In case of any potentially hazardous condition, Franchisee is to stop the use of affected dispenser(s) including closing emergency shut-off valves. Dispenser keys must be on the premises and readily available to all Franchisee's employees.
Waste Oil Tanks, Piping, and Equipment	Repair or replace.	Remove waste oil and contaminates from operations.
Bulk Motor Oil Tanks and Dispensing Systems	None.	Maintain and service in accordance with Sunoco's Bulk Motor Oil Agreement and manufacturer's recommendations.
Fill Caps, Manholes, and Fittings	Repair or replace.	Keep clean of debris and free of water, snow, ice and dirt. Report any bad fill caps and fittings.

PART III
MAINTENANCE PROVISIONS

FRANCHISEE MAINTENANCE RESPONSIBILITY SCHEDULE

Item	***Sunoco***	***Franchisee***
Yard		
Driveways, Walkways, and Dispenser Islands	Repair or replace.	Keep clear and passable at all times. Maintain free of grease, ice, snow, or other substances. Notify Sunoco immediately of hazardous situations, including holes, cracks, and spalling. Protect customers from hazardous situations until Sunoco completes repairs.
Landscaping and Plantings	Prune trees as required to improve image and visibility and to prevent structural, electrical and/or underground damage caused by roots and limbs.	Mow lawns, trim shrubs, and remove weeds. Keep greenery consistent with Sunoco's image.
Painting	Periodic painting of poles. Sunoco will also provide paint for touch-up and curbs.	Touch-up paint on poles and periodic painting of curbs.
Water Sprinkler Systems for Irrigation	None.	Repair or replace. Responsible for winterization and spring start-up.
Fencing, Guard Rails, Bumper Posts, and Trash Enclosures.	Repair or replace.	Clean and touch-up paint. Maintain hinges, latches, and hardware on all fencing, gates, and enclosures.

EXHIBIT "A"
SUNOCO PREVENTIVE MAINTENANCE ("PM") PROGRAMS

PROGRAM	EQUIPMENT COVERED	ANNUAL FEE
HVAC	HEAT PUMP	$360.00 ea.
	CENTRAL AIR	$360.00 ea.
	HEATER	$240.00 ea.
	AIR CONDITIONER	$360.00 ea.
REFRIGERATION PM PROGRAMS	WALK-IN COOLER	$300.00 ea.
	WALK-IN FREEZER	$300.00 ea.

EXHIBIT "B-1"
SUNOCO PREVENTIVE MAINTENANCE CONTRACT REQUIREMENTS

Program I

I. Preventive Maintenance of HVAC – Sunoco Traditional and APlus Locations

The following must be performed at a minimum of three times per year:

Sunoco HVAC PM service call elements	
Annual Service Call Frequency	**3X**
Compressor Maintenance (Basic)	
Visually check for leaks.	**X**
Check and record suction & discharge pressure, oil pressure, room & ambient temperature.	**X**
Air Handling Unit (AHU) Maintenance (Basic)	
Install standard filters	**X**
Leave at site three additional sets of filters for site personnel to change each month.	**X**
Check electrical wiring and connections. Tighten loose connections.	**X**
Check and record amperage across blower motor.	**X**
Check tension, condition and alignment of belts. Adjust as necessary.	**X**
Lubricate shaft and motor bearing.	**X**
Condenser Maintenance (Basic)	
Check and record amperage across condenser fan motor.	**X**
Check electrical wiring and connections. Tighten loose connections.	**X**
Clean condensate lines and pans.	**X**
Check contactors and starters.	**X**
Cooling Maintenance (Spring only-May)	
Power wash condenser coil(s) and clean evaporator coil(s).	**X**
Change all belts.	**X**
Annual asset inventory report and analysis.	**X**
Heat Maintenance (Fall only-November)	
Verify pilot ignition-check for proper operation of primary fuel controls and safety controls. Check and adjust thermostat. Check pump pressure (fuel oil).	**X**
Check and clean flue. Replace oil filter and nozzle.	**X**

Cycle valves-for automatic valves (check valves)-adjust system pressure/flow to verify that valve is opening and closing properly. For manual valves (Gate/Butterfly)-open and close using handle, wrench, or hand wheel to check operation. Check draft and smoke reading.	**X**
Check electrical wiring to heating elements, blowers, motors, over-current protective device, and grounding system. Tighten when necessary.	**X**
Check the control mechanism for defrosting the coil and for energizing the heat strips located in the electric furnace evaporator system.	**X**
Check heater operation through complete cycle or up to 10 minutes. Change air filter.	**X**
All Equipment	
Check safety devices for proper operation.	**X**
Check controls for proper operation.	**X**
Clean and remove debris surrounding unit to ensure proper air circulation.	**X**
Check and adjust operating temperatures as needed.	**X**

EXHIBIT "B-2"
SUNOCO PREVENTIVE MAINTENANCE CONTRACT REQUIREMENTS

Program II

II. Preventive Maintenance of Refrigeration (WIC & WIF) – Sunoco Traditional and APlus Locations

The following must be performed at a minimum of three times per year:

Sunoco Refrigeration PM service call elements	
Annual Service Call Frequency	**3X**
WIC/WIF	
Replace 10-15% filter media.	**X**
Check doors, springs, and rollers for operation.	**X**
Check gaskets for proper seal.	**X**
Check condensate pans and lines for proper drainage and clean out.	**X**
Ensure all electrical panels, covers, and equipment panels are secure. Check for proper voltage.	**X**
Check and adjust (if required) the low pressure control to desired temperature setting.	**X**
Check the defrost operation and adjust the setting on the time clock if required.	**X**
Check the limit thermostat for operation of fans and door heater.	**X**
Check the evaporator coil for leaks due to pitting corrosion and clean.	**X**
Check the operation of face dampers and crankcase heaters (if applicable).	**X**
Check and adjust (if required) thermostatic expansion valve (TEX) to desired super-heat (for maximum coil effectiveness).	**X**
Clean condenser fans/coil (Dust and dirt - vacuum; Cooking grease - spray with cleaner and then flush with water). Clean intake screens.	**X**
Inspect door gasket for damage and proper fit; lubricate hinges.	**X**
Check refrigerant pressure and oil level – Visual only (through site glass).	**X**
Annual asset inventory – Check and record make, model, and serial numbers.	**Annual**
All Equipment	
Check safety devices for proper operation.	**X**
Check controls for proper operation.	**X**
Clean and remove debris surrounding unit to ensure proper air circulation.	**X**

Check and adjust operating temperatures as needed.	**X**

ATTACHMENT 7 TO THE FRANCHISE AGREEMENT

EQUIPMENT AND CONSTRUCTION FUNDING AGREEMENT

Date Prepared: _____

Contract #_____
Region:_____

EQUIPMENT AND CONSTRUCTION FUNDING AGREEMENT

Funded Amount: $_____

This Equipment/Construction Funding Agreement ("Agreement") (hereinafter referred to as the "Agreement") is made _____ ("Effective Date") between Sunoco Retail LLC a Pennsylvania company with its principal place of business at 8111 Westchester Drive, Suite 600, Dallas, Texas 75225 and Sunoco LLC, a Delaware limited liability company (collectively "Sunoco") and _____ (hereinafter referred to as "Franchisee" or "you").

Pursuant to the terms of the Franchise Agreement (as defined below), Sunoco has offered and Franchisee has accepted Equipment/Construction Funding in the Funded Amount (as defined below).

RECITALS

A. WHEREAS, Franchisee and Sunoco have entered into an APLUS franchise agreement dated _____, together with all renewals, addenda, amendments and modifications thereto (the "Franchise Agreement") pertaining to the Premises located at _____ (the "Premises"); and

B. WHEREAS, pursuant to Section 22 of the APLUS Franchise Agreement Sunoco has offered and Franchisee has accepted Equipment/Construction Funding in the amount set forth above (the "Funded Amount"); and

C. WHEREAS, Sunoco and Franchisee acknowledge and agree that Sunoco will use the Funded Amount to off-set the cost of equipment (the "Equipment") and construction at the Premises, and to pay invoices on Franchisee's behalf; and

D. WHEREAS, Sunoco and Franchisee further acknowledge and agree that the Funded Amount will be amortized over the term of the Franchise Agreement and, upon the termination of the Franchise Agreement for any reason, Franchisee will be required to repay the Funded Amount to Sunoco consistent with the terms of this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises of the parties and for value received, the Franchisee and Sunoco agree as follows:

1. TERM. This Agreement shall commence as of the Effective Date noted above and will expire upon the termination of the Franchise Agreement.

2. FUNDED AMOUNT. Sunoco offers and Franchisee accepts Equipment/Construction Funding in the amount of $_____ ("Funded Amount").

3. USE OF FUNDED AMOUNT. Sunoco agrees to use the Funded Amount to offset the cost of Equipment and Construction at the Premises and to pay invoices on Franchisee's behalf to a third-party engineering firm. If any portion of the Funded Amount remains after payment of the subject construction

and equipment is made, Sunoco or third-party engineering firm will release remaining funds to the Franchisee via a credit to Franchisee's account with Sunoco.

4. FRANCHISEE CONSTRUCTION WORK. Franchisee agrees that it will have the following work performed at the Premises by a Sunoco approved General Contractor in accordance with the process and terms set forth in Exhibit A attached.

5. EQUIPMENT CONTRIBUTION: Sunoco agrees to use the funded amount to pay for equipment as identified by the third-party engineering firm working on the subject Premises. Sunoco or third-party engineering firm will provide Franchisee with a Bill of Sale covering ownership of Equipment and itemizing the subject Equipment.

6. FRANCHISEE MAINTENANCE OF EQUIPMENT. Franchisee, at its own cost and expense, shall:

(a) Maintain the Equipment in good repair and operating condition;

(b) Replace any Equipment that is stolen, lost, destroyed or damaged beyond repair;

(c) Replace any parts of the Equipment which become worn out, lost, destroyed or damaged;

(d) File the necessary tax returns and pay any property taxes associated with the equipment; and

(e) Obtain insurance coverage for the Equipment as required by Section 15 of the Franchise Agreement.

Dealer shall be responsible for bringing electricity for any signs and lights and for securing all necessary permits. The obligations set forth herein are in addition to any maintenance, repair, replacement, tax filings and insurance obligations set forth in the Franchise Agreement.

7. AMORTIZATION OF FUNDED AMOUNT; TERMINATION

(a) The Funded Amount shall be amortized monthly in equal installments over the term of the Franchise Agreement, beginning in the first year of such Franchise Agreement. If this Agreement is terminated for any reason prior to the expiration of the Franchise Agreement, Franchisee shall repay to Sunoco the unamortized Funded Amount.

(b) Sunoco shall maintain records indicating the total amount due and owing from Franchisee with respect to the Funded Amount, and shall, upon written request from Franchisee, provide Franchisee with copies of such records.

(c) In the event the Franchise Agreement is terminated for any reason by Sunoco or Franchisee at any time prior to the expiration date of the Franchise Agreement, Franchisee agrees to repay Sunoco the unamortized Funded Amount as of the effective date of the termination of the Franchise Agreement.

(d) Franchisee's obligation to repay the Funded Amount as set forth above is in addition to any other payment obligations under the Franchise Agreement and any other rights or claims Sunoco has or may have with respect to such termination under any and all agreements between Franchisee and Sunoco.

8. GOVERNING LAW/DISPUTE RESOLUTION. Franchisee and Sunoco acknowledge and agree that the choice of law and dispute resolution provisions contained in the Franchise Agreement will govern any disputes arising out of or relating to this Agreement. As such the choice of law and dispute resolution provisions contained in the Franchise Agreement is incorporate herein by reference.

9. MODIFICATION/ SEVERABILITY. No supplement, modification, assignment or amendment to this Agreement shall be binding unless executed in writing. The provisions of this Agreement shall be severable in the event that any provision hereof is held by a court of competent jurisdiction to be invalid, void or otherwise unenforceable, and the remaining provisions shall remain enforceable to the fullest extent

permitted by law.

10. REPRESENTATIONS AND WARRANTIES. The parties executing this Agreement represent and warrant that they have full authority to bind and enter into this Agreement and fully perform the obligations set forth herein.

11. SECURITY. Franchisee will be required to provide Sunoco with security in connection with this Agreement, including a Personal Guarantee in the form annexed. Sunoco reserves the right to require additional security as determined by its Credit Department as a condition of funding,

12. BINDING EFFECT. The terms of this Agreement shall inure to the benefit of and shall be binding upon the successors and assigns of Sunoco, and successors and permitted assigns of Franchisee.

IN WITNESS WHEREOF, Franchisee and Sunoco hereby execute this Agreement as of the Effective Date indicated below:

FRANCHISOR: Sunoco Retail LLC

By: _____

Print Name: _____
Title: _____

FRANCHISEE:

By: _____

Print Name: _____
Title: _____

Date Prepared: _____
Contract #_____
Region: _____

PERSONAL GUARANTY

This Personal Guaranty ("Guaranty") is entered into as of _____ ("Effective Date") and is in consideration of, and as an inducement for, Sunoco Retail LLC a Commonwealth of Pennsylvania company, its divisions, affiliates, subsidiaries and/or assigns (hereinafter referred to as "Sunoco") entering into certain agreements with _____ (hereinafter referred to as "DEBTOR"), and in the further consideration of, and as a further inducement for, any credit extended, to be extended or continued, funding offered, or any other financial accommodations given, to be given or continued, by Sunoco to DEBTOR, the undersigned, _____,_____ and _____ (hereinafter collectively referred to as "GUARANTOR") provides this Guaranty.

NOW, THEREFORE, GUARANTOR agrees to the following:

1. GUARANTOR does hereby absolutely and unconditionally guarantee the prompt payment of any and all indebtedness heretofore or hereafter incurred by DEBTOR to Sunoco (the Indebtedness"). GUARANTOR acknowledges Sunoco would not extend any credit or provide any funding to DEBTOR without the providing by GUARANTOR of this Guaranty, and acknowledges that GUARANTOR holds an interest, equitable or otherwise, in DEBTOR. The word "Indebtedness" is used herein in its most comprehensive sense and includes any and all advances, debts, obligations and liabilities of DEBTOR or any one or more of them heretofore, now or hereafter made, incurred or created, whether voluntarily or involuntarily and however arising, whether due or not due, absolute or contingent, liquidated or unliquidated, determined or undetermined, and whether DEBTOR may be liable individually or jointly with others. Such Indebtedness may include, but is not limited to, monies now owing or that may hereafter become due and owing under one or more of the following:

(a) On open account, whether billed or unbilled;

(b) For any services rendered or to be rendered;

(c) For merchandise or products sold or to be sold;

(d) For any rentals and other obligations under any lease or rental agreement;

(e) On notes, checks, drafts, and any other instrument for the payment of money

(f) executed, or to be executed or endorsed, and delivered by DEBTOR to Sunoco; and

(g) The APLUS Franchise Agreement (Motor Fuel Supply Agreement) entered into between DEBTOR and Sunoco.

~~2.~~ GUARANTOR agrees that SUNOCO may in SUNOCO's absolute discretion without notice or demand and without prejudice to or in any way limiting or diminishing the liability of

2. GUARANTOR under this Guaranty:

(a) Renew, compromise, extend, accelerate or otherwise change the time for

payment of, or otherwise change the terms of the Indebtedness or any part thereof, including increase or decrease of the rate of interest thereon with the consent of DEBTOR;

(b) Take, modify, alter, release, reconvey, exchange or renew any security, or abstain from perfecting, acting on or otherwise taking advantage of any security;

(c) File or refrain from filing a claim in any bankruptcy proceeding of DEBTOR or any other GUARANTOR (if any);

(d) Realize on any Indebtedness;

(e) Take any checks, notes, or other obligations, secured or unsecured, in any amount, purportedly in payment of the whole or any part of any Indebtedness; and

(f) Otherwise deal with the DEBTOR and other parties and security as SUNOCO may deem appropriate.

3. ~~3.~~ GUARANTOR agrees and acknowledges that this Guaranty shall be a general and continuing guaranty and shall cover all Indebtedness of DEBTOR, and where more than one entity is a part of DEBTOR, the several obligations of each entity as well as their joint obligations, including those obligations incurred at least ten (10) days after such time as Sunoco shall have actually received written notice of revocation of this Guaranty.

4. ~~4.~~ GUARANTOR agrees that in order to revoke this Guaranty, GUARANTOR shall send notice to SUNOCO by certified mail or overnight delivery to the following address: Sunoco Retail LLC, 3805 West Chester Pike, Newtown Square, PA, Attn: Steve Jones. Such revocation shall apply only to such agreements, leases, extensions of credit, or other indebtedness or obligations entered into or created at least ten (10) days after the date of receipt of such notice of revocation, and shall not apply to Indebtedness thereafter becoming due and payable under agreements, leases, sales or other obligations entered into prior to such revocation. Any payments made after receipt of such notice of revocation shall be applied as Sunoco may elect.

5. ~~5.~~ Until full payment of any and all Indebtedness is paid to Sunoco, GUARANTOR waives all right of subrogation and benefit of or right to participate in any security now or hereafter held by Sunoco.

6. ~~6.~~ GUARANTOR expressly waives all demands, presentments, notices of protest and of dishonor, and notices of every kind or nature, including those of any action or non-action on the part of DEBTOR, SUNOCO, any co-guarantor (if applicable), or any creditor of DEBTOR. GUARANTOR expressly waives the right to require Sunoco to proceed against DEBTOR, or any co-guarantor (if applicable) or to proceed against or apply any security Sunoco may hold, and GUARANTOR waives the right to require Sunoco to pursue any other remedy for the benefit of GUARANTOR, and agrees that Sunoco may proceed against GUARANTOR for the amount hereby guaranteed without taking any action against DEBTOR, or any co-guarantor (if applicable) and without proceeding against or applying any security Sunoco may hold.

7. ~~7.~~ GUARANTOR agrees and acknowledges that any and all debts and obligations, present and future, of DEBTOR to GUARANTOR, or any of them are hereby postponed to the obligations of DEBTOR to Sunoco, and all monies received by GUARANTOR or its representatives, successors or assigns thereon shall be held in trust for Sunoco and shall be paid over to Sunoco. Further, upon any liquidation or distribution of assets of DEBTOR, GUARANTOR agrees to assign to Sunoco any and all claims on account of any and all obligations, and Sunoco shall receive any and all dividends and payments on such debts and obligations until payment in full of any and all obligations of DEBTOR are paid to Sunoco.

8. ~~8.~~ GUARANTOR irrevocably waives, disclaims and relinquishes any and all claims against DEBTOR which GUARANTOR otherwise has or would have by virtue of having executed this Guaranty, specifically including, but not limited to, all rights of indemnity, contribution or exoneration. GUARANTOR expressly subordinates any and all claim(s) against DEBTOR upon any account whatsoever to any claim(s) that Sunoco may have against DEBTOR at any time and for any reason.

9. ~~9.~~ In the event DEBTOR is a partnership or other association, this Guaranty is to extend to

the person or persons for the time being and from time to time carrying on the business now conducted by DEBTOR, notwithstanding any change or changes in the name or membership of DEBTOR.

10. ~~10.~~ GUARANTOR agrees to pay any and all attorneys' fees, costs of suit and expenses incurred by Sunoco in connection with this Guaranty or in the collection of any of said Indebtedness from DEBTOR or GUARANTOR. GUARANTOR WAIVES THE RIGHT TO A JURY TRIAL IN ANY LAWSUIT RELATED TO THIS GUARANTY OR THE INDEBTEDNESS, OR BOTH.

11. ~~11.~~ GUARANTOR waives and agrees not to assert or claim at any time any deductions to the amount guaranteed under this Guaranty for any claim, setoff, counterclaim, counter demand, recoupment or similar right, whether such claim, demand or right may be asserted by the DEBTOR, GUARANTOR, or both.

12. ~~12.~~ This Guaranty is a general guaranty and is assignable, and when so assigned the GUARANTOR shall be bound as above to the assignees without in any manner affecting GUARANTOR's liability hereunder on any part of DEBTOR's obligations to Sunoco.

~~GUARANTOR's liability hereunder on any part of DEBTOR's obligations to Sunoco.~~

13. ~~13.~~ This Guaranty shall inure to the benefit of and bind the heirs, administrators, executor, successors and assigns of Sunoco and each of GUARANTOR's, and if more than one entity is GUARANTOR then this Guaranty shall be construed as the joint and several obligation of each of the GUARANTORs. Where there is more than one DEBTOR named herein, reference herein to "DEBTOR" shall mean all and any one or more of them and the words used herein in the singular shall be deemed to have been used in the plural where the contexts and construction so require.

14. ~~14.~~ This Guaranty shall be construed in accordance with the laws of the Commonwealth of Pennsylvania without regard to its choice of law rules. Notice of acceptance of the Guaranty is hereby waived.

15. ~~15.~~ This Guaranty contains the entire guaranty agreement between Sunoco and GUARANTOR. GUARANTOR declares that this is a voluntary and unconditional guaranty and GUARANTOR does not rely in whole or in part on any oral representation of any kind whatsoever which may be made by any representative of Sunoco in the execution of this Guaranty.

16. ~~16.~~ GUARANTOR authorizes Sunoco to obtain a credit report on GUARANTOR.

17. ~~17.~~ Any married person who signs this Guaranty hereby expressly agrees that recourse may be made against either his or her separate property and community property interest for all obligations under this Guaranty and represents and warrants that this transaction is being entered into for the benefit of GUARANTOR's marital community.

IN WITNESS WHEREOF, GUARANTOR by a duly authorized representative does hereby execute this Guaranty as of the Effective Date first referenced above.

GUARANTOR:

_____

Print Name:_____

_____

_____

Print Name:_____

Print Name:_____

EXHIBIT A

An as-built site survey in AutoCAD is to be provided by Franchisee. If you do not have an as-built survey in AutoCAD, one will be created by our third party vendor. The cost of an as-built is approximately Two Thousand Nine Hundred Dollars ($2,900), and is your responsibility to pay for. During the as-built site survey, Franchisee must provide access to all areas requiring survey. Third party vendor will generate an architectural as-built in AutoCAD to APLUS specifications, which will include floor plan, interior and exterior elevations, and photographs. Third party vendor will design store layout to APLUS standards and submit layout to Sunoco & Franchisee for review and approvals. Third party vendor will charge Franchisee a Project Management Fee of Four Thousand Nine Hundred Dollars ($4,900), which will cover the procurement of required equipment, engineering support for the project and working with the Franchisee's General Contractor.

ATTACHMENT 8 TO THE FRANCHISE AGREEMENT
STATE SPECIFIC AMENDMENTS

SUNOCO RETAIL LLC

ATTACHMENT 8 TO THE FRANCHISE AGREEMENT

CALIFORNIA AMENDMENT TO THE FRANCHISE AGREEMENT

This Amendment to the Sunoco Retail Franchise Agreement dated _____, 20___ between Sunoco Retail LLC, ("Franchisor") and _____ ("Franchisee") is entered into simultaneously with the execution of the Franchise Agreement.

1. Section 24.8 of the Franchise Agreement is amended to remove the following language:

"Each party agrees that neither party has placed nor will place any reliance on any such discussions."

2. Section 18.2 of the Franchise Agreement is amended with the following:

It is unlawful for a franchisor to prevent a franchisee from selling or transferring a franchise, all or substantially all of the assets of the Franchised Business, or a controlling or non-controlling interest in the Franchised Business, to another person provided that the person is qualified under the franchisor's then-existing standards for the approval of new or renewing franchisees, these standards to be made available to the franchisee, as provided in Section 20029, if applicable, and to be consistently applied to similarly situated franchises operating within the franchise brand, and the franchisee and the buyer, transferee, or assignee comply with the transfer conditions specified in the franchise agreement. Any purported transfer without such approval shall be null and void and shall constitute a material breach of this Agreement. A Franchisee shall not have the right to sell, transfer, or assign the franchise, all or substantially all of the assets of the Franchised Business, or a controlling or non-controlling interest in the Franchised Business, without the written consent of the Franchisor, except that the consent shall not be withheld unless the buyer, transferee, or assignee does not meet the standards for new or renewing franchises described in subdivision (a) of the California Business and Professions Code, Section 20028, if applicable, or the Franchisee and the buyer, transferee, or assignee do not comply with the transfer conditions specified in the franchise agreement.

4. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, Franchisee and Franchisor have executed this Amendment to the Franchise Agreement simultaneously with the execution of the Franchise Agreement.

FRANCHISOR:	**FRANCHISEE:**
SUNOCO RETAIL LLC	
By:	By:
Name:	Name:
Title:	Title:

SUNOCO RETAIL LLC

ATTACHMENT 8 TO THE FRANCHISE AGREEMENT

ILLINOIS AMENDMENT TO THE FRANCHISE AGREEMENT

THIS AMENDMENT TO FRANCHISE AGREEMENT effective _____, ("**Amendment**") is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement ("**Franchise Agreement**") between Sunoco Retail LLC ("**Franchisor**", "**Sunoco**" or "**we**") and _____ ("**Franchisee**" or "**you**").

1. The Illinois Attorney General's Office requires that certain provisions contained in franchise documents be amended to be consistent with Illinois law, including the Franchise Disclosure Act of 1987, 815 ILCS 705/1-44, (collectively, the "**Act**"). To the extent that this Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

a. Section 41 of the Act provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

b. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, arbitration may take place outside of Illinois.

c. Illinois law shall apply to and govern the Franchise Agreement.

d. Your rights upon termination and non-renewal of the Franchise Agreement are set forth in Sections 19 and 20 of the Act.

2. Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the Illinois Franchise Disclosure Act and law applicable to the provisions are met independently of this Amendment. To the extent this Amendment shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Amendment shall govern.

3. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Amendment, and understands and consents to be bound by all of its terms.

FRANCHISOR: **SUNOCO RETAIL LLC**	**FRANCHISEE:**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

SUNOCO RETAIL LLC

ATTACHMENT 8 TO THE FRANCHISE AGREEMENT

MARYLAND AMENDMENT TO THE FRANCHISE AGREEMENT

THIS AMENDMENT TO FRANCHISE AGREEMENT effective _____, ("**Amendment**") is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement ("**Franchise Agreement**") between Sunoco Retail LLC ("**Franchisor**", "**Sunoco**" or "**we**") and _____ ("**Franchisee**" or "**you**").

1. In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, Md. Code Ann., Bus. Reg. §§14-201-14-233, the Franchise Agreement is amended as follows:

- Sections 4.2.8, 18.2.3 and 18.2.6 require Franchisee to sign a general release as a condition of renewal or transfer of the Franchise, such release shall exclude claims arising under the Maryland Franchise Registration and Disclosure Law.
- Section 24.1 requires that the Franchise be governed by the laws of the State of Texas however, in the event of a conflict of laws to the extent required by the Maryland Franchise Registration and Disclosure Law, the laws of the State of Maryland shall prevail.
- Section 24.2 requires litigation to be conducted in the State of Texas; the requirement shall not limit any rights Franchisee may have under the Maryland Franchise Registration and Disclosure Law to bring suit in the State of Maryland.
- Any Section of the Franchise Agreement requiring Franchisee to assent to any release, estoppel or waiver of liability as a condition of purchasing the Franchise are not intended to, nor shall they act as a, release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.
- Section 24.4 is amended to the extent that any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the Franchise.

2. Any portion of the Franchise Agreement which requires prospective franchisees to disclaim the occurrence and/or acknowledge the non-occurrence of acts would constitute a violation of the Maryland Franchise Registration and Disclosure Law. Any such representations are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

3. Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law applicable to the provisions are met independently of this Amendment. To the extent this Amendment shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Amendment shall govern.

4. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Amendment, and understands and consents to be bound by all of its terms.

FRANCHISOR: **SUNOCO RETAIL LLC**	**FRANCHISEE:**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

SUNOCO RETAIL LLC

ATTACHMENT 8 TO THE FRANCHISE AGREEMENT

MINNESOTA AMENDMENT TO FRANCHISE AGREEMENT

THIS AMENDMENT TO FRANCHISE AGREEMENT (this "**Amendment**") dated _____, is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement (the "**Franchise Agreement**") dated _____ by and between Sunoco Retail, LLC, a Texas limited liability company ("**Sunoco**" or "**Franchisor**"), with its principal office in Dallas, Texas, as the franchisor, and _____, a _____ ("**you**"), as the franchisee. Where and to the extent that any of the provisions of this Amendment are contrary to, in conflict with or inconsistent with any provision contained in the Franchise Agreement, the provisions contained in this Amendment shall control. Defined terms contained in the Franchise Agreement shall have the identical meanings in this Amendment.

1. Franchisor will undertake the defense of any claim of infringement by third parties involving the mark, and Franchisee will cooperate with the defense in any reasonable manner required by Franchisor with any direct cost of such cooperation to be borne by Franchisor.

2. Minnesota law provides franchisees with certain termination and nonrenewal rights. As of the date of this Franchise Agreement, Minn. Stat. Sec. 80C.14, Subd. 3, 4 and 5 require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for nonrenewal of the Franchise Agreement.

3. Minnesota Statutes, Section 80C.21 and Minnesota Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce any of franchisee's rights as provided for in Minnesota Statues, Chapter 80C, or franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

4. Any provision of the Franchise Agreement requiring time limitation to bring a claim is amended to provide that any claims arising under the Minnesota Franchise Act must be brought within three years after the date the cause of action occurs.

5. No Section providing for a general release as a condition of renewal or transfer will act as a release or waiver of any liability incurred under the Minnesota Franchise Act; provided, that this part shall not bar the voluntary settlement of disputes.

6. The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rule 2860.4400(J). A court will determine if a bond is required.

7. Minnesota Rule 2860.4400(K) prohibits a franchisor from requiring a security deposit except for the purpose of securing against damage to property, equipment, inventory, or leaseholds.

8. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of Minnesota Statutes Sections 80C.01 to 80C.22 are met independently without reference to this Amendment.

9. Section 3.14 is added to reflect the following:

"NSF checks are governed by Minnesota Statute 604.113 which puts a cap of $30 on service charges."

10. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any

statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first shown above.

FRANCHISOR: **SUNOCO RETAIL LLC**	**FRANCHISEE:**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

SUNOCO RETAIL LLC

ATTACHMENT 8 TO THE FRANCHISE AGREEMENT

NORTH DAKOTA AMENDMENT TO FRANCHISE AGREEMENT

This Amendment to the Sunoco Retail, LLC Franchise Agreement dated _____ between Sunoco ~~Reatil~~Retail, LLC, ("**Franchisor**") and _____ ("**Franchisee**") is entered into simultaneously with the execution of the Franchise Agreement.

In recognition of the requirements of the North Dakota Franchise Investment Law, N.D. Cent. Code 51-1901 through 51-19-17, and the policies of the Office of the State of North Dakota Securities Commission, the Franchise Disclosure Document for Sunoco Retail, LLC for use in the State of North Dakota shall be amended as follows:

1. Sections 2.4 and 10.1 of the Franchise Agreement disclose the existence of certain covenants restricting competition to which the Franchisee must agree. The Securities Commissioner of the State of North Dakota has held that covenants restricting competition, contrary to Section 9-08-06 of the North Dakota Century Code, without further disclosing that such covenants may be subject to this statute, are unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Covenants not to compete such as those referenced above are generally considered unenforceable in the State of North Dakota;

2. Section 16.4 of the Franchise Agreement stipulates that the Franchisee shall pay liquidated damages to Franchisor if the Franchise Agreement is terminated early;

3. Section 24.1, of the Franchise Agreement provide that Texas law governs the Franchise Agreement. The Securities Commissioner of the State of North Dakota has held that Franchise Agreements which specify that they are to be governed by the laws of a state other than North Dakota are unfair, unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law, therefore, this provision is void and of no effect in the State of North Dakota;

4. ~~Section~~Sections 24.2 of the Franchise Agreement provides that Franchisees must consent to the jurisdiction of where the principal place of business is maintained. The State of North Dakota has determined that parties agreeing to arbitration or mediation of disputes at a location that is remote from the site of the franchisee's business to be unfair, unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Investment Law. The site of arbitration or mediation will be agreeable to all parties; and may not be remote from the franchisee's place of business;

5. Section 24.6 of the Franchise Agreement stipulates that the Franchisee shall agree to a Waiver of Jury Trial. The Securities Commissioner of the State of North Dakota has determined this to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Therefore, the referenced section of the Franchise Agreement is void and of no effect in the State of North Dakota;

6. Section 24.6 of the Franchise Agreement requires the Franchisee to consent to a waiver of exemplary and punitive damages. The Securities Commissioner of the State of North Dakota has determined this to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law, therefore, this portion of Section 19.6 is void and of no effect in the State of North Dakota;

7. The Securities Commissioner of the State of North Dakota has determined this to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Therefore, the referenced section of the Franchise Agreement is amended to provide that Franchisor is entitled to recover all costs and expenses, including attorney fees allowable by law;

8. Section 23.4 of the Franchise Agreement stipulates that the Franchisee shall pay all costs and expenses incurred by Franchisor in enforcing the Franchise Agreement. The Securities Commissioner of the State of North Dakota has determined this to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Therefore, the referenced section of the Franchise Agreement is amended to provide that the prevailing party in any enforcement action is entitled to recover all costs and expenses, including attorney fees;

9. Section 4.2.8 of the Franchise Agreement requires the Franchisee to sign a general release upon renewal of the Franchise Agreement. The Securities Commissioner of the State of North Dakota has determined this to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Therefore, the referenced section of the Franchise Agreement is void and of no effect in the State of North Dakota;

10. Section 24.4 of the Franchise Agreement requires a limitation of Claims. The Securities Commissioner of the State of North Dakota has determined this to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Therefore, the referenced section of the Franchise Agreement is amended to provide that the statute of limitations under North Dakota law applies; and

11. Each provision of this Amendment will be effective only to the extent that, with respect to the provision, the jurisdictional requirements of the North Dakota Franchise Investment Law is met independently of this Amendment. Franchisor does not waive its right to challenge the enforceability of any state law and declares void or unenforceable any provision contained in this Agreement. Franchisor and Franchisee will enforce the provisions of this Agreement to the extent permitted by law.

12. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, Franchisee and Franchisor have executed this Amendment to the Franchise Agreement simultaneously with the execution of the Franchise Agreement.

FRANCHISOR: **SUNOCO RETAIL LLC**	**FRANCHISEE:**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

SUNOCO RETAIL LLC

ATTACHMENT 8 TO THE FRANCHISE AGREEMENT

RHODE ISLAND AMENDMENT TO THE FRANCHISE AGREEMENT

THIS AMENDMENT TO FRANCHISE AGREEMENT effective _____, ("**Amendment**") is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement ("**Franchise Agreement**") between Sunoco Retail LLC ("**Franchisor**", "**Sunoco**" or "**we**") and _____ ("**Franchisee**" or "**you**").

In recognition of the requirements of the Rhode Island Franchise Investment Act, the Franchise Agreement is amended as follows:

1. Franchisor will not require that Franchisee prospectively assent to a waiver, condition, stipulation, or provision that purports to relieve any person from liability imposed by the Rhode Island Franchise Investment Act. This provision does not apply to the settlement of disputes, claims, or civil lawsuits brought under the Rhode Island Franchise Investment Act.

2. If a claim is enforceable under the Rhode Island Franchise Investment Act, Franchisor will not restrict jurisdiction or venue to a forum outside the State of Rhode Island or require the application of the laws of another state.

3. Franchisor will not prohibit Franchisee from joining a trade association or association of franchisees. Franchisor will not retaliate against Franchisee for engaging in these activities.

4. Any provision in the Franchise Agreement that limits the time period in which Franchisee may assert a legal claim against Franchisor under the Rhode Island Franchise Investment Act is amended to provide for a four (4) year statute of limitations for purposes of bringing a claim arising under the Rhode Island Franchise Investment Act. Notwithstanding the foregoing, if a rescission offer has been approved by the Rhode Island director of business registration, then the statute of limitations is ninety (90) days after Franchisee's receipt of the rescission offer.

Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the Rhode Island Franchise Investment Act applicable to the provisions are met independently of this Amendment. To the extent this Amendment shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Amendment shall govern.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Amendment, and understands and consents to be bound by all of its terms.

FRANCHISOR: **SUNOCO RETAIL LLC**	**FRANCHISEE:**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

EXHIBIT B
DEVELOPMENT AGREEMENT

SUNOCO RETAIL LLC

DEVELOPMENT AGREEMENT

DEVELOPMENT AGREEMENT

SUMMARY PAGE

EFFECTIVE DATE:	_____
DEVELOPER:	_____
ADDRESS FOR NOTICES:	_____
TELEPHONE NUMBER:	_____
E-MAIL ADDRESS:	_____
DEVELOPMENT AREA:	_____ Excluding any "Captive Markets" in this area
TOTAL NUMBER OF STORES TO BE DEVELOPED:	_____
AUTHORIZED BRAND(s):	☐ ____ number of APLUS® convenience store ☐ ____ number of _____ fueling station[1]
DEVELOPMENT FEE:	$_____
INITIAL FRANCHISE FEE FOR THE FIRST STORE TO BE DEVELOPED:	$15,000
PREPAID PORTION OF THE INITIAL FRANCHISE FEE FOR THE SECOND AND EACH SUBSEQUENT STORE TO BE DEVELOPED:	plus $7,500 for each Store paid upfront (total $15,000 for each Store)
TRANSFER FEE (Section 8.4):	$15,000 plus $1,500 for each Store yet to be developed

_____ Franchisor Initial

_____ Developer Initial

[1] If you choose to develop a SUNOCO fueling station, you will sign a separate agreement for each SUNOCO fueling station developed.

SUNOCO RETAIL LLC

DEVELOPMENT AGREEMENT

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ATTACHMENTS

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SUNOCO RETAIL LLC

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT ("**Agreement**") is made and entered into as of the effective date ("**Effective Date**") reflected in the Summary Page, by and between Sunoco Retail LLC, a Pennsylvania limited liability company, with its principal office in Dallas, Texas ("**Franchisor**"), and the Developer identified in the Summary Pages ("**you**").

A. Franchisor and its Affiliates have developed, and are in the process of further developing, a System relating to the establishment and operation of a full-line retail grocery convenience store that offers fast foods, prepackaged foods, beverages, sundries, and other convenience store goods identified principally by the trademark APLUS, along with, under certain circumstances and as authorized by Franchisor, a gasoline fueling station and related petroleum products identified principally by the trademark SUNOCO (the "**System**").

B. The distinguishing characteristics of the System include, without limitation, distinctive interior and exterior design, decor, color scheme, graphics, fixtures and furnishings, operation and customer service standards and procedures, advertising and marketing specifications and requirements, and other standards, specifications, techniques, and procedures that Franchisor designates for developing, operating, and managing an APLUS store and/or SUNOCO fueling station, all of which Franchisor may change, improve, and further develop (collectively, "**Standards**").

C. The System is identified by means of certain trade names, service marks, trademarks, logos, emblems, and indicia of origin, including, but not limited, to the mark **APLUS** or the mark **SUNOCO** and such other trade names, service marks, and trademarks as are now designated and may hereafter be designated by Franchisor in writing for use in connection with the System ("**Marks**").

D. You desire the right to develop authorized branded multiple stores or fueling stations under the System and Marks as indicated in the Summary Page ("**Stores**") and Franchisor desires to grant you such rights, all pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises contained in this Agreement, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. GRANT

1.1. Grant of Store Development Rights

1.1.1. Franchisor hereby grants to you, and you hereby accept, the right and obligation, to develop a specified number of Stores under the Authorized Brands in the Development Area (identified in the Summary Page and Attachment B) within the timeframe set forth in the Development Schedule (identified in Attachment B). Each Store to be developed shall be developed and operated pursuant to a separate Franchise Agreement in accordance with Section 4.1.

1.1.2. This Agreement grants you no right or license to use any of the Marks; your right to operate a Store and license to use the Marks derives solely from the Franchise Agreements that you will enter into under this Agreement.

1.1.3. The development rights granted under this Agreement belong solely to you: you may not share them, divide them, sub-franchise or sublicense them, subcontract, assign or delegate, or transfer them, except in accordance with the transfer provisions of this Agreement.

1.2. Development Area

1.2.1. You will not receive an exclusive Development Area. Franchisor reserves the right to grant any third-party or Affiliate the right to operate another Store of the same Authorized Brand within the Development Area.

1.2.2. Franchisor reserves to itself other rights in and to use the Marks including the right to: ***(a)*** own and operate and to grant others the right to own and operate Stores outside the Development Area, regardless of their proximity to the Development Area; ***(b)*** operate Store and license the use of the Marks and System in "Captive Markets" within and outside the Development Area; and ***(c)*** distribute products and services identified by the Marks, through alternative channels of distribution the Internet.

1.2.3. Nothing in this Agreement prohibits or restricts Franchisor from ***(a)*** owning, acquiring, establishing, operating, or granting franchise rights for one or more other businesses under a different trademark or service mark (*i.e.*, marks other than APLUS or SUNOCO), whether or not the business is the same as or competitive with Stores; or ***(b)*** owning, operating, or franchising one or more businesses offering products or services other than similar to those provided in the Franchise Agreement under the name APLUS, SUNOCO, or some derivative of the Marks.

2. TERM OF DEVELOPMENT AGREEMENT

2.1. Term. Unless sooner terminated, the term ("**Term**") of this Agreement begins on the Effective Date and, unless otherwise negotiated, terminated, or extended as provided in this Agreement, expires on the earlier of: (a) the date on which you have completed your development obligations under this Agreement, or (b) 12:00 midnight CST on the last day of the last Development Period identified in Attachment B.

2.2. Effect of Termination or Expiration. Upon termination or expiration of this Agreement, all territorial protection afforded under this Agreement ends, and you have no further right to develop any Stores for which a Franchise Agreement has not been signed. Termination or expiration of this Agreement does not affect any rights or obligations under any then-existing Franchise Agreement.

3. FEES

3.1. Development Fee. Upon execution of this Agreement, you shall pay to Franchisor a Development Fee in the amount set forth in the Summary Page ("**Development Fee**"). The Development Fee is fully earned by Franchisor when paid and is not refundable, in whole or in part, under any circumstances.

3.2. Initial Franchise Fee. For each Franchise Agreement signed under this Agreement, you shall pay to Franchisor an initial franchise fee deposit in the amount set forth in the Summary Page. When you sign a Franchise Agreement for the first Store contemplated under this Agreement, Franchisor will credit a portion of your Development Fee payment to fully satisfy the initial franchise due thereunder. When you sign a Franchise Agreement for each additional Store contemplated under this Agreement, Franchisor will credit a portion of your Development Fee payment to satisfy half of the initial franchise fee due thereunder, and you shall pay the balance of the initial franchise fee.

4. DEVELOPMENT SCHEDULE AND MANNER FOR EXERCISING DEVELOPMENT RIGHTS

4.1. Separate Franchise Agreements. The Franchise Agreement for the first Store to be developed under this Agreement is the form attached as Attachment F. The Franchise Agreement for the second and each additional Store to be developed is the form of Franchisor's then-current Franchise Agreement, the terms of which may be materially different from the terms of Attachment F; provided that the initial franchise fee payable thereunder will be the amount reflected in the Summary Page.

4.2. Development Schedule. Recognizing that time is of the essence, you agree to satisfy the Development Schedule set forth in Attachment B.

4.3. Manner for Exercising Development Rights.

4.3.1. Before exercising any development rights granted hereunder, you shall apply to Franchisor for a franchise to operate a Store. If Franchisor, in its sole discretion, determines that you have met each of the following operational, financial, and legal conditions, then Franchisor will grant you a franchise for each respective Store:

(a) Operational Conditions: You are in compliance with the Development Schedule and this Agreement, and you or your Affiliates are in compliance with any other agreement between them and Franchisor or its Affiliate. You are conducting the operation of your existing Stores, if any, and are capable of conducting the operation of the proposed Store in accordance with the terms and conditions of this Agreement, the respective Franchise Agreements, and the standards, specifications, and procedures set forth and described ~~in the Manuals~~on SunocoNet (defined in the Franchise Agreement).

(b) Financial Conditions: You and your Owners satisfy Franchisor's then-current financial criteria for developers and Owners of Stores. You and your Owners have been and are faithfully performing all terms and conditions under each of the existing Franchise Agreements and related agreements with Franchisor or its Affiliate. You are not in default, and have not been in default during the 12-month period immediately preceding your request for financial approval, of any monetary obligations owed to Franchisor or its Affiliates under any Franchise Agreement or any other agreement between you or your Affiliates and Franchisor or its Affiliates. You acknowledge and agree that it is vital to Franchisor's interest that each of its franchisees must be financially sound to avoid failure of a Store and that such failure would adversely affect the reputation and good name of the Store and the System.

(c) Legal Conditions: You have submitted to Franchisor, in a timely manner, all information and documents requested by Franchisor as a basis for the issuance of individual franchises or pursuant to any right granted to you by this Agreement or by any Franchise Agreement.

4.4. Development Schedule. Acknowledging that time is of the essence, you agree to exercise your development rights according to Section 4.3. and the Development Schedule reflected Attachment B. You may, subject to the terms and conditions of this Agreement and with Franchisor's prior written consent, which may be withheld in its sole discretion, develop more than the total minimum number of Stores which you are required to develop during any Development Period. Any Store developed in excess of the minimum number of Stores required to be developed shall be applied to satisfy your development obligation during the next succeeding Development Period, if any. Notwithstanding the above, you shall not open or operate more than the cumulative total number of Stores you are obligated to develop under the Development Schedule.

4.4.1. If during the term of this Agreement, you cease to operate any Store developed under this Agreement for any reason, you shall develop a replacement Store. The replacement Store shall be developed within a reasonable time (not to exceed 180 days) after you cease to operate the original Store. If, during the term of this Agreement, you transfer your interest in a Store in accordance with the terms of the applicable Franchise Agreement for the Store, the transferred Store will continue to be counted in determining whether you have complied with the Development Schedule so long as it continues to be operated as the Store with the Authorized Brand. If the transferred Store ceases to be operated as a Store with the Authorized Brand during the term of this Agreement, you shall develop a replacement Store within a reasonable time (not to exceed 180 days) thereafter.

4.4.2. Your failure to adhere to the Development Schedule (including any extensions thereof, approved by Franchisor in writing) or to any time period for the development of replacement Stores is a material breach of this Agreement.

4.4.3. You acknowledge and agree that you have conducted an independent investigation of the business contemplated under this Agreement, that you fully understand your obligations under this Agreement, and that you recognize and assume all associated risks. In addition, you acknowledge that

Franchisor makes no representation: **(a)** that your Development Area contains a sufficient number of acceptable locations to meet the number of Stores to be developed under the Development Schedule; or **(b)** that your Development Area is sufficient to economically support the number of Stores to be developed under the Development Schedule. You acknowledge that you have performed all related and necessary due diligence before your execution of this Agreement and that, accordingly, you assume the risk of identifying a sufficient number of acceptable locations within the Development Area and the economic risk of developing the number of Stores set forth in Attachment B.

4.5. Projected Commencement Dates. You acknowledge that the Projected Commencement Date for each Store to be developed hereunder is reasonable. Subject to your compliance with Section 4.3., hereof, you shall execute a Franchise Agreement for each Store at or prior to the applicable execution date set forth in the Summary Pages, which shall be a date no later than 12 months prior to the Projected Commencement Date for the applicable Store.

4.5.1. No later than 13 months prior to expiration of a Development Period expiration date, you shall request to sign a Franchise Agreement for each Store to be developed during the Development Period.

4.5.2. Upon receiving your request, Franchisor shall deliver to you its then-current form of Franchise Disclosure Document and execution copies of its then-current form of Franchise Agreement.

4.5.3. No later than the Franchise Agreement Execution Date identified in the Development Schedule (but in no sooner than as permitted by law), you shall sign and return a signed copy of the Franchise Agreement and payment of the initial franchise fee (less any applicable development credit) due thereunder.

4.5.4. Franchisor shall approve and countersign the Franchise Agreement if:

(a) You are in compliance with this Agreement and all other agreements between you or your Affiliates and Franchisor and its Affiliates including, without limitation, all Franchise Agreements signed under this Agreement. If this condition is not met, Franchisor may require you to cure any deficiencies before it approves and countersigns the Franchise Agreement.

(b) You have demonstrated to Franchisor, in Franchisor's sole discretion, your financial and other capacity to perform the obligations set forth in the proposed new Franchise Agreement.

(c) You, your Owners, each of your Affiliates, and their Owners who have a then-currently effective Franchise Agreement or Development Agreement with Franchisor has signed a general release, in a form prescribed by Franchisor, of any and all claims that the party has, had, or claims to have against Franchisor and/or its Affiliates and their respective officers, directors, agents and employees, whether the claims are known or unknown, arising out of or relating to this Agreement, any Franchise Agreement, the relationship created by this Agreement or any Franchise Agreement, and the offer and sale of the APLUS Store franchise opportunity.

5. DEVELOPER'S OBLIGATIONS

5.1. Satisfaction of Development Schedule. You shall execute a Franchise Agreement for each Store contemplated under this Agreement in accordance with Section 4.1. and the Development Schedule and shall establish and operate each Store in accordance with the terms and conditions of the respective Franchise Agreement.

5.2. Compliance with Laws. You shall fully comply with all federal, state, and local laws, rules, and regulations when exercising your rights and fulfilling your obligations under this Agreement.

5.3. Non-disparagement. Subject to applicable law, You and any Owner agree that neither will make any oral or written statement to the public or any third party that is false, negative, critical, or disparaging, implied or expressed, or otherwise degrades the reputation of, or concerning Franchisor or any of Franchisor's respective Affiliates and its respective owners, managers, board members, principals, officers,

members, agents, or employees. This Section 5.3. shall not be construed to prohibit any person from responding when required by law, subpoena, court order, or the like.

5.4. Assignment of Our Rights and Delegation of Performance.
Developer agrees that Franchisor has the right to assign its rights or delegate the performance of any portion or all of Franchisor's rights or obligations under this Agreement to third party designees, an area representative (if applicable), or independent contractors with whom Franchisor contracts to perform these obligations without the prior written consent of the Developer. If Franchisor assigns its rights to receive any amount under this Agreement to any third-party, Developer recognizes that they shall be liable for all compliance and shall make such payments directly to the designated third-party.

6. CONFIDENTIALITY

6.1. Nondisclosure of Confidential Information. You shall maintain the confidentiality of all Confidential Information. You shall use Confidential Information only in connection with the development and operation of the Stores, and you shall divulge Confidential Information only to your employees, and only on a need-to-know basis. This obligation shall survive expiration or termination of this Agreement.

7. INDEPENDENT CONTRACTOR, INSURANCE, AND INDEMNIFICATION

7.1. Independent Contractor. The parties acknowledge and agree that you are operating the business contemplated under this Agreement as an independent contractor. Nothing contained in this Agreement shall create or be construed to create a partnership, joint venture, or agency relationship between the parties. Neither party has any fiduciary obligations to the other or will be liable for the debts or obligations of the other. Neither party has the right to bind the other, transact business in the other party's name or in any manner make any promises or representations on behalf of the other party, unless otherwise agreed in writing by the parties. You shall conspicuously identify yourself and the business contemplated under this Agreement in all dealings with your customers, contractors, suppliers, public officials, and others, as an independent franchisee of Franchisor, and shall place a conspicuous notice, in the form and at such place as Franchisor prescribes, notifying the public of such independent ownership.

7.2. Insurance Obligations.

7.2.1. You shall maintain in full force and effect at all times during the term of this Agreement, at your expense, an insurance policy or policies meeting Franchisor's minimum insurance requirements. Each such policy shall be written by an insurance with an A.M. Best rating of not less than A-VII, shall be primary and non-contributory to any insurance carried by Franchisor or its Affiliates, and shall contain a waiver of subrogation in favor of Franchisor and its Affiliates. Franchisor has the right to increase or modify required minimum coverages at any time. Your obligation to obtain and maintain insurance is not limited in any way by reason of any insurance maintained by Franchisor, and your compliance with minimum insurance requirements will not relieve you of your indemnification obligations under Section 7.3 of this Agreement. At least 10 days prior to the time you are first required to carry insurance, and thereafter at least 30 days prior to the expiration of any policy, you shall deliver to Franchisor certificate of insurance evidencing your compliance with this Article 7. Each certificate of insurance shall expressly provide that no less than 30 days prior written notice shall be given to Franchisor in the event of material alteration to or cancellation or non-renewal of the coverages evidenced by such certificates.

7.2.2. If you fail to procure or maintain these minimum insurance requirements, Franchisor or its designee has the right (but is not required) to procure such insurance on your behalf. Such right shall be in addition to and not in lieu of any other rights or remedies available to Franchisor. If this occurs, you shall reimburse Franchisor the cost of the premium and pay a reasonable administrative fee not to exceed $1,000, upon demand.

7.2.1. You shall maintain in full force and effect at all times during the term of this Agreement, at your expense, an insurance policy or policies protecting you, Franchisor and its Affiliates, and their

respective partners, shareholders, directors, managers, agents, and employees, against any demand or claim with respect to personal and bodily injury, death, or property damage, or any loss, liability, or expense arising or occurring upon or in connection with the operation of the business contemplated under this Agreement.

7.3. Indemnification. You shall indemnify and hold harmless to the fullest extent by law, Franchisor, its Affiliate and their respective directors, officers, managers, employees, shareholders, and agents, (collectively, "**Indemnitees**") from any and all "**losses and expenses**" (as hereinafter defined) incurred in connection with any litigation or other form of adjudicatory procedure, claim, demand, investigation, or formal or informal inquiry (regardless of whether same is reduced to judgment) or any settlement thereof arising out of or related to the business contemplated under this Agreement ("**event**"), and regardless of whether same resulted from any strict or vicarious liability imposed by law on the Indemnitees; provided, however, that this indemnity shall not apply to any liability arising from the gross negligence of Indemnitees (except to the extent that joint liability is involved, in which event the indemnification provided in this Agreement shall extend to any finding of comparative negligence or contributory negligence attributable to you). For the purpose of this Section 7.3, the term "**losses and expenses**" include compensatory, exemplary, or punitive damages; fines and penalties; attorneys' fees; experts' fees; court costs; costs associated with investigating and defending against claims; settlement amounts; judgments; compensation for damages to Franchisor's reputation and goodwill; and all other costs associated with any of the foregoing losses and expenses. You shall give Franchisor prompt notice of any event of which you are aware, for which indemnification is required, and, at your expense and risk, Franchisor may elect to assume (but under no circumstance is obligated to undertake) the defense and/or settlement thereof, provided that Franchisor will seek your advice and counsel. Any assumption by Franchisor shall not modify your indemnification obligation. Franchisor may, in its sole and absolute discretion, take such actions as it seems necessary and appropriate to investigate, defend, or settle any event or take other remedial or corrective actions with respect thereof as may be, in Franchisor's sole and absolute discretion, necessary for the protection of the indemnities or the System.

8. TRANSFER OF INTEREST

8.1. Transfer by Franchisor. Franchisor may transfer or assign all or any part of its rights or obligations under this Agreement to any person or legal entity. With respect to any assignment which results in the subsequent performance by the assignee of all of Franchisor's obligations under this Agreement, the assignee shall expressly assume and agree to perform such obligations, and shall become solely responsible for all of Franchisor's obligations under this Agreement from the date of assignment. In addition, and without limitation to the foregoing, you expressly affirm and agree that Franchisor and/or its Affiliates may sell their assets, the Marks, Copyrighted Works or the System; may sell securities in a public offering or in a private placement; may merge, acquire other corporations, or be acquired by another corporation; and may undertake a refinancing, recapitalization, leveraged buy-out, or other economic or financial restructuring. With regard to any of the above sales, assignments and dispositions, you expressly and specifically waive any claims, demands, or damages arising from or relating to the loss of Franchisor's name, the Marks (or any variation thereof), Copyrighted Works, and System and/or the loss of association with or identification of Sunoco Retail LLC as the franchisor under this Agreement. You specifically waive any and all other claims, demands, or damages arising from or related to the foregoing merger, acquisition, and other business combination activities including, without limitation, any claim of divided loyalty, breach of fiduciary duty, fraud, breach of contract, or breach of the implied covenant of good faith and fair dealing. You agree that Franchisor has the right, now or in the future, to purchase, merge, acquire, or affiliate with an existing competitive or non-competitive franchise network, chain, or any other business regardless of the location of that chain's or business' facilities, and to operate, franchise or license those businesses and/or facilities as Stores operating under the Marks or any other marks following Franchisor's purchase, merger, acquisition or affiliation, regardless of the location of these facilities (which you acknowledge may be proximate to any Store developed under this Agreement).

8.2. Transfer by Individual Developer to Business Entity for Convenience. If you are an individual, you may transfer your interest in this Agreement to a Business Entity for convenience of operation within the first 12 months of this Agreement by signing Franchisor's standard form of assignment and assumption agreement if: (a) the Business Entity is formed solely for purposes of continuing your development rights and obligations; (b) you provide to Franchisor a copy of the Business Entity's formation and governing documents and a certificate of good standing from the jurisdiction under which the Business Entity was formed; (c) you sign a general release in favor of Franchisor and in the form Franchisor requires; and (d) you pay to Franchisor a $1,500 administrative fee.

8.3. Transfer Among Owners; Transfer of Non-Controlling Interest. If you are a Business Entity, your Owners may transfer their ownership interests in the Business Entity among each other, and may transfer up to a Non-Controlling Interest in the Business Entity to one or more third parties, if: (a) you have provided to Franchisor advance notice of the transfer; (b) Attachment C to this Agreement has been amended to reflect the new ownership; (c) each new Owner has signed a Guaranty and Personal Undertaking in the form of Attachment D; (d) each previous and/or new Owner has signed a general release in favor of Franchisor and in the form Franchisor requires, and (d) you pay to Franchisor a $2,500 administrative fee.

8.4. Transfer of Agreement; Transfer of Controlling Interest. All other transfers (including any sale or transfer of your interest in this Agreement and the sale of a Controlling Interest in you if you are a Business Entity) require Franchisor's prior written consent. Franchisor will not unreasonably withhold its consent to a transfer, but may condition its consent on satisfaction of any or all of the following:

8.4.1. Your written request for consent and delivery of a copy of the proposed transfer agreements, including sale terms, at least 30 days prior to the proposed transfer, and Franchisor has determined, in its sole and reasonable discretion, that the terms of the sale will not materially and adversely affect the post transfer viability of any Store in operation at the time of transfer.

8.4.2. The transferee has demonstrated to Franchisor's satisfaction that the transferee meets Franchisor's then-current educational, managerial and business standards; possesses a good moral character, business reputation and credit rating; has the aptitude and ability to operate each Store; and has sufficient equity capital to operate each Store (which condition shall be presumed if the transferee's net worth is equal to or exceeds your net worth at the time of transfer, excluding the value of each Store);

8.4.3. All of your accrued monetary obligations and all other outstanding obligations to Franchisor, its Affiliates, and third party suppliers shall be up to date, fully paid and satisfied, and you must be in full compliance with this Agreement and any other agreements between you and Franchisor, its Affiliates and your suppliers;

8.4.4. You and each Owner has executed a general release, in a form satisfactory to Franchisor, of any and all claims against Franchisor and its Affiliates and their respective officers, directors, managers, shareholders, agents and employees in their corporate and individual capacities, including, without limitation, claims arising under federal, state and local laws, rules and ordinances; provided, however, that any release will not be inconsistent with any state law regulating franchising;

8.4.5. Payment of the Transfer Fee in the amount set forth in the Summary Page;

8.4.6. You and the transferee have executed an assignment and assumption of this Agreement in the form prescribed by Franchisor;

8.4.7. If the transferee is a Business Entity, then the transferee's Owners each shall sign Franchisor's standard form of Guaranty and Personal Undertaking; and

8.4.8. The transferee has have complied with Franchisor's then-current initial training requirements for the operation of each then-existing Store.

8.5. Transfer of Franchise Agreements. Notwithstanding Section 8.4 of this Agreement, you may, with Franchisor's prior written consent, execute and contemporaneously assign your right to enter into a

Franchise Agreement pursuant to this Agreement to a business entity under common control with you if: ***(a)*** such business entity executes and complies with the terms and conditions of the Franchise Agreement; and ***(b)*** you pay Franchisor a Franchise Assignment Fee in the amount of $2,500.

8.6. Transfers Void. Any purported transfer, by operation of law or otherwise, made without Franchisor's prior written consent will be considered null and void and will be considered a material breach of this Agreement.

8.7. Security Interest. You may grant a security interest in this Agreement or the franchise represented by this Agreement only to the limited extent permitted by Section 9-408 of the Uniform Commercial Code. Any such security interest may only attach to an interest in the proceeds of the operation of the Store and may not entitle or permit the secured party to take possession of or operate the Store or to transfer your interest in this Agreement or the franchise without Franchisor's consent.

8.8. Private or Public Offerings. If you are a Business Entity and you intend to issue equity interests pursuant to a private or public offering, you shall first obtain Franchisor's written consent, which consent shall not be unreasonably withheld. You must provide to Franchisor for its review a copy of all offering materials (whether or not such materials are required by applicable securities laws) at least 60 days prior to such documents being filed with any government agency or distributed to investors. No offering shall imply (by use of the Marks or otherwise) that Franchisor is participating in an underwriting, issuance or offering of your securities, and Franchisor's review of any offering shall be limited to ensuring compliance with the terms of this Agreement. Franchisor may condition its approval on satisfaction of any or all of the conditions set forth in Section 8.4 and on execution of an indemnity agreement, in a form prescribed by Franchisor, by you and any other participants in the offering. For each proposed offering, you shall pay to Franchisor a retainer in an amount determined by Franchisor, which Franchisor shall use to reimburse itself for the reasonable costs and expenses it incurs (including, without limitation, attorneys' fees and accountants' fees) in connection with reviewing the proposed offering.

8.9 Transfer Upon Death or Incapacitation. Upon the death or permanent incapacity (mental or physical) of the Developer or any Owner, the executor, administrator, or personal representative of such person shall transfer such interest to a third party approved by Franchisor within six months after such death or mental incapacity. Such transfers, including, without limitation, transfers by devise or inheritance, shall be subject to the same conditions as an inter vivos transfer, except that the transfer fee shall be waived. In the case of transfer by devise or inheritance, however, if the heirs or beneficiaries of any such person are unable to meet the conditions of this Section 8, the executor, administrator, or personal representative of the decedent shall transfer the decedent's interest to another party approved by Franchisor within six months, which disposition shall be subject to all the terms and conditions for transfer contained in this Agreement. If the interest is not disposed of within such period, Franchisor may, at its option, terminate this Agreement, pursuant to Section 9.5.

8.10. Non-Waiver of Claims. Franchisor's consent to a transfer shall not constitute a waiver of any claims it may have against the transferring party, and it will not be deemed a waiver of Franchisor's right to demand strict compliance with any of the terms of this Agreement, or any other agreement to which Franchisor's and the transferee are parties, by the transferee.

9. DEFAULT AND TERMINATION

9.1. Termination In the Event of Bankruptcy or Insolvency. You shall be deemed to be in default under this Agreement, and all rights granted to you in this Agreement shall automatically terminate without notice, if you become insolvent or make a general assignment for the benefit of creditors; if a petition in bankruptcy is filed by you or such a petition is filed against you and you do not oppose it; if you are adjudicated as bankrupt or insolvent; if a bill in equity or other proceeding for the appointment of a receiver for you or other custodian for your business or assets is filed and consented to by you; if a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of

competent jurisdiction; if proceedings for a composition with creditors under any state or federal law is instituted by or against you; if a final judgment remains unsatisfied or of record for 30 days or longer (unless a supersedeas bond is filed); if you are dissolved; if execution is levied against your business or property; if judicial, non-judicial or administrative proceedings to foreclose any lien or mortgage against any Franchised Location premises or assets or equipment is instituted against you and not dismissed within 30 days; or if the real or personal property of the Store is sold after levy thereupon by any sheriff, marshal, or constable.

9.2. Termination with Notice and Without Opportunity to Cure. Franchisor has the right to terminate this Agreement, which termination will become effective upon delivery of notice without opportunity to cure if: (a) you fail to meet the Development Schedule; (b) you or any Owner is convicted of, or pleads no contest to, a felony, a crime involving moral turpitude, or any other crime or offense that Franchisor believes is reasonably likely to have an adverse effect on the System; (c) there is any transfer or attempted transfer in violation of Article 8 of this Agreement; (d) you or any Owner fails to comply with the confidentiality or non-compete covenants in Article 6 and Article 10 of this Agreement; (e) you or any Owner has made any material misrepresentations in connection with your developer application; (f) Franchisor delivers to you two or more written notices of default pursuant to this Article 9 within any rolling 12-month period, whether or not the defaults described in such notices ultimately are cured; or and (g) violate the non-disparagement requirements pursuant to Section 5.3. above.

9.3. Termination with 10-Day Cure Period. Franchisor has the right to terminate this Agreement, which termination will become effective upon delivery of written notice of termination, if you fail to cure the following defaults within 10 days after delivery of written notice: (a) failure to obtain or maintain required insurance coverage; (b) failure to pay any amounts due to Franchisor; (c) failure to pay any amounts due to your trade creditors (unless such amount is subject to a bona fide dispute); and (d) failure to pay any amounts for which Franchisor has advanced funds for or on your behalf, or upon which Franchisor is acting as guarantor of your obligations.

9.4. Termination with 30-Day Cure Period. Except as otherwise provided in this Article 9, Franchisor has the right to terminate this Agreement, which termination will become effective upon delivery of written notice of termination, if you fail to cure any curable default within 30 days after delivery of written notice.

9.5. Termination Related to Death or Permanent Incapacity. Franchisor has the right to terminate this Agreement if an approved transfer as required by Section 8.9 is not effected within the designated time frame following a death or permanent incapacity (mental or physical).

9.6. Cross-Default. Any default under any agreement between you and Franchisor or its Affiliates, which your failure to cure within any applicable cure period, shall be considered a default under this Agreement and shall provide an independent basis for termination of this Agreement.

9.7. Additional Remedies. If you are in Default of this Agreement, Franchisor may, in its sole discretion, elect to reduce the number of Stores which you may establish pursuant to the Development Schedule. If Franchisor elects to exercise this remedy as set forth above, you agree to continue to develop Stores in accordance with your rights and obligations under this Agreement, as modified. Franchisor's exercise of its remedy under this Section 9.7 shall not constitute a waiver by Franchisor to exercise Franchisor's option to terminate this Agreement at any time with respect to a subsequent event of default of a similar or different nature.

10. COVENANTS

10.1. Non-Competition After Expiration or Termination of Agreement. For a two-year period following a default that has led to early termination of this Agreement, you and any Affiliate shall not either directly or indirectly, for yourselves, or through, on behalf of, or in conjunction with any person, persons, or legal entity, own, maintain, advise, operate, engage in, be employed by, perform services for, consult with, or have any interest in, a relationship, or associate with any Competitive Business, and (a) is, or is intended to

be, located within the former Development Area; or (b) within a 25-mile radius of any APLUS Store in existence or under development at the time of such termination. Any Competitive Business that is already owned by you or your Affiliate at the time of early termination due to default is excepted from this Section 10.1. The obligations described in this Section 10.1 shall be tolled during any period of noncompliance and shall exclude any Competitive Business already open for business to the public at the time of expiration or termination of this Agreement.

10.2. Additional Provisions. The parties acknowledge and agree that Franchisor has the right, in its sole discretion, to reduce the scope of any covenant set forth in Sections 10.1, or any portion thereof, without your consent or the consent of any Owner, effective immediately upon delivery of written notice to the affected party; and you and each Owner agree that such person shall comply forthwith with any covenant as so modified, which shall be fully enforceable. You and each Owner expressly agree that the existence of any claims you may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Franchisor of the covenants in this Article 10. You agree to pay all costs and expenses (including reasonable attorneys' fees) incurred by Franchisor in connection with the enforcement of this Article 10.

10.3. Breach of Covenants Causes Irreparable Injury. You acknowledge that your violation of any covenant of this Article 10 would result in irreparable injury to Franchisor for which no adequate remedy at law may be available, and you consent to the issuance of, and agree to pay all court costs and reasonable attorneys' fees incurred by Franchisor in obtaining, without the posting of any bond, an *ex parte* or other order for injunctive or other legal or equitable relief with respect to such conduct or action.

10.4. Exception for Publicly Held Companies. The foregoing restrictions shall not apply to your ownership or any Owner's ownership of less than a 5% beneficial interest in the outstanding equity securities of any company registered under the Securities Act of 1933 or the Securities Exchange Act of 1934.

11. REPRESENTATIONS

11.1. Representations of Franchisor. Franchisor represents and warrants that (a) Franchisor is duly organized and validly existing under the law of the state of its formation; (b) Franchisor is duly qualified and authorized to do business in each jurisdiction in which its business activities or the nature of the properties it owns requires such qualification; and (c) the execution of this Agreement and the performance of the transactions contemplated by this Agreement are within Franchisor's corporate power and have been duly authorized.

11.2. Representations of Developer.

11.2.1. You represent and warrant that the information set forth in Attachment C, incorporated by reference hereto, is accurate and complete in all material respects. You shall notify Franchisor in writing within 10 days of any change in the information set forth in Attachment C. You further represent to Franchisor that (a) you are duly organized and validly existing under the law of the state of your formation; (b) you are duly qualified and authorized to do business in each jurisdiction in which your business activities or the nature of the properties you own require such qualification; (c) your corporate charter or written partnership or limited liability company agreement, as applicable, will at all times provide that your activities are confined exclusively to the development and operation of the Store; and (d) The execution of this Agreement and the performance of the transactions contemplated by this Agreement are within your corporate power, or if you are a partnership or a limited liability company, are permitted under its written partnership or limited liability company agreement and have been duly authorized.

11.2.2. You acknowledge that you have conducted an independent investigation of the proposed franchise, and recognize that the business venture contemplated by this Agreement involves business risks and that its success will be largely dependent on your ability as an independent business person.

11.2.3. You represent to Franchisor that neither Franchisor nor its agents or representations have made any representations, and you have not relied on representations made by Franchisor or its agents or representatives, concerning actual or potential sales, expenses, or profit of an APLUS Store, except for information that may have been contained in Item 19 of the franchise disclosure document delivered to you in connection with your purchase of an APLUS Store.

11.2.4. You acknowledge that you have received a complete copy of Franchisor's Franchise Disclosure Document at least 14 calendar days before you signed this Agreement or paid any consideration to Franchisor for your franchise rights.

11.2.5. You acknowledge that you have read and that you understand the terms of this Agreement and its attachments, and that you have had ample time and opportunity to consult with an attorney or business advisor of your choice about the potential risks and benefits of entering into this Agreement.

11.2.6. You represent that neither your property nor any interest in your property, nor the property of any of your Owners, officers, directors, managers, partners, agents or employees, or their respective interests therein, have been blocked pursuant to Executive Order 13224 of September 23, 2001, pertaining to persons who commit, threaten to commit, or support terrorism ("**Blocked Persons**"). You represent and warrant to Franchisor that you will not accept money from or employ any Blocked Person.

12. NOTICES

12.1. Notices. All notices or demands shall be in writing and shall be served in person, by Express Mail, by certified mail; by private overnight delivery; or by or by facsimile or other electronic system. Service shall be deemed conclusively made: (a) at the time of service, if personally served; (b) 24 hours (exclusive of weekends and national holidays) after deposit in the United States mail, properly addressed and postage prepaid, if served by Express Mail; (c) upon the earlier of actual receipt or three calendar days after deposit in the United States mail, properly addressed and postage prepaid, return receipt requested, if served by certified mail; (d) 24 hours after delivery by the party giving the notice, statement or demand if by private overnight delivery; and (e) at the time of transmission by facsimile, if such transmission occurs prior to 5:00 p.m. on a Business Day and a copy of such notice is mailed within 24 hours after the transmission. Notices and demands shall be given to the respective parties at the addresses set forth on the Summary Pages, unless and until a different address has been designated by written notice to the other party. Either party may change its address for the purpose of receiving notices, demands and other communications as in this Agreement by providing a written notice given in the manner aforesaid to the other party.

13. CONSTRUCTION

13.1. Entire Agreement. This Agreement represents the entire fully integrated agreement between the parties concerning the subject matter hereof, and supersedes all other negotiations, agreements, representations, and covenants, oral or written. However, nothing in this Agreement is intended to disclaim or require you to waive reliance on any representation made in the franchise disclosure document that was delivered to you in connection with your purchase of an APLUS Store.

13.2. No Waiver. No waiver or modification of this Agreement or of any covenant, condition, or limitation herein contained shall be valid unless the same is made in writing and duly executed by the party to be charged therewith. No evidence of any waiver or modification shall be offered or received in evidence in any proceeding, arbitration, or litigation between the parties arising out of or affecting this Agreement, or the rights or obligations of any party hereunder, unless such waiver or modification is in writing, duly executed as aforesaid.

13.3. Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

13.4. Survival of Terms. Any provision or covenant of this Agreement which expressly or by its nature imposes obligations beyond the expiration or termination of this Agreement shall survive such expiration

or termination.

13.5. Definitions and Captions. Unless otherwise defined in this body of this Agreement, capitalized terms have the meaning ascribed to them in Attachment A ("**Glossary of Additional Terms**"). All captions in this Agreement are intended for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision of this Agreement.

13.6. Persons Bound. This Agreement shall be binding on the parties and their respective successors and assigns. As applicable, each Owner shall execute the Guaranty and Personal Undertaking attached as Attachment D. Failure or refusal to do so shall constitute a breach of this Agreement. You and each Owner shall be joint and severally liable for each person's obligations hereunder and under the applicable Guaranty and Personal Undertaking.

13.7. Rules of Construction. Neither this Agreement nor any uncertainty or ambiguity in this Agreement shall be construed or resolved against the drafter of this Agreement, whether under any rule of construction or otherwise. Terms used in this Agreement shall be construed and interpreted according to their ordinary meaning. If any provision of this Agreement is susceptible to two or more meanings, one of which would render the provision enforceable and the other(s) which would render the provision unenforceable, the provision shall be given the meaning that renders it enforceable.

13.8 Force Majeure. No Party shall be deemed in default of this Agreement for any delay or failure to fulfill any obligation (other than a payment obligation) hereunder so long as and to the extent to which any delay or failure in the fulfillment of such obligation is prevented, frustrated, hindered or delayed as a consequence of circumstances of Force Majeure, which shall be defined as those significant events outside the party's control, including but not limited to Acts of God, fire, flood, or other natural forces, war, acts of terrorism, civil unrest, government actions or regulations, national pandemic, or any other event similar to those enumerated above. Such excuse from liability shall be effective only to the extent and duration of the event(s) causing the failure or delay in performance and provided that the Party has not caused such event(s) to occur and continues to use diligent, good faith efforts to avoid the effects of such event and to perform the obligation. A Party claiming the benefit of this provision shall, as soon as reasonably practicable after the occurrence of any such event, (a) provide written notice to the other Party of the nature and extent of any such Force Majeure condition; (b) use commercially reasonable efforts to remove any such causes and resume performance under this Agreement, as applicable, as soon as reasonably practicable; and (c) otherwise continue performing its obligations hereunder.

13.9. Timing. Time is of the essence with respect to all provisions in this Agreement. Notwithstanding the foregoing, if performance of either party is delayed on account of a Force Majeure, the applicable deadline for performance shall be extended for a period commensurate with the Force Majeure, but not to exceed 12 months.

14. APPLICABLE LAW; DISPUTE RESOLUTION

14.1. Choice of Law. This Agreement and all claims arising out of or related to this Agreement or the parties' relationship created hereby shall be construed under and governed by the laws of the State of Texas (without giving effect to any conflict of laws).

14.2. Venue. The parties agree that any action brought by either party against the other in any court, whether federal or state, shall be brought and maintained exclusively and within the state and federal judicial district court in which Franchisor maintains a principal place of business at the time the action is initiated (currently Dallas, Texas), and the parties hereby waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision. Nothing contained in this Agreement bars Franchisor's right to seek injunctive relief from any court of competent jurisdiction; and you agree to pay all costs and reasonable attorneys' fees incurred by Franchisor in obtaining such relief.

14.3. Non-exclusivity of Remedy. No right or remedy conferred upon or reserved to Franchisor or you by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy in this Agreement or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy.

14.4. WAIVER OF JURY TRIAL. FRANCHISOR AND YOU IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM AGAINST THE OTHER, WHETHER OR NOT THERE ARE OTHER PARTIES IN SUCH ACTION OR PROCEEDING.

14.5. WAIVER OF PUNITIVE DAMAGES. THE PARTIES HEREBY WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM OF ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT IN THE EVENT OF A DISPUTE BETWEEN THEM EACH SHALL BE LIMITED TO THE RECOVERY OF ANY ACTUAL DAMAGES SUSTAINED BY IT.

14.6. Time Limitation to Bring a Claim. You shall not assert any claim or cause of action against us, our officers, directors, shareholders, employees, or Affiliates after two years following the event giving rise to such claim or cause of action.

14.7. Attorneys' Fees. If either party commences a legal action against the other party arising out of or in connection with this Agreement, the prevailing party shall be entitled to have and recover from the other party its reasonable attorneys' fees and costs of suit.

14.8. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective on the Effective Date set forth above.

FRANCHISOR	**DEVELOPER**
SUNOCO RETAIL LLC	
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

SUNOCO RETAIL LLC
DEVELOPMENT AGREEMENT

ATTACHMENT A
GLOSSARY OF ADDITIONAL TERMS

"**Affiliate**" means any entity that is affiliated with, a subsidiaries of, or a parent of the named person, entity or Owner or that is controlled by, controlling or under common control with such named person, entity or Owner.

"**Business Entity**" means any person with the power to enter into contracts, other than a natural person. The term includes a corporation, limited liability company, limited partnership, and trust.

"**Captive Market**" means venues that service a captive market, including, but not limited to, turnpikes, thruways, toll roads, airports, travel plazas, arenas, convention centers, or military bases, or venues at which food and/or beverage service rights are contracted to a third party;

"**Competitive Business**" means any business that offers or provides (or grants franchises or licenses to others to operate a business that offers or provides) Competitive Services; provided, however, that the term "Competitive Business" shall not apply to **(a)** any business operated by Developer under a Franchise Agreement with Franchisor, or **(b)** any business operated by a publicly-held entity in which Developer owns less than a five percent (5%) legal or beneficial interest;.

"**Confidential Information**" means technical and non-technical information used in or related to the APLUS and/or SUNOCO franchised business and not commonly known by or available to the public, including, without limitation, Trade Secrets, methods and products, customer services techniques and other techniques and methodologies not generally known to the industry or public, and any other information identified or labeled as confidential when delivered by Franchisor. Confidential Information shall not include, however, any information that: **(a)** is now or subsequently becomes generally available to the public through no fault of Franchisee; **(b)** Franchisee can demonstrate was rightfully in its possession, without obligation of nondisclosure, prior to disclosure pursuant to this Agreement; **(c)** is independently developed without the use of any Confidential Information; or **(d)** is rightfully obtained from a third party who has the right, without obligation of nondisclosure, to transfer or disclose such information.

"**Controlling Interest**" means: **(a)** if you are a corporation, limited liability company, or other corporate entity that the Owners, either individually or cumulatively **(i)** directly or indirectly own at least 51% of the shares of each class of the developer entity's issued and outstanding capital stock or membership units, as applicable; and **(ii)** are entitled, under its governing documents and under any agreements among the Owners, to cast a sufficient number of votes to require such entity to take or omit to take any action which such entity is required to take or omit to take under this Agreement; or **(b)** if you are a partnership, that the Owners **(i)** own at least 51% interest in the operating profits and operating losses of the partnership as well as at least 51% ownership interest in the partnership (and at least 51% interest in the shares of each class of capital stock of any corporate general partner); and **(ii)** are entitled under its partnership agreement or applicable law to act on behalf of the partnership without the approval or consent of any other partner or be able to cast a sufficient number of votes to require the partnership to take or omit to take any action which the partnership is required to take or omit to take under this Agreement. Any interest less than 51% of the corporation, limited liability company, or partnership is a "**Non-Controlling Interest**."

"**Copyrighted Works**" means, including but not limited to, works of authorship which are owned by Franchisor or its Affiliates and fixed in a tangible medium of expression including, without limitation, the ~~content~~contents of ~~the Manual~~SunocoNet, the design elements of the Marks, Franchisor's advertising and promotional materials, and the content and design of Franchisor's Web site.

"**Development Period**" means each of the time periods indicated on Attachment B during which you shall have the right and obligation to construct, equip, open and thereafter continue to operate APLUS Stores.

"**Franchise Agreement**" means the form of agreement prescribed by Franchisor and used to grant to you the right to own and operate a single Store, including all attachments, exhibits, riders, guarantees or other related instruments, all as amended from time to time.

"**Owner**" means each individual or entity holding a beneficial ownership in the franchisee. It includes all shareholders of a corporation, all members of a limited liability company, all general and limited partners of a partnership, and the grantor and the trustee of the trust.

SUNOCO RETAIL LLC
DEVELOPMENT AGREEMENT

ATTACHMENT B
DEVELOPMENT SCHEDULE

The "Development Area" is as follows:

The "Development Schedule" is as follows:

Development Period	Expiration Date of Development Period	Cumulative Total Number of Stores Located in the Development Area which Developer Shall Have Open and in Operation in the Development Area
1		
2		
3		

The "Projected Commencement Dates" are as follows:

Store	Projected Commencement Date	Franchise Agreement Execution Date
1		
2		
3		

IN WITNESS WHEREOF, the parties hereof have executed this Attachment B effective for all purposes as of the Effective Date.

FRANCHISOR
SUNOCO RETAIL LLC

By: _____
Name: _____
Title: _____

DEVELOPER

By: _____
Name: _____
Title: _____

SUNOCO RETAIL LLC
DEVELOPMENT AGREEMENT

ATTACHMENT C
ENTITY INFORMATION

If Developer is an entity, you represent and warrant that the following information is accurate and complete in all material respects as of _____.

(1) Developer is a _____, formed under the laws of the state of _____.

(2) You shall provide to Franchisor concurrently with the execution hereof true and accurate copies of the Developer's charter documents and governing documents including Articles of Incorporation, Bylaws, Operating Agreement, Partnership Agreement, resolutions authorizing the execution hereof, and any amendments to the foregoing.

(3) You promptly shall provide such additional information as Franchisor may from time to time request concerning all persons who may have any direct or indirect financial interest in the franchisee entity.

(4) The name and address of each of Owner:

Name	Address	Number of Shares or Percentage Interest

FRANCHISOR
SUNOCO RETAIL LLC

By: _____
Name: _____
Title: _____

DEVELOPER

By: _____
Name: _____
Title: _____

SUNOCO RETAIL LLC
DEVELOPMENT AGREEMENT

ATTACHMENT D
GUARANTY AND PERSONAL UNDERTAKING

1. I have read the Development Agreement between Sunoco Retail LLC and _____ ("**Developer**").

2. I own a beneficial interest in the Developer, and would be considered an "**Owner**" within the definition contained in Development Agreement.

3. I understand that, were it not for this Guaranty and Personal Undertaking ("**Guaranty**"), Franchisor would not have agreed to enter into the Development Agreement with the Developer.

4. I will comply with all of the provisions contained in Article 6 of the Development Agreement concerning the use of the Confidential Information. I will maintain the confidentiality of all Confidential Information disclosed to me. I agree to use the Confidential Information only for the purposes authorized under the Development Agreement. I further agree not to disclose any of the Confidential Information, except (a) to the Developer's employees on a need to know basis, (b) to the Developer's and my legal and tax professionals to the extent necessary for me to meet my legal obligations, and (c) as otherwise may be required by law.

5. I will comply with all of the provisions contained in Article 8 of the Development Agreement concerning the assignment of my Development Agreement.

6. For a two-year period after I cease to be an Owner (or two years after termination or expiration of the Development Agreement, whichever occurs first) and if I am in default of the Development Agreement, I will not:

(a) Divert or attempt to divert any present or prospective customer of the APLUS Store to any competitor or do anything to harm the goodwill associated with the Marks and the System; or

(b) Own, maintain, advise, operate, engage in, be employed by, make loans to, invest in, provide any assistance to, or have any interest in (as owner or otherwise) or relationship or association with any Competitive Business, and (a) is, or is intended to be, located within the former Development Area; or (b) within a 25-mile radius of any APLUS Store in existence or under development at the time of such expiration, termination or transfer. The obligations described in this Section 6 shall be tolled during any period of noncompliance and shall exclude any Competitive Business already open for business to the public at the time of expiration or termination of the Development Agreement.

7. I agree that the provisions contained in Article 14 of the Development Agreement will apply to any dispute arising out of or relating to this Guaranty. If Franchisor brings any legal action to enforce its rights under this Guaranty, I will reimburse Franchisor its reasonable attorneys' fees and costs.

8. I hereby guarantee the prompt and full payment of all amounts owed by the Developer under the Development Agreement.

9. I will pay all amounts due under this Guaranty within 14 days after receiving notice from Franchisor that the Developer has failed to make the required payment. I understand and agree that Franchisor need not exhaust its remedies against the Developer before seeking recovery from me under this Guaranty.

10. No modification, change, impairment, or suspension of any of Franchisor's rights or remedies shall in any way affect any of my obligations under this Guaranty. If the Developer has pledged other security or if one or more other persons have personally guaranteed performance of the Developer's obligations, I agree that Franchisor's release of such security will not affect my liability under this Guaranty.

11. **I WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, INVOLVING FRANCHISOR, WHICH ARISES OUT OF OR IS RELATED IN ANY WAY TO THE DEVELOPMENT AGREEMENT AND/OR THE PERFORMANCE OF ANY PARTY UNDER THE DEVELOPMENT AGREEMENT**.

12. I understand that Franchisor's rights under this Guaranty shall be in addition to, and not in lieu of, any other rights or remedies available to Franchisor under applicable law.

13. I agree that any notices required to be delivered to me will be deemed delivered at the time delivered by hand; one business day after electronically confirmed transmission by facsimile or other electronic system; one business day after delivery by Express Mail or other recognized, reputable overnight courier; or three business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid and addressed to the address identified on the signature line below. I may change this address only by delivering to Franchisor written notice of the change.

Executed on the date set forth below:

GUARANTOR

_____

Name: _____

Address for Notices:

Date: _____

SUNOCO RETAIL LLC

ATTACHMENT E TO THE DEVELOPMENT AGREEMENT

CALIFORNIA AMENDMENT TO THE DEVELOPMENT AGREEMENT

THIS AMENDMENT TO DEVELOPMENT AGREEMENT effective _____, ("**Amendment**") is intended to be a part of, and by this reference is incorporated into that certain Development Agreement ("**Development Agreement**") between Sunoco Retail, LLC, ("**Franchisor**") and _____ ("**Developer**").

Where and to the extent that any of the provisions of this Amendment are contrary to, in conflict with or inconsistent with any provision contained in the Development Agreement, the provisions contained in this Amendment shall control. Defined terms contained in the Development Agreement shall have the identical meanings in this Amendment.

1. Sections 8.3 and 8.4 of the Development Agreement are amended with the following:

   It is unlawful for a franchisor to prevent a developer from selling or transferring a franchise, all or substantially all of the assets of the Franchised Business, or a controlling or non-controlling interest in the Franchised Business, to another person provided that the person is qualified under the franchisor's then-existing standards for the approval of new or renewing developers, these standards to be made available to the developer, as provided in Section 20029, if applicable, and to be consistently applied to similarly situated franchises operating within the franchise brand, and the developer and the buyer, transferee, or assignee comply with the transfer conditions specified in the franchise agreement. Any purported transfer without such approval shall be null and void and shall constitute a material breach of this Agreement. A Developer shall not have the right to sell, transfer, or assign the franchise, all or substantially all of the assets of the Franchised Business, or a controlling or non-controlling interest in the Franchised Business, without the written consent of the Franchisor, except that the consent shall not be withheld unless the buyer, transferee, or assignee does not meet the standards for new or renewing franchises described in subdivision (a) of the California Business and Professions Code, Section 20028, if applicable, or the Developer and the buyer, transferee, or assignee do not comply with the transfer conditions specified in the franchise agreement.

2. Article 14 of the Development Agreement is supplemented by the following:

   "For developers operating outlets located in California, the California Franchise Investment Law and the California Franchise Relations Act will apply regardless of the choice of law or dispute resolution venue stated elsewhere. Any language in the Development Agreement or any amendment thereto or any agreement to the contrary is superseded by this condition."

3. No Statement, questionnaire, or acknowledgement signed by a developer in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

4. To the extent this Amendment shall be deemed to be inconsistent with any terms or conditions of said Development Agreement or exhibits or attachments thereto, the terms of this Amendment shall govern.

[*signature page follows*]

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Amendment, and understands and consents to be bound by all of its terms.

FRANCHISOR:	**DEVELOPER:**
SUNOCO RETAIL LLC	
By:	By:
[insert Name/Title]	[insert Name/Title]

SUNOCO RETAIL LLC

ATTACHMENT E TO THE DEVELOPMENT AGREEMENT

ILLINOIS AMENDMENT TO THE DEVELOPMENT AGREEMENT

THIS AMENDMENT TO DEVELOPMENT AGREEMENT effective _____, ("**Amendment**") is intended to be a part of, and by this reference is incorporated into that certain Development Agreement ("**Development Agreement**") between Sunoco Retail LLC ("**Franchisor**", "**Sunoco**" or "**we**") and _____ ("**Developer**" or "**you**").

1. The Illinois Attorney General's Office requires that certain provisions contained in franchise documents be amended to be consistent with Illinois law, including the Franchise Disclosure Act of 1987, 815 ILCS 705/1-44, (collectively, the "**Act**"). To the extent that this Development Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

a. Section 41 of the Act provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

b. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, arbitration may take place outside of Illinois.

c. Illinois law shall apply to and govern the Development Agreement.

d. Your rights upon termination and non-renewal of the Development Agreement are set forth in Sections 19 and 20 of the Act.

2. Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the Illinois Franchise Disclosure Act and law applicable to the provisions are met independently of this Amendment. To the extent this Amendment shall be deemed to be inconsistent with any terms or conditions of said Development Agreement or exhibits or attachments thereto, the terms of this Amendment shall govern.

3. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Amendment, and understands and consents to be bound by all of its terms.

FRANCHISOR:	**DEVELOPER:**
SUNOCO RETAIL LLC	
By: _____	By: _____
[insert Name/Title]	[insert Name/Title]

SUNOCO RETAIL LLC

ATTACHMENT E TO THE DEVELOPMENT AGREEMENT

MARYLAND AMENDMENT TO THE DEVELOPMENT AGREEMENT

THIS AMENDMENT TO DEVELOPMENT AGREEMENT effective _____, ("**Amendment**") is intended to be a part of, and by this reference is incorporated into that certain Development Agreement ("**Development Agreement**") between Sunoco Retail LLC ("**Franchisor**", "**Sunoco**" or "**we**") and _____ ("**Developer**" or "**you**").

1. In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, Md. Code Ann., Bus. Reg. §§14-201-14-233, the Development Agreement is amended as follows:

- Sections 4.5.4, 8.2, 8.3, and 8.4.4 require Franchisee to sign a general release as a condition of renewal or transfer of the Franchise, such release shall exclude claims arising under the Maryland Franchise Registration and Disclosure Law.
- Section 14.1 requires that the Franchise be governed by the laws of the State of Texas however, in the event of a conflict of laws to the extent required by the Maryland Franchise Registration and Disclosure Law, the laws of the State of Maryland shall prevail.
- Section 14.2 requires litigation to be conducted in the State of Texas; the requirement shall not limit any rights Franchisee may have under the Maryland Franchise Registration and Disclosure Law to bring suit in the State of Maryland.
- Any Section of the Development Agreement requiring Franchisee to assent to any release, estoppel or waiver of liability as a condition of purchasing the Franchise are not intended to, nor shall they act as a, release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.
- Section 14.6 is amended to the extent that any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the Franchise.

2. Any portion of the Development Agreement which requires prospective franchisees to disclaim the occurrence and/or acknowledge the non-occurrence of acts would constitute a violation of the Maryland Franchise Registration and Disclosure Law. Any such representations are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

3. Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law applicable to the provisions are met independently of this Amendment. To the extent this Amendment shall be deemed to be inconsistent with any terms or conditions of said Development Agreement or exhibits or attachments thereto, the terms of this Amendment shall govern.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Amendment, and understands and consents to be bound by all of its terms.

FRANCHISOR:	**DEVELOPER:**
SUNOCO RETAIL LLC	
By: _____	By: _____
[insert Name/Title]	[insert Name/Title]

SUNOCO RETAIL LLC

ATTACHMENT E TO THE DEVELOPMENT AGREEMENT

RHODE ISLAND AMENDMENT TO THE DEVELOPMENT AGREEMENT

THIS AMENDMENT TO DEVELOPMENT AGREEMENT effective _____, ("**Amendment**") is intended to be a part of, and by this reference is incorporated into that certain Development Agreement ("**Development Agreement**") between Sunoco Retail LLC ("**Franchisor**", "**Sunoco**" or "**we**") and _____ ("**Developer**" or "**you**").

In recognition of the requirements of the Rhode Island Franchise Investment Act, the Development Agreement is amended as follows:

1. Franchisor will not require that Franchisee prospectively assent to a waiver, condition, stipulation, or provision that purports to relieve any person from liability imposed by the Rhode Island Franchise Investment Act. This provision does not apply to the settlement of disputes, claims, or civil lawsuits brought under the Rhode Island Franchise Investment Act.

2. If a claim is enforceable under the Rhode Island Franchise Investment Act, Franchisor will not restrict jurisdiction or venue to a forum outside the State of Rhode Island or require the application of the laws of another state.

3. Franchisor will not prohibit Franchisee from joining a trade association or association of franchisees. Franchisor will not retaliate against Franchisee for engaging in these activities.

4. Any provision in the Development Agreement that limits the time period in which Franchisee may assert a legal claim against Franchisor under the Rhode Island Franchise Investment Act is amended to provide for a four (4) year statute of limitations for purposes of bringing a claim arising under the Rhode Island Franchise Investment Act. Notwithstanding the foregoing, if a rescission offer has been approved by the Rhode Island director of business registration, then the statute of limitations is ninety (90) days after Franchisee's receipt of the rescission offer.

Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the Rhode Island Franchise Investment Act applicable to the provisions are met independently of this Amendment. To the extent this Amendment shall be deemed to be inconsistent with any terms or conditions of said Development Agreement or exhibits or attachments thereto, the terms of this Amendment shall govern.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Amendment, and understands and consents to be bound by all of its terms.

FRANCHISOR:	**DEVELOPER:**
SUNOCO RETAIL LLC	
By: _____	By: _____
[insert Name/Title]	[insert Name/Title]

THE SUNOCO RETAIL LLC
DEVELOPMENT AGREEMENT

ATTACHMENT F
FORM OF FRANCHISE AGREEMENT

(REFER TO EXHIBIT A OF THIS DISCLOSURE DOCUMENT)

EXHIBIT C

LIST OF CURRENT AND FORMER FRANCHISEES

LIST OF CURRENT FRANCHISEES AS OF DECEMBER 31, ~~2024~~2025

Franchisee	~~Address~~Phone	Street~~City~~	City~~ST~~	~~Zip~~Stat
Connecticut				
BRIGHT SEAS LLC	347-268-5897~~737 W MAIN ST~~	737 W MAIN ST~~NEW BRITAIN~~	NEW BRITAIN~~CT~~	~~06053~~C
EAGLE MINI MART INC	860-344-1823~~519 WASHINGTON AVE~~	519 WASHINGTON AVE~~MIDDLETOWN~~	MIDDLETOWN~~CT~~	~~06457~~C
EASYS MART W LLC	860-224-9049~~625 HARTFORD RD~~	625 HARTFORD RD~~NEW BRITAIN~~	NEW BRITAIN~~CT~~	~~06053~~C
GREENWICH PETROLEUM INC	203-869-5373~~510 E PUTNAM AVE~~	510 E PUTNAM AVE~~GREENWICH~~	GREENWICH~~CT~~	~~06830~~C
KHALID A SHAH	203-488-0590~~700 W MAIN ST~~	700 W MAIN ST~~BRANFORD~~	BRANFORD~~CT~~	~~06405~~C
NORTH HAVEN PETRO LLC	203-507-2032~~95 WASHINGTON ST~~	95 WASHINGTON ST~~NORTH HAVEN~~	NORTH HAVEN~~CT~~	~~06473~~C
OWEN MINI MART INC	~~163 BRIDGE ST~~	163 BRIDGE ST~~EAST WINDSOR~~	EAST WINDSOR~~CT~~	~~06088~~C
RKB ENTERPRISES INC	860-358-9114~~115 BERLIN RD~~	115 BERLIN RD~~CROMWELL~~	CROMWELL~~CT~~	~~06416~~C
SHREE AUM LLC	203-467-1675~~80 FRONTAGE RD~~	80 FRONTAGE RD~~EAST HAVEN~~	EAST HAVEN~~CT~~	~~06512~~C
Washington D.C.				
Capitol Hill Food and Fuel LLC	202-547-3123 ~~1248 Pennsylvania Avenue SE~~	1248 Pennsylvania Avenue SE ~~Washington~~	Washington~~DC~~	~~20003~~D
E&C Enterprises, Incorporated	202-265-2444~~1442 U ST NW~~	1442 U ST NW ~~Washington~~	Washington~~DC~~	DC~~2000~~
Delaware				
~~Arm Enterprises~~ARM ENTERPRISES LLC	~~285 Christiana Rd~~	~~New Castle~~285 CHRISTIANA RD	~~DE~~NEW CASTLE	~~19720~~D
~~Bandesha Oil Inc~~	~~1201 North Dupont Highway~~	~~New Castle~~	~~DE~~	~~19720~~
~~Bandesha Petroleum Inc~~BANDESHA PETROLEUM INC	302-533-7889~~1106 S College Avenue~~	~~Newark~~1106 S COLLEGE AVE	~~DE~~NEWARK	~~19713~~D
~~Bizuwork Inc.~~BIZUWORK INC	302-656-9096~~1701 Pennsylvania Avenue~~	~~Wilmington~~1701 PENNSYLVANIA AVE	~~DE~~WILMINGTON	~~19806~~D
~~Krishna Petroleum Inc.~~KRISHNA PETROLEUM INC	302-656-8803~~1950 Maryland Avenue~~	~~Wilmington~~1950 MARYLAND AVE	~~DE~~WILMINGTON	~~19805~~D
~~Lucky Bobby Inc~~LUCKY	302-798-8732~~3615~~	~~Claymont~~3615 PHILADELPHIA	~~DE~~CLAYMONT	~~19703~~D

Franchisee	~~Address~~Phone	Street~~City~~	City~~ST~~	~~Zip~~Stat
BOBBY OIL INC	~~Philadelphia Pike & Darly~~	PIKE & DARLY		
M&M ~~Newark, Inc.~~NEWARK INC	302-368-8832~~287 Elkton Road~~	~~Newark~~287 ELKTON RD	~~DE~~NEWARK	~~19711~~DE
OM FUEL INC	302-326-1638	1201 N DUPONT HWY	NEW CASTLE	DE
SAIBABAS AASHIRWAD ALWAYS INC		3596 WRANGLE HILL ROAD	BEAR	DE
~~Shane~~SHANE O ~~Inc.~~INC	302-378-4006~~412 North 6th Street~~	~~Odessa~~412 N 6TH ST	~~DE~~ODESSA	~~19730~~DE
Massachusetts				
~~Canton Gas & Convenience Inc~~CANTON GAS & CONVENIENCE INC	781-828-9190~~702 Neponset Street~~	~~Canton~~702 NEPONSET ST	~~MA~~CANTON	~~02021~~MA
~~Canton Octane Inc.~~CANTON OCTANE INC	978-568-9226~~422 Main Street~~	~~Hudson~~422 MAIN ST	~~MA~~HUDSON	~~01749~~MA
~~Cheng~~CHENG S ~~Mini Mart, Inc.~~MINI MART INC	508-797-5880~~527 Southwest Cutoff~~	~~Worcester~~527 SOUTHWEST CUTOFF	~~MA~~WORCESTER	~~01607~~MA
~~Double~~DOUBLE R ~~Automotive Inc~~AUTOMOTIVE INC	508-543-9376~~105 Main Street~~	~~Foxboro~~105 MAIN ST	~~MA~~FOXBOROUGH	~~02035~~MA
~~Everett Petroleum Inc.~~EVERETT PETROLEUM INC	~~1707 Revere Beach Parkway~~	~~Everett~~1707 REVERE BEACH PKWY	~~MA~~EVERETT	~~02149~~MA
~~Hanover Auto Center~~HANOVER AUTO CENTER	781-421-3089~~1970 Washington Street~~	~~Hanover~~1970 WASHINGTON ST	~~MA~~HANOVER	~~02339~~MA
~~Joe Jad Joele Corp.~~JOE JAD JOELLE CORP	508-885-6494~~73 West Main Street~~	~~Spencer~~73 W MAIN ST	~~MA~~SPENCER	~~01562~~MA
~~Khalil Management Inc.~~KHALIL MGMT INC	781-224-0001~~493 Salem Street~~	~~Wakefield~~493 SALEM ST	~~MA~~WAKEFIELD	~~01880~~MA
~~Lamis Petroleum Inc.~~LAMIS PETROLEUM INC	~~144 Newbury Street~~	~~Peabody~~144 NEWBURY ST	~~MA~~PEABODY	~~01960~~MA
~~Mughal Brothers~~MUGHAL BROTHERS	781-871-1041~~336 Centre Avenue~~	~~Abington~~336 CENTRE AVE	ABINGTON~~MA~~	~~02351~~MA
~~Northeast Sky Investments Inc.~~	~~515 Providence Highway~~	~~Norwood~~	~~MA~~	~~02062~~
~~Oxford Enterprises, Inc.~~OXFORD ENTERPRISES INC	508-987-3692~~366 Main Street~~	~~Oxford~~366 MAIN ST	~~MA~~OXFORD	~~01540~~MA

Franchisee	AddressPhone	StreetCity	CityST	ZipStat
Six Brothers, Inc.SIX BROTHERS INC	617-713-0651454 Harvard Street	Brookline454 HARVARD ST	MABROOKLINE	02446M
SK&S K & L Cambridge CAMBRIDGE LLC	266 Massachusetts Avenue	Cambridge266 MASSACHUSETTS AVE	MACAMBRIDGE	02139M
Somerset Fuel LLCSOMERSET FUEL INC	525 County Street	Somerset525 COUNTY ST	MASOMERSET	02726M
Stamatios KardarisSTAMATIOS KARDARIS	781-878-7359117 Pond Street	Norwell117 POND ST	MANORWELL	02061M
Maryland				
313 E. Joppa JOPPA RD LLC	443-324-1216313 E. Joppa Rd	Towson313 E JOPPA RD	MDTOWSON	21286M
A&I EnterprisesENTERPRISE X, Inc. INC	410-761-4700327 Hospital Drive	Glen Burnie327 HOSPITAL DR	MDGLEN BURNIE	21061M
A&I Enterprises XIII Inc	7930 Crain Highway S	Glen Burnie	MD	21061
Convenience Marketing & Solutions Inc.CONVENIENCE MKTG & SOLUTIONS INC	301-567-4613111 North Cove Terrace	Oxon Hill111 N COVE TER	MDOXON HILL	20745M
D&S PetroleumPETROLEUM LLC	410-272-00851319 Riverside Parkway	Belcamp1319 RIVERSIDE PKWY	MDBELCAMP	21017M
DipenDIPEN V. Patel PATEL &	410-287-65702391 West Pulaski Highway	North East2391 W PULASKI HWY	MDNORTH EAST	21901M
Dodge Park Services Inc.DODGE PARK SVCS INC	301-341-56047620 Landover Road	Landover7620 LANDOVER RD	MDLANDOVER	20785M
EAST ROCKVILLE S INC	301-460-7800	4100 ASPEN HILL RD	ROCKVILLE	MD
Four Star Enterprises, Inc.FOUR STAR ENTERPRISE INC	301-249-758712224 Central Road	Mitchellville12224 CENTRAL AVENUE	MDMITCHELLVILLE	20721M
Hagerstown Gas & Go, Inc.SBD OIL LLC	301-515-24601000 Dual Highway	Hagerstown19738 GERMANTOWN RD	MDGERMANTOWN	21740M
Ji Soo SongA&I ENTERPRISE XIII INC	410-969-57844100 Aspen Hill Road	Rockville7930 CRAIN HIGHWAY S	MDGLEN BURNIE	MD2085
Jilani Fuels, Inc.JILANI FUELS INC	11235 York Road	Cockeysville11235 YORK RD	MDCOCKEYSVILLE	MD2103
NW PETRO INC	301-317-3664	820 2ND ST	LAUREL	MD

Franchisee	~~Address~~Phone	Street~~City~~	City~~ST~~	~~Zip~~Stat
MPT ~~Service, Inc.~~SVC INC	301-586-0060~~12040 Cherry Hill Road~~	~~Silver Spring~~12040 CHERRY HILL RD	~~MD~~SILVER SPRING	~~20904~~M
~~Nw Petro Inc~~	~~820 2nd Street~~	~~Laurel~~	~~MD~~	~~20707~~
~~Olney Group~~OLNEY GROUP LLC	301-774-6555~~3100 Olney Sandy Spring Road~~	~~Olney~~3100 OLNEY SANDY SPRING RD	~~MD~~OLNEY	~~20832~~M
~~Richard Waller Wiser, Inc.~~	~~100 W. Timonium Road~~	~~Timonium~~	~~MD~~	~~21093~~
~~Rising Dm Inc.~~RISING DM INC	410-658-3851~~355 Telegraph Road~~	~~Rising Sun~~355 TELEGRAPH RD	~~MD~~RISING SUN	~~21911~~M
~~River Hill Group,~~RIVER HILL GROUP LLC	410-531-7510~~5015 Signal Bell Lane~~	~~Clarksville~~5015 SIGNAL BELL LN	~~MD~~CLARKSVILLE	~~21029~~M
~~SBD Oil LLC~~	~~19738 Germantown Road~~	~~Germantown~~	~~MD~~	~~20874~~
~~Sirhandi Enterprises Inc Mdtpk~~SIRHANDI ENTERPRISES INC	410-287-5641~~JFK Memorial Highway I-95 Mark 96~~	~~North East~~JFK MEMORIAL HIGHWAY I-95 MARK 96	~~MD~~NORTH EAST	~~21901~~M
~~Sirhandi Ventures LLC MDTPK~~SIRHANDI VENTURES INC	410-272-3854~~JFK Memorial Hwy 1-95 Mark 82~~	~~Aberdeen~~JFK MEMORIAL HIGHWAY 1-95 MARK 82	~~MD~~ABERDEEN	MD~~2100~~
~~Springbrook Associates Inc.~~	~~9630 Myersville Road, PO Box 326~~	~~Myersville~~	~~MD~~	~~21773~~
~~Sunshine Ethio~~SUNSHINE ETHIO LLC	301-270-4776~~6907 New Hampshire Avenue~~	~~Takoma Park~~6907 NEW HAMPSHIRE AVE	~~MD~~TAKOMA PARK	~~20912~~M
TIMONIUM PETRO INC	410-252-7505	100 W TIMONIUM RD	TIMONIUM	MD
~~Vas Mark Inc~~VAS MARK INC	410-902-1400~~9330 Lakeside Boulevard~~	~~Owings Mills~~9330 LAKESIDE BLVD	~~MD~~OWINGS MILLS	MD~~2111~~
~~Vineve~~VINEVE LLC	410-974-4670~~1506 Ritchie Highway~~	~~Arnold~~1506 RITCHIE HWY	~~MD~~ARNOLD	~~21012~~M
~~Waugh Chapel Mart Inc.~~WAUGH CHAPEL INC	410-451-4150~~1025 Maryland Route 3 N~~	~~Gambrills~~1025 MARYLAND RTE 3 N	~~MD~~GAMBRILLS	~~21054~~M
New Jersey				
AS LAUREL SPRING C STORE INC~~As Laurel Spring C Store~~	856-245-7892~~1240 Chews Landing Road~~	~~Laurel Spring~~1280 CHEWS LNDG RD	~~NJ~~LAUREL SPRING	~~08021~~N
~~As Lindenwold C Store Inc.~~AS LINDENWOLD C STORE INC	856-344-2392~~1205 Blackwood-Clementon Road~~	~~Lindenwold~~1205 BLACKWOOD-CLEMENTON RD	~~NJ~~LINDENWOLD	~~08021~~N
CO-OP #7005 CLARA BARTON TPK	856-514-7596	NJ TPK MILEPOST 5.4S	CARNEYS POINT	NJ
CO-OP #7006 JOHN FENWICK TPK	856-514-7589	NJ TPK MILEPOST 5.4N	PENNS GROVE	NJ

Franchisee	~~Address~~Phone	Street~~City~~	City~~ST~~	~~Zip~~Stat
CO-OP #7007 WALT WHITMAN TPK	856-560-3032	NJ TPK MILEPOST 30.2S	CHERRY HILL	NJ
CO-OP #7008 JAMS F COOPER TPK	856-548-5316	NJ TPK MILEPOST 39.4N	MOUNT LAUREL	NJ
CO-OP #7009 RICH STOCKTON TPK	609-981-8263	NJ TPK MILEPOST 58.7S	HAMILTON TWP	NJ
CO-OP #7010 WOODROW WILSON TPK	609-581-1271	NJ TPK MILEPOST 58.7N	HAMILTON TWP	NJ
CO-OP #7011 MOLLY PITCHER TPK	609-395-6704	NJ TPK MILEPOST 71.7S	CRANBURY	NJ
CO-OP #7012 JOYCE KILMER TPK	848-289-2240	NJ TPK MILEPOST 78.7N	E BRUNSWICK	NJ
CO-OP #7013 THOMAS EDISON TPK	848-204-0494	NJ TPK MILEPOST 92.9S	WOODBRIDGE	NJ
CO-OP #7014 GROVER CLVLAND TPK	732-636-1298	NJ TPK MILEPOST 92.9N	WOODBRIDGE	NJ
CO-OP #7016 ALEX HAMILTON TPK	201-348-0656	NJ TPK MILEPOST 111.6E	SECAUCUS	NJ
CO-OP #7017 VINCE LOMBARDI TPK	551-314-0472	NJ TPK MILEPOST 116E/115W	RIDGEFIELD	NJ
CO-OP #7740 BRUCE WILLIS PLAZA	609-624-9392	GARDEN ST PKWY MP 18.2	OCEAN VIEW	NJ
CO-OP #7741 FRANK SINATRA	609-652-8234	GARDEN ST PKWY MP 41.1	ABSECON	NJ
CO-OP #7742 CELIA CRUZ	609-622-4631	GARDEN ST PKWY MP 76	FORKED RIVER	NJ
CO-OP #7743 JUDY BLUME PLAZA	585-510-6259	GARDEN ST PKY MP 100.2	WALL TOWNSHIP	NJ
CO-OP #7744 JON BON JOVI	732-721-3856	GARDEN ST PKY MP 124.1	SOUTH AMBOY	NJ
CO-OP #7745 WHITNEY HOUSTON PLAZA	551-373-7033	GARDEN ST PKY MP 142.2	UNION	NJ
CO-OP #7746 CONNIE CHUNG	862-357-7758	GARDEN ST PKY MP 152.9 SOUTH	BLOOMFIELD	NJ
CO-OP #7747 LARRY DOBY PLAZA	973-893-8251	GARDEN ST PKY MP 153.1 NORTH	BLOOMFIELD	NJ
CO-OP #7748 JAMES GANDOLFINI PLAZA	201-391-0793	GARDEN ST PKY MP 171	MONTVALE	NJ
~~Critel Associates, Inc. #2~~CRITEL ASSOC INC	201-451-1330~~465 Grand Avenue~~	~~Jersey~~ 465 GRAND AVE~~City~~	~~NJ~~JERSEY CITY	~~07302~~N
~~Hagop Jack Tabibian~~HAGOP JACK TABIBIAN	973-808-1124~~152 Passaic Ave & Greenbrook~~	~~Fairfield~~152 PASSAIC AVE & GREENBROOK	~~NJ~~FAIRFIELD	~~07004~~N
~~Kirat Gas Inc.~~KIRAT GAS INC	973-838-2777~~73 Hamburg Turnpike~~	~~Riverdale~~73 HAMBURG TPKE	~~NJ~~RIVERDALE	~~07457~~N

Franchisee	~~Address~~Phone	Street~~City~~	City~~ST~~	~~Zip~~Stat
~~Portable Energy~~PORTABLE ENERGY LLC	609-693-0128~~412 Route 9~~	~~Waretown~~412 RT 9	~~NJ~~WARETOWN	~~08758~~N
R&D ~~Fuel~~FUEL 22 LLC	908-206-1125~~2350 Route 22 Center Island~~	~~Union~~2350 RTE 22 CENTER ISLAND	~~NJ~~UNION	~~07083~~N
~~Ryder Lane Gas Inc.~~RYDER LANE GAS INC	973-743-8600~~72 Bloomfield Avenue~~	~~Bloomfield~~72 BLOOMFIELD AVE	~~NJ~~BLOOMFIELD	~~07003~~N
~~Secaucus Fuel~~SECAUCUS FUEL LLC	~~725 Route 3~~	~~Secucus~~725 RT 3	~~NJ~~SECAUCUS	~~07094~~N
~~Univ Travel Plaza~~UNIV TRAVEL PLAZA	609-452-2848~~3729 US 1 & Harrison St~~	~~Princeton~~3729 US 1 & HARRISON ST	~~NJ~~PRINCETON	~~08540~~N
~~Willow Fuel Corp~~WILLOW FUEL CORP	908-322-3838~~1746 Rte 22 & Myrtle Ave~~	~~Scotch Plains~~1746 RTE 22 & MYRTLE AVE	~~NJ~~SCOTCH PLAINS	~~07076~~N
New York				
A&R DHALIWAL INC	585-544-6671~~2075 E RIDGE RD~~	2075 E RIDGE RD~~ROCHESTER~~	ROCHESTER~~NY~~	NY~~1462~~ ~~0000~~
ABYSS 2 LLC	716-465-8778~~2977 NIAGARA FALLS BLVD~~	2977 NIAGARA FALLS BLVD~~BUFFALO~~	BUFFALO~~NY~~	NY~~1422~~ ~~0000~~
AMARJO ENTERPRISE LTD	201-873-1124	240 TERRYVILLE RD	PORT JEFFERSON	NY
ARJO ENTERPRISE INC	~~885 JOHNSON AVE~~	885 JOHNSON AVE~~RONKONKOMA~~	RONKONKOMA~~NY~~	NY~~1177~~ ~~0000~~
ARMSTRONG AUTO CENTER INC	718-605-6595~~630 ARTHUR KILL RD~~	630 ARTHUR KILL RD~~STATEN ISLAND~~	STATEN ISLAND~~NY~~	NY~~1030~~ ~~0000~~
ARTHUR KILL FUELS LLC	718-948-1027~~1781 ARTHUR KILL RD~~	1781 ARTHUR KILL RD~~STATEN ISLAND~~	STATEN ISLAND~~NY~~	NY~~1031~~ ~~0000~~
AZ PETRO LINE INC	518-370-1120~~509 BURDECK ST~~	509 BURDECK ST~~ROTTERDAM~~	ROTTERDAM~~NY~~	NY~~1230~~ ~~0000~~
B & J SVCS STATIONS OF NEW YORK	845-753-5091~~MILEPOST 33-N SLOATSBURGH PLZ~~	MILEPOST 33-N SLOATSBURGH PLZ~~SLOATSBURG~~	SLOATSBURG~~NY~~	NY~~1097~~ ~~0000~~
BENZENE LLC	716-873-7005~~1301 HERTEL AVE & COLVIN~~	1301 HERTEL AVE & COLVIN~~BUFFALO~~	BUFFALO~~NY~~	NY~~1421~~
CHILANA & BHINDER INC	845-469-7552~~68 BROOKSIDE AVE~~	68 BROOKSIDE AVE~~CHESTER~~	CHESTER~~NY~~	NY~~1091~~ ~~0000~~

Franchisee	~~Address~~Phone	Street~~City~~	City~~ST~~	~~Zip~~Stat
CROPSEY SVC STATION INC	718-266-3630~~1907 CROPSEY AVE~~	1907 CROPSEY AVE~~BROOKLYN~~	BROOKLYN~~NY~~	NY~~1121~~ ~~0000~~
DUNCO INC	518-280-7421~~1545 CRESCENT RD~~	1545 CRESCENT RD~~CLIFTON PARK~~	CLIFTON PARK~~NY~~	NY~~1206~~ ~~0000~~
DUNCO INC	518-237-4079~~245 ONTARIO ST~~	245 ONTARIO ST~~COHOES~~	COHOES~~NY~~	NY~~1204~~ ~~0000~~
DUNCO INC	518-459-4882~~656 ALBANY-SHAKER RD~~	656 ALBANY-SHAKER RD	~~NY~~ALBANY	~~12211-0000~~NY
ERIE BOULEVARD GAS STOP INC	315-214-4628~~1701 ERIE BLVD E~~	1701 ERIE BLVD E~~SYRACUSE~~	SYRACUSE~~NY~~	NY~~1321~~ ~~0000~~
G23 ENTERPRISES INC	914-305-1224~~314 BOSTON POST RD~~	314 BOSTON POST RD~~PORT CHESTER~~	PORT CHESTER~~NY~~	NY~~1057~~ ~~0000~~
GET GAS INC	585-754-4951~~809 S CLINTON AVE~~	809 S CLINTON AVE~~ROCHESTER~~	ROCHESTER~~NY~~	NY~~1462~~ ~~0000~~
GRACE PETROL INC	845-255-5749~~270 MAIN ST~~	270 MAIN ST~~NEW PALTZ~~	NEW PALTZ~~NY~~	NY~~1256~~ ~~0000~~
665 PENINSULA BLVD PETROLEUM INC	516-564-4236~~665 PENINSULA BLVD~~	665 PENINSULA BLVD~~HEMPSTEAD~~	HEMPSTEAD~~NY~~	NY~~1155~~ ~~0000~~
JAMAN ENTERPRISES LTD	845-562-4242~~5004 RTE 9 W~~	5004 RTE 9 W~~NEWBURGH~~	NEWBURGH~~NY~~	NY~~1255~~ ~~0000~~
JAMDEEP PETROL INC	914-428-2262~~17 N CENTRAL AVE~~	17 N CENTRAL AVE~~HARTSDALE~~	HARTSDALE~~NY~~	NY~~1053~~ ~~0000~~
JANVI ASSOC INC	315-258-8539~~36 E GENESEE ST~~	36 E GENESEE ST~~AUBURN~~	AUBURN~~NY~~	NY~~1302~~ ~~0000~~
JIMICO ENTERPRISES INC	315-539-2047~~MILEPOST 336-E CLFTN SPRS PLZ~~	MILEPOST 324-W JUNIUS PNDS PLZ~~CLIFTON SPRINGS~~	WATERLOO~~NY~~	NY~~1443~~ ~~0000~~
JIMICO ENTERPRISES INC	315-462-5182~~MILEPOST 324-W JUNIUS PNDS PLZ~~	MILEPOST 336-E CLFTN SPRS PLZ~~WATERLOO~~	CLIFTON SPRINGS~~NY~~	NY~~1316~~ ~~0000~~
JIMICO ENTERPRISES INC	315-687-6498~~MILEPOST 266-W CHTTTENANGO PLZ~~	MILEPOST 266-W CHTTTENANGO PLZ~~CANASTOTA~~	CANASTOTA~~NY~~	NY~~1303~~ ~~0000~~

Franchisee	~~Address~~Phone	Street~~City~~	City~~ST~~	~~Zip~~Stat
~~K&G OF SYRACUSE INC~~KLEE CORP	585-762-8410~~2500 ERIE BLVD E & SEELEY~~	MILEPOST 397-E PEMBROKE PLZ~~SYRACUSE~~	EAST PEMBROKE~~NY~~	~~13224-0000~~NY
KLEE CORP	716-759-2308~~MILEPOST 412-W CLARENCE PLZ~~	MILEPOST 412-W CLARENCE PLZ	~~NY~~CLARENCE	~~14031-0000~~NY
~~KLEE CORP~~	~~MILEPOST 397-E PEMBROKE PLZ~~	~~EAST PEMBROKE~~	~~NY~~	~~14056-0000~~
LAKESIDE FOOD MART INC	716-525-3043~~890 CENTER ST~~	890 CENTER ST~~LEWISTON~~	LEWISTON~~NY~~	NY~~1409~~ ~~0000~~
M&BS GROUP INC	716-631-0009~~4401 UNION RD AT MARYVALE~~	4401 UNION RD AT MARYVALE~~CHEEKTOWAGA~~	CHEEKTOWAGA~~NY~~	NY~~1422~~ ~~0000~~
M&S PARTNERS INC	585-381-5764~~900 S WASHINGTON ST~~	900 S WASHINGTON ST~~EAST ROCHESTER~~	EAST ROCHESTER~~NY~~	NY~~1444~~ ~~0000~~
~~MIKA INC~~	~~2017 GEORGE URBAND BLVD~~	~~DEPEW~~	~~NY~~	~~14043-0000~~
NAGLE OIL CORP	~~MILEPOST 65-N PLATTEKILL PLZ~~	MILEPOST 65-N PLATTEKILL PLZ~~WALLKILL~~	WALLKILL~~NY~~	NY~~1258~~ ~~0000~~
NAGLE OIL CORP	845-336-5048~~MILEPOST 96-S ULSTER PLZ~~	MILEPOST 96-S ULSTER PLZ~~LAKE KATRINE~~	LAKE KATRINE~~NY~~	NY~~1244~~ ~~0000~~
NEWBURGH FOOD MART INC	845-496-4867~~32 E MAIN ST~~	32 E MAIN ST~~WASHINGTONVILLE~~	WASHINGTONVILLE~~NY~~	NY~~1099~~ ~~0000~~
NEWBURGH PETROLEUM CORP	845-564-1569~~RTE 300 & RTE 32~~	RTE 300 & RTE 32~~NEWBURGH~~	NEWBURGH~~NY~~	NY~~1255~~ ~~0000~~
NEXUS ENTERPRISES INC	631-287-6233~~500 COUNTY RD 39~~	500 COUNTY RD 39~~SOUTHAMPTON~~	SOUTHAMPTON~~NY~~	NY~~1196~~ ~~0000~~
~~NORTHEAST PETROLEUM INC~~	~~791 N BEDFORD RD~~	~~BEDFORD HILLS~~	~~NY~~	~~10507-0000~~
NORTH PETRO OF NY INC	845-634-0150~~128 N MAIN ST~~	128 N MAIN ST~~NEW CITY~~	~~NY~~NEW CITY	NY~~1095~~ ~~0000~~
NORTH PLANK PETRO LLC	845-561-1000~~69 N PLANK RD~~	69 N PLANK RD~~NEWBURGH~~	NEWBURGH~~NY~~	NY~~1255~~ ~~0000~~
NORTHEAST PETROLEUM INC	914-218-8601	791 N BEDFORD RD	BEDFORD HILLS	NY
OBSIDO AAA INC	716-882-0220~~1390 DELAWARE & DELAVAN~~	1390 DELAWARE & DELAVAN~~BUFFALO~~	BUFFALO~~NY~~	NY~~1420~~ ~~0000~~
ON THE WAY 81 INC	607-344-3022~~3817 US RT 11~~	3817 US RT 11~~CORTLAND~~	CORTLAND~~NY~~	NY~~1304~~

Franchisee	AddressPhone	StreetCity	CityST	ZipStat
PARKO MGMT 4 INC	2071 CENTRAL AVE	2071 CENTRAL AVEALBANY	ALBANYNY	NY12205 0000
PARKO STORE LLC	973-495-47641163 HOOSICK RD	1163 HOOSICK RDTROY	TROYNY	NY12180 8988
PORT ENTERPRISESRG&L PETROL INC	631-563-4051240 TERRYVILLE RD	5140 VETERANS MEMORIAL HWYPORT JEFFERSON	HOLBROOKNY	NY11770 0000
R J DEWAR SVCS LLC	315-853-2197MILEPOST 244-E ONIEDA PLZ	MILEPOST 244-E ONIEDA PLZWESTMORELAND	WESTMORELANDNY	NY13490 0000
LIM ENERGY INC	914-636-848471 HUGUENOT ST	71 HUGUENOT STNEW ROCHELLE	NEW ROCHELLENY	NY10801 0000
SHANTI GAS INC	518-982-19583065 HAMBURG ST	3065 HAMBURG STSCHENECTADY	SCHENECTADYNY	NY12303 0000
SINAI FUELS LLC	631-928-7022572 RTE 25A	572 RTE 25AMOUNT SINAI	MOUNT SINAINY	NY11760 0000
SKY HIGH ENTERPRISES INC	914-358-1897555 N BROADWAY	555 N BROADWAYWHITE PLAINS	WHITE PLAINSNY	NY10603 0000
SOMA PETROL INC	845-928-7021241 RTE 32	241 RTE 32CENTRAL VALLEY	CENTRAL VALLEYNY	NY10913 0000
TRISUL INC	631-331-7435669 OLD TOWN RD	669 OLD TOWN RDPORT JEFFERSON STATION	PORT JEFFERSON STATIONNY	NY11770 4250
VETS HIGHWAY ENT INCWAHAB & SON LLC	716-395-36085140 VETERANS MEMORIAL HWY	2017 GEORGE URBAND BLVDHOLBROOK	DEPEWNY	NY11741 0000
Pennsylvania				
15TH STREET MINI-MART INC	610-435-58851501 MAUCH CHUNK RD	1501 MAUCH CHUNK RDALLENTOWN	ALLENTOWNPA	PA18102 1034
2102 SOUTH 17TH STREET INC	215-755-76652101 S 17TH ST	2101 S 17TH STPHILADELPHIA	PHILADELPHIAPA	PA19145 0000
4P GASOLINE INC	610-237-9506321 N MACDADE BLVD	321 N MACDADE BLVDDARBY	DARBYPA	PA19023 0000
A&Z 2025 E LINCOLN CORP	484-786-95412025 LINCOLN HWY	2025 LINCOLN HWYCOATESVILLE	COATESVILLEPA	PA19320 0000
ALLAH HUS SAMAD INC	215-455-45755000 OGONTZ AVE	5000 OGONTZ AVEPHILADELPHIA	PHILADELPHIAPA	PA19141 0000

Franchisee	~~Address~~Phone	Street~~City~~	City~~ST~~	~~Zip~~Stat
ASHADEEP INC	717-238-6192~~1700 DERRY ST~~	1700 DERRY ST~~HARRISBURG~~	HARRISBURG~~PA~~	PA~~17104 0000~~
ASTHAVINAYAK LLC	724-627-9044	10 E GREENE ST	WAYNESBURG	PA
ATHWAL PETROLEUM INC	412-431-0270~~427 BROWNSVILLE RD~~	427 BROWNSVILLE RD~~MOUNT OLIVER~~	MOUNT OLIVER~~PA~~	~~15210-0000~~PA
AVR PETROLEUM LLC	717-233-1316~~1901 PAXTON ST~~	1901 PAXTON ST~~HARRISBURG~~	HARRISBURG~~PA~~	~~17104-0000~~PA
BD FOREVER INC	~~2520 QUENTIN RD~~	2520 QUENTIN RD~~LEBANON~~	LEBANON~~PA~~	~~17042-0000~~PA
BEVARD INC	724-785-2245~~565 HIGH ST~~	565 HIGH ST~~BROWNSVILLE~~	BROWNSVILLE~~PA~~	~~15417-0000~~PA
BHALALA & BALAR ENTERPRISES INC	610-354-0680~~290 S GULPH RD~~	290 S GULPH RD~~KING OF PRUSSIA~~	KING OF PRUSSIA~~PA~~	~~19406-0000~~PA
BROAD & LEHIGH INC	215-228-5191~~2634-44 N BROAD ST~~	2634-44 N BROAD ST~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	~~19132-0000~~PA
BROOMALL GAS INC	610-356-2353~~2850 WEST CHESTER PIKE~~	2850 WEST CHESTER PIKE~~BROOMALL~~	BROOMALL~~PA~~	~~19008-0000~~PA
CAMP HILL MINI MART INC	717-730-6776~~4501 TRINDLE RD~~	4501 TRINDLE RD~~CAMP HILL~~	CAMP HILL~~PA~~	~~17011~~PA
CHRIS & JAY ENTERPRISES INC	610-275-1706~~15 E GERMANTOWN PIKE~~	15 E GERMANTOWN PIKE~~NORRISTOWN~~	NORRISTOWN~~PA~~	~~19401-0000~~PA
CRUISERS LLC	724-375-8304~~156 PLEASANT DR~~	156 PLEASANT DR~~ALIQUIPPA~~	ALIQUIPPA~~PA~~	~~15001-0000~~PA
D K FUEL INC	215-763-0127~~1300 N BROAD ST~~	1300 N BROAD ST~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	~~19121-0000~~PA
DMK MART INC	610-434-4960~~2138 HAMILTON ST~~	2138 HAMILTON ST~~ALLENTOWN~~	ALLENTOWN~~PA~~	~~18104-0000~~PA
EISENHOWER INC	717-939-9313~~801 EISENHOWER BLVD~~	801 EISENHOWER BLVD~~HARRISBURG~~	HARRISBURG~~PA~~	~~17111-0000~~PA
ES&EL INC	215-379-2260~~209 TOWNSHIP LINE & CHURCH RD~~	209 TOWNSHIP LINE & CHURCH RD~~ELKINS PARK~~	ELKINS PARK~~PA~~	PA~~19027 0000~~
FATM CORP	215-843-4845~~5901 WISSAHICKON AVE~~	5901 WISSAHICKON AVE~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~19144 0000~~
~~FILLER UP PETROLEUM INC~~	~~620 BRISTOL & BROWNSVILLE~~	~~TREVOSE~~	~~PA~~	~~19053-2441~~

Franchisee	~~Address~~Phone ~~RD~~	Street~~City~~	City~~ST~~	~~Zip~~Stat
FMLK INC	610-872-7400~~2200 EDGEMONT AVE~~	2200 EDGEMONT AVE~~CHESTER~~	CHESTER~~PA~~	PA~~19013 0000~~
FRANKLIN MILLS GAS MART INC	215-632-5502~~4001 WOODHAVEN RD~~	4001 WOODHAVEN RD~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~19154 0000~~
~~FRANK W PECJAK JR~~	~~10 E GREENE ST~~	~~WAYNESBURG~~	~~PA~~	~~15370 0000~~
GABRIEL & KANTH ENTERPRISES INC	610-277-3186~~630 W MAIN ST~~	630 W MAIN ST~~NORRISTOWN~~	NORRISTOWN~~PA~~	PA~~19401 0000~~
GALAXY PETROLEUM INC	215-387-0771~~3750 W GIRARD AVE~~	3750 W GIRARD AVE~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~19104 0000~~
GEETHA ENTERPRISES INC	610-583-1407~~401 LINCOLN AVE~~	401 LINCOLN AVE~~PROSPECT PARK~~	PROSPECT PARK~~PA~~	PA~~19076 0000~~
GULBURG INC	610-525-5217~~1308 S GULPH RD~~	1308 S GULPH ~~MILLS~~RD	~~PA~~GULPH MILLS	~~19428 0000~~PA
GULSHUNINC	215-675-5116~~3250 E COUNTY LINE RD~~	3250 E COUNTY LINE RD~~HATBORO~~	HATBORO~~PA~~	PA~~19040 0000~~
GURU NANAK INC	610-376-4111~~842 N 13TH ST~~	842 N 13TH ST~~READING~~	READING~~PA~~	PA~~19604 0000~~
HABIB ENTERPRISE LLC	215-425-5265~~3398 ARAMINGO & ONTARIO~~	3398 ARAMINGO & ONTARIO~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~19134 0000~~
HAQ & SONS INC	215-329-7104~~143 W FISHERS AVE~~	143 W FISHERS AVE~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~19120 0000~~
HARRISBURG FUEL INC	717-233-6923~~1101 N CAMERON ST~~	1101 N CAMERON ST~~HARRISBURG~~	HARRISBURG~~PA~~	PA~~17103 0000~~
HARRYS STREET ROAD INC	215-693-6599~~3419 W ST RD~~	3419 W ST RD~~BENSALEM~~	BENSALEM~~PA~~	PA~~19020 0000~~
IBRAHIM & ASLAM INVESTMENTS INC	610-876-0293~~700 W 9TH ST~~	700 W 9TH ST~~CHESTER~~	CHESTER~~PA~~	PA~~19013 0000~~
JAI AMBE SVCS LLC	215-624-8161~~7241 TORRESDALE AVE~~	7241 TORRESDALE AVE~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~19135 0000~~
JANKIT LLC	570-961-5542~~1218 O'NEILL HWY~~	1218 O'NEILL HWY~~DUNMORE~~	DUNMORE~~PA~~	PA~~18512 0000~~
JAY GANESH OIL	412-561-4770~~533~~	533 BROOKLINE	PITTSBURGH~~PA~~	PA~~15226~~

Franchisee	~~Address~~Phone	Street~~City~~	City~~ST~~	~~Zip~~Stat
CORP INC	~~BROOKLINE BLVD~~	BLVD~~PITTSBURGH~~		~~0000~~
JAY GANESH OIL CORP INC	412-531-7262~~3100 W LIBERTY AVE~~	3100 W LIBERTY AVE~~PITTSBURGH~~	PITTSBURGH~~PA~~	PA~~15216 2404~~
JILANI ENERGY INC	~~1491 PROVIDENCE RD~~	1491 PROVIDENCE RD~~MEDIA~~	MEDIA~~PA~~	PA~~19063 0000~~
KING GAS INC	215-844-9921~~100 W QUEEN LN~~	100 W QUEEN LN~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~19144 0000~~
KRUPA PETROLEUM INC	215-244-0908~~1432 ST RD~~	1432 ST RD~~BENSALEM~~	BENSALEM~~PA~~	PA~~19020 0000~~
LAXMINARAYAN INC	717-652-4939~~116 N MOUNTAIN RD~~	116 N MOUNTAIN RD~~HARRISBURG~~	HARRISBURG~~PA~~	PA~~17112 0000~~
LEHIGH ST FUEL INC	215-324-3061~~4140 N BROAD ST~~	4140 N BROAD ST~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~19140 0000~~
LEXINGTON GAS INC	215-822-2681~~1501 BETHLEHEM PIKE~~	1501 BETHLEHEM PIKE~~LINE LEXINGTON~~	LINE LEXINGTON~~PA~~	PA~~18932 0000~~
LIBERTY RETAILERS INC	215-742-5858~~1115 COTTMAN AVE~~	1115 COTTMAN AVE~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~19111 0000~~
MAHA GAS INC	215-663-1471~~812 HUNTINGDON PIKE~~	812 HUNTINGDON PIKE~~ROCKLEDGE~~	ROCKLEDGE~~PA~~	PA~~19046 0000~~
MAIN & HAWS INC	215-744-2665~~5700 ROOSEVELT BLVD~~	5700 ROOSEVELT BLVD~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~19149 0000~~
MALIK & MALIK INVESTMENTS INC	215-745-1341~~7265 CASTOR AVE~~	7265 CASTOR AVE~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~19149 0000~~
MALVERN GAS INC	267-746-2781~~1425 PAOLI PIKE~~	1425 PAOLI PIKE~~WEST CHESTER~~	WEST CHESTER~~PA~~	PA~~19380 0000~~
MHD GAS INC	215-547-0450~~8596 NEW FALLS RD~~	8596 NEW FALLS RD~~LEVITTOWN~~	LEVITTOWN~~PA~~	PA~~19054 0000~~
NAEEM & NAIM INC	215-424-7710~~5810 N BROAD ST~~	5810 N BROAD ST~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~19141 0000~~
NILU ENTERPRISE INC	814-275-2250~~200 LIBERTY & BROAD~~	200 LIBERTY & BROAD~~NEW BETHLEHEM~~	NEW BETHLEHEM~~PA~~	PA~~16242 0000~~
~~OMGN INC~~	~~AMBER & ALLEGHENY AVE~~	~~PHILADELPHIA~~	~~PA~~	~~19134-0000~~

Franchisee	~~Address~~Phone	Street~~City~~	City~~ST~~	~~Zip~~Stat
OM SHIVA ENTERPRISE INC	724-565-5189~~FIRST & FALLOWFIELD STS~~	FIRST & FALLOWFIELD STS~~CHARLEROI~~	CHARLEROI~~PA~~	PA~~15022 0000~~
~~P&O MARKET~~OMGN INC	215-426-1543~~111 W ORANGE ST~~	2100 E ALLEGHENY AVE~~LANCASTER~~	PHILADELPHIA~~PA~~	PA~~17603 0000~~
P&P AUTO SVCS INC	215-742-2100~~1560 COTTMAN AVE~~	1560 COTTMAN AVE~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~19111 0000~~
P&O MARKET INC	717-397-3471	111 W ORANGE ST	LANCASTER	PA
P&P FUEL INC	215-638-2141~~2767 US RT #1~~	2767 US RT #1~~LANGHORNE~~	LANGHORNE~~PA~~	PA~~19047 0000~~
PAVITHRA & NISSI ENTERPRISES INC	610-859-2007~~1120 TOWNSHIP LINE RD~~	1120 TOWNSHIP LINE RD~~CHESTER~~	CHESTER~~PA~~	PA~~19013 0000~~
PR3 ENTERPRISES INC	717-299-6849~~1204 LITITZ PIKE~~	1204 LITITZ PIKE~~LANCASTER~~	LANCASTER~~PA~~	PA~~17601 0000~~
RAJA ASAD INC	215-537-6270~~780 E ADAMS AVE~~	780 E ADAMS AVE~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~19124 0000~~
RAMAN FUEL INC	215-785-2100~~231 RT 13 & BATH RD~~	231 RT 13 & BATH RD~~BRISTOL~~	BRISTOL~~PA~~	PA~~19007 0000~~
RANKS MINI MARKET INC	215-538-2009~~331 W BROAD ST~~	331 W BROAD ST~~QUAKERTOWN~~	QUAKERTOWN~~PA~~	PA~~18951 0000~~
RIZVI BROTHERS INC	215-382-5914~~4500 BALTIMORE AVE~~	4500 BALTIMORE AVE~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~19143 0000~~
RKB CONVENIENCE INC	724-439-1510~~55 MORGANTOWN ST~~	55 MORGANTOWN ST~~UNIONTOWN~~	UNIONTOWN~~PA~~	PA~~15401 0000~~
SAB BUSINESS ENTERPRISES INC	610-775-5157~~701 PHILADELPHIA AVE~~	701 PHILADELPHIA AVE~~READING~~	READING~~PA~~	PA~~19603 0000~~
SAK TRADERS INC	215-634-7747~~3670 RICHMOND AVE~~	3670 RICHMOND AVE~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~19134 0000~~
SANDHU & SONS INC	610-378-9270~~719 SPRING ST~~	719 SPRING ST~~READING~~	READING~~PA~~	PA~~19604 0000~~
SAT SHRIJI INC	215-333-7840~~7830 FRANKFORD AVE~~	7830 FRANKFORD AVE~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~19136 0000~~
SG II GROUP LLC	412-404-8255~~514 N HIGHLAND AVE~~	514 N HIGHLAND AVE~~PITTSBURGH~~	PITTSBURGH~~PA~~	PA~~15206 0000~~
SHREE AKSHAR INC	215-464-	10950 E ROOSEVELT	PHILADELPHIA~~PA~~	PA~~19116~~

Franchisee	~~Address~~Phone	Street~~City~~	City~~ST~~	~~Zip~~Stat
	4564~~10950 E ROOSEVELT BLVD~~	BLVD~~PHILADELPHIA~~		~~0000~~
SHREEJI INC	570-587-4971~~800 NORTHERN BLVD~~	800 NORTHERN BLVD~~SOUTH ABINGTON TOWNSHI~~	~~PA~~SOUTH ABINGTON TOWNSHI	~~18411-0000~~PA
SHRIJIS INC	215-463-8013~~59 E OREGON AVE~~	59 E OREGON AVE~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~19148 0000~~
~~SHUBHSHREY INC~~	~~600 LYSLE BLVD~~	~~MCKEESPORT~~	~~PA~~	~~15132-0000~~
SHUBHTEJAS INC	412-561-1884~~1630 COCHRAN RD~~	1630 COCHRAN RD~~PITTSBURGH~~	PITTSBURGH~~PA~~	PA~~15226 0000~~
SHYAM INVESTORS INC	~~5236-40 TORRESDALE AVE~~	5236-40 TORRESDALE AVE~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~19124 0000~~
SRI KHODIYAR LLC	724-468-4979~~100 GREENSBURG ST~~	100 GREENSBURG ST~~DELMONT~~	DELMONT~~PA~~	PA~~15626 1397~~
SRI PETROLEUM CORP	215-455-1380~~5017-25 N BROAD ST~~	5017-25 N BROAD ST~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~19141 0000~~
SUMA SAI LLC	215-487-0563~~630 WALNUT LN~~	630 WALNUT LN~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~19128 0000~~
SUN BEAM ENTERPRISE CORP	215-242-0863~~3200 W CHELTENHAM AVE~~	3200 W CHELTENHAM AVE~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~19150 0000~~
SUNNY & ESHA ENTERPRISES INC	~~580 EASTON RD~~	580 EASTON RD~~WARRINGTON~~	WARRINGTON~~PA~~	PA~~18976 0000~~
SYED HASAN RIZVI	215-474-5933~~301 S 52ND ST~~	301 S 52ND ST~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~19143 0000~~
TARIQ CORP	610-658-0228~~330 E LANCASTER AVE~~	330 E LANCASTER AVE~~WYNNEWOOD~~	WYNNEWOOD~~PA~~	PA~~19096 0000~~
TARUN S SHAH & NILAM T SHAH	412-687-7620~~5013 BUTLER ST~~	5013 BUTLER ST~~PITTSBURGH~~	PITTSBURGH~~PA~~	PA~~15201 0000~~
THIRTEEN THOUSAND INC	215-673-1266~~13000 BUSTLETON AVE~~	13000 BUSTLETON AVE~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~19116 0000~~
TNAM ENTERPRISES INC	215-969-7303~~9200 ASHTON RD~~	9200 ASHTON RD~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~19114 0000~~
TRIMAX TRADERS INC	215-475-2546~~801 S BROAD ST~~	801 S BROAD ST~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~19147 0000~~

Franchisee	~~Address~~Phone	Street~~City~~	City~~ST~~	~~Zip~~Stat
TRISHA NEEL INC	412-244-6487~~7701 PENN AVE~~	7701 PENN AVE~~WILKINSBURG~~	WILKINSBURG~~PA~~	PA~~1522~~ 0000
TULSI OIL CORP	412-331-3151~~351 STANHOPE ST~~	351 STANHOPE ST~~PITTSBURGH~~	PITTSBURGH~~PA~~	PA~~1520~~ 0000
U & O ASSOC INC	215-878-0672~~5201 LANCASTER AVE~~	5201 LANCASTER AVE~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~1913~~ 0000
V&T ENTERPRISES INC	215-324-3703~~5338 N 5TH ST~~	5338 N 5TH ST~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~1912~~ 0000
VAN DURGA INC	215-969-5750~~9000 ROOSEVELT BLVD~~	9000 ROOSEVELT BLVD~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~1911~~ 0000
VESTURE GROUP LLC	215-848-7485	6240 GERMANTOWN AVE	PHILADELPHIA	PA
VESTURE GROUP LLC	215-924-7929~~440 W CHELTENHAM AVE~~	440 W CHELTENHAM AVE~~PHILADELPHIA~~	PHILADELPHIA~~PA~~	PA~~1912~~ 0000
~~VESTURE GROUP LLC~~	~~6240 GERMANTOWN AVE~~	~~PHILADELPHIA~~	~~PA~~	~~19144-~~ 0000
VESTURE GROUP LLC	215-533-9040~~5801 E ROOSEVELT BLVD~~	5801 E ROOSEVELT BLVD~~PHILADELPHIA~~	~~PA~~PHILADELPHIA	PA~~1914~~ 0000
VINK INC	610-252-7045~~3337-41 FREEMANSBURG AVE~~	3337-41 FREEMANSBURG AVE~~EASTON~~	EASTON~~PA~~	PA~~1804~~ 0000
WM MGMT INC	610-853-1750	8203 WEST CHESTER PIKE	UPPER DARBY	PA
WASHINGTON TOWER MARKET INC	484-987-2075~~50 N 4TH ST~~	50 N 4TH ST~~READING~~	READING~~PA~~	PA~~1960~~ 0000
~~WM MGMT INC~~	~~8203 WEST CHESTER PIKE~~	~~UPPER DARBY~~	~~PA~~	~~19082-~~ 0000
WM SVCS INC	610-237-8875~~560 CHESTER PIKE~~	560 CHESTER PIKE~~NORWOOD~~	NORWOOD~~PA~~	PA~~1907~~ 0000
ZAFAR SULTAN	610-789-0939~~5101 STATE RD~~	5101 STATE RD~~DREXEL HILL~~	DREXEL HILL~~PA~~	PA~~1902~~ 0000
Rhode Island				
~~Iqbal & Sons Inc.~~ASH LLC	401-729-0700~~2093 Diamond Hill Road~~	~~Cumberland~~81 SCHOOL ST	~~RI~~PAWTUCKET	~~02864~~R
~~A.S.H. LLC~~IQBAL & SONS INC	401-334-3912~~81 School Street~~	~~Pawtucket~~2093 DIAMOND HILL RD	~~RI~~CUMBERLAND	~~02860~~R

Franchisee	~~Address~~Phone	Street~~City~~	City~~ST~~	~~Zip~~Stat
Virginia				
03706 SCHMITZ OAKLAWN GAS INC	703-930-4033~~504 TRIMBLE PLZ SE~~	504 TRIMBLE PLZ SE~~LEESBURG~~	LEESBURG~~VA~~	~~20175-0000~~VA
SAMARO CONVENIENCE INC	301-567-4613~~46373 BARTHOLOMEW FAIR DR~~	46373 BARTHOLOMEW FAIR DR~~STERLING~~	STERLING~~VA~~	~~20164-0000~~VA
COMMONWEALTH GAS INC	703-729-4217~~20435 BROAD OVERLOOK DRIVE~~	20435 BROAD OVERLOOK DRIVE~~ASHBURN~~	ASHBURN~~VA~~	~~20147-0000~~VA
CONVENIENCE MKTG & CONSULTING INC	703-464-0700~~12191 SUNSET HILLS RD~~	12191 SUNSET HILLS RD~~RESTON~~	RESTON~~VA~~	~~20190-0000~~VA
D&Y JU INC	703-451-2911~~6400 BACKLICK RD~~	6400 BACKLICK RD~~SPRINGFIELD~~	SPRINGFIELD~~VA~~	~~22150-0000~~VA
DSC INVESTMENTS INC	703-435-4364~~2150 CENTREVILLE RD~~	2150 CENTREVILLE RD~~HERNDON~~	HERNDON~~VA~~	~~20170-0000~~VA
COMPASS CREEK GAS INC	703-771-7061~~595 COMPASS POINT PLZ~~	595 COMPASS POINT PLZ~~LEESBURG~~	LEESBURG~~VA~~	~~20175-5449~~VA
DGMS LLC	703-876-9055~~3070 GATEHOUSE PLZ~~	3070 GATEHOUSE PLZ~~FALLS CHURCH~~	FALLS CHURCH~~VA~~	~~22042-0000~~VA
SAMARO FUELS INC	301-567-4613~~7100 HULL STREET RD~~	7100 HULL STREET RD~~RICHMOND~~	RICHMOND~~VA~~	~~23235-0000~~VA
JILANI PETRO INC	703-707-8408~~597 ELDEN ST~~	597 ELDEN ST~~HERNDON~~	HERNDON~~VA~~	~~20170-0000~~VA
T&N MCNAIR FARMS LLC	571-643-0050~~13470 COPPERMINE RD~~	13470 COPPERMINE RD~~HERNDON~~	HERNDON~~VA~~	~~20171~~VA
NPM INC	703-435-1200~~1496 RESTON PKWY~~	1496 RESTON PKWY	~~VA~~RESTON	~~20194-0000~~VA
OAK PETRO INC	703-698-6900~~2210 GALLOWS RD~~	2210 GALLOWS RD~~DUNN LORING~~	DUNN LORING~~VA~~	~~22027-0000~~VA
OCAMPO INC	703-368-8555~~7203 SUDLEY RD~~	7203 SUDLEY RD~~MANASSAS~~	MANASSAS~~VA~~	~~20109-0000~~VA
T&N CASCADES LLC	301-567-4613~~1 PIGEON HILL RD~~	1 PIGEON HILL RD~~STERLING~~	STERLING~~VA~~	~~20165-0000~~VA

Franchisee	~~Address~~Phone	Street~~City~~	City~~ST~~	~~Zip~~Stat
RUSSELL BRANCH GAS INC	~~115 ROBINSON MILL PLAZA NE~~	115 ROBINSON MILL PLAZA NE~~LEESBURG~~	LEESBURG~~VA~~	~~20175-4795~~VA
RWG VENTURES INC	703-818-6550~~14709 LEE HWY~~	14709 LEE HWY~~CENTREVILLE~~	CENTREVILLE~~VA~~	~~20121-0000~~VA
SAMARO PETRO INC	~~10701 LEESBURG PIKE~~	10701 LEESBURG PIKE~~HERNDON~~	HERNDON~~VA~~	~~20170-0000~~VA
SCHMITZ GOOSE CREEK INC	703-724-4422~~42800 CREEK VIEW PLZ~~	42800 CREEK VIEW PLZ~~ASHBURN~~	ASHBURN~~VA~~	~~20147-0000~~VA
DG MART LLC	~~4475 CHANTILLY SHOPPING CENTER DR~~	4475 CHANTILLY SHOPPING CENTER DR	~~VA~~CHANTILLY	~~20151~~VA
SAMARO ENERGY INC	301-567-4613~~4710 WILLIAMSBURG RD~~	4710 WILLIAMSBURG RD~~RICHMOND~~	RICHMOND~~VA~~	~~23231-0000~~VA

LIST OF FRANCHISEES WITH A SIGNED FRANCHISE AGREEMENT BUT OUTLET NOT OPEN
AS OF DECEMBER 31, ~~2024~~2025

Franchisee	~~Address~~Phone	Street~~City~~	City~~ST~~	~~Zip~~State	~~Telephone~~Zip
~~Woodbridge Sunoco~~	~~1260 Annapolis Way~~	~~Woodbridge~~	~~VA~~	~~22191~~	~~703-401-2962~~
~~Diyaa LLC~~	~~2967 Gulf Breeze Parkway~~	~~Gulf Breeze~~	~~FL~~	~~32563~~	~~973-580-6608~~
~~Diyaa Mini Mart~~	~~7600 Scenic Highway~~	~~Pensacola~~	~~FL~~	~~32534~~	~~973-580-6608~~
~~Siakrupa Food Stores~~SAIKRUPA FOOD STORES LLC	~~5342 Gulf Breeze Parkway~~	~~Gulf Breeze~~5342 GULF BREEZE PKWY	~~FL~~GULF BREEZE	~~32563~~FL	~~973-580-6609~~32563-9300
~~Wrangle Hill C-Store~~	~~3596 Wrangle Hill Road~~	~~Bear~~	~~DE~~	~~19701~~	~~571-205-4823~~
~~Tikova C Stores~~	~~2990 East End Drive~~	~~Humbolt~~	~~TN~~	~~38343~~	~~917-902-1421~~
~~Tikova C Stores~~	~~450 N Hayes Ave.~~	~~Jackson~~	~~TN~~	~~38301~~	~~917-902-1421~~
~~Tikova C Stores~~	~~8900 Stagecoach Rd~~	~~Little Rock~~	~~AR~~	~~72210~~	~~917-902-1421~~
	~~1400 S Dupont Ave~~	~~New Castle~~	~~DE~~	~~19720~~	~~571-205-4823~~
~~Burnt Mills Sunoco~~	~~10810 Columbia Pike~~	~~Silver Spring~~	~~MD~~	~~20901~~	~~443-310-0213~~
~~Diyaa Mini Market~~	~~4222 Gulf Breeze Parkway~~	~~Gulf Breeze~~	~~FL~~	~~32563~~	~~973-580-6608~~
~~Diyaa Investments~~	~~8070 Navarre Parkway~~	~~Navarre~~	~~FL~~	~~32566~~	~~973-580-6608~~

LIST OF FRANCHISEES WHO LEFT THE SYSTEM
AS OF DECEMBER 31, ~~2024~~2025

Terminations (voluntary and non-voluntary)

Franchisee	City	State	Telephone or Email
NoneAS LAUREL SPRING C STORE INC	LAUREL SPRING	New Jersey	856-245-7892
JILANI ENERGY INC	MEDIA	Pennsylvania	fazal@sirhandiinc.com

100% Transfer of Interest

Franchisee	City	State	Telephone or E-Mail
None			

Non-Renewals:

Franchisee	City	State	Telephone or E-Mail
None			

Reacquired by Franchisor:

Franchisee	City	State	Telephone or E-Mail
None			

Ceased Operations Other:

Franchisee	City	State	Telephone or E-Mail
None			

EXHIBIT D

LIST OF STATE ADMINISTRATORS

LIST OF STATE ADMINISTRATORS

California
Department of Financial Protection and Innovation
320 W. 4th Street, Suite 750
Los Angeles, California 90013
866-275-2677

Hawaii
Department of Commerce & Consumer Affairs
Business Registration Division
335 Merchant Street, Room 205
Honolulu, Hawaii 96813
808-586-2722

Illinois
Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

Indiana
Indiana Secretary of State
Securities Division
302 West Washington Street, Room E-111
Indianapolis, Indiana 46204
317-232-6681

Maryland
Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202
410-576-7042

Michigan
Department of the Attorney General
Consumer Protection Division, Franchise Section
525 Ottawa Street
G. Mennen Williams Building, 6th Floor
Lansing, Michigan 48909
517—373-7117

Minnesota
Minnesota Department of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101
651-539-1500

New York
NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Fl
New York, New York 10005
212-416-8222

North Dakota
North Dakota Insurance & Securities Department
600 East Boulevard Avenue
Bismarck, ND 58505-0510
(701) 328-2910

Rhode Island
Department of Business Regulation
John O. Pastore Complex
1511 Pontiac Avenue, Bldg. 69-1
Cranston, Rhode Island 02920
401-462-9500

South Dakota
Division of Insurance
Securities Regulation
124 South Euclid, Suite 104
Pierre, South Dakota 57501
605-773-3563

Virginia
State Corporation Commission
Division of Securities and Retail Franchising
1300 East Main Street, 9th Floor
Richmond, Virginia 23219
804-371-9051

Washington
Department of Financial Institutions
Securities Division
P.O. Box 41200
Olympia, Washington 98504
360-902-8760

Wisconsin
Division of Securities
Department of Financial Institutions
345 West Washington Avenue
Madison, Wisconsin 53703
608-261-9555

EXHIBIT E

LIST OF AGENTS FOR SERVICE OF PROCESS

LIST OF AGENTS FOR SERVICE OF PROCESS

California
Commissioner
Department of Financial Protection and Innovation
320 West 4th Street, Suite 750
Los Angeles, California 90013

Illinois
Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706

Indiana
Indiana Secretary of State
Securities Division
302 West Washington Street, Room E-111
Indianapolis, Indiana 46204

Maryland
Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202

Michigan
Department of the Attorney General
Consumer Protection Division, Franchise Section
525 Ottawa Street
G. Mennen Williams Building, 6th Floor
Lansing, Michigan 48909

Minnesota
Minnesota Commissioner of Commerce
Department of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101-2198

New York
Secretary of State
99 Washington Avenue
Albany, New York 12231

North Dakota
North Dakota Insurance & Securities Commissioner
State of North Dakota
600 East Boulevard Avenue,
Bismarck, North Dakota 58505-0510

Rhode Island
Department of Business Regulation
John O. Pastore Complex
1511 Pontiac~~North Dakota~~
~~North Dakota Insurance & Securities Commissioner~~
~~State of North Dakota~~
~~600 East Boulevard~~ Avenue, Bldg. 69-1
~~Bismarck, North Dakota 58505-0510~~Cranston, Rhode Island 02920

Virginia
Clerk of the State Corporation Commission
Securities Division
1300 East Main Street, 1st Floor
Richmond, Virginia 23219
~~Rhode Island~~
~~Department of Business Regulation~~
~~John O. Pastore Complex~~
~~1511 Pontiac Avenue, Bldg. 69-1~~
~~Cranston, Rhode Island 02920~~

Wisconsin
Administrator, Division~~Virginia~~
~~Clerk~~ of ~~the State Corporation Commission~~
Securities~~ Division~~
~~1300 East Main Street, 1st Floor~~
~~Richmond, Virginia 23219~~Department of Financial Institutions
345 West Washington Avenue
Madison, Wisconsin 53703

~~Wisconsin~~
~~Administrator, Division of Securities~~
~~Department of Financial Institutions~~
~~345 West Washington Avenue~~
~~Madison, Wisconsin 53703~~

EXHIBIT F

FRANCHISE DISCLOSURE QUESTIONNAIRE

FRANCHISEE DISCLOSURE QUESTIONNAIRE

NOTICE FOR PROSPECTIVE FRANCHISEES WHO RESIDE IN, OR WHO INTEND TO OPERATE THE FRANCHISED BUSINESS IN THE STATE OF CALIFORNIA OR MARYLAND: DO NOT COMPLETE THIS QUESTIONNAIRE OR TO RESPOND TO ANY OF THE QUESTIONS IN THIS QUESTIONNAIRE.

As you know, Sunoco Retail LLC and you are preparing to enter into a Franchise Agreement for the operation of an APLUS Store. In this Franchisee Disclosure Questionnaire, Sunoco Retail LLC will be referred to as "we" or "us." The purpose of this Questionnaire is to determine whether any statements or promises were made to you that we did not authorize and that may be untrue, inaccurate or misleading. Please review each of the following questions carefully and provide honest and complete responses to each question.

[PLEASE RESPOND WITH YES OR NO TO EACH QUESTION BELOW]

1. Have you received and personally reviewed Sunoco Retail LLC Franchise Agreement and each exhibit, addendum and schedule attached to it?

_____

2. Do you understand all of the information contained in the Franchise Agreement and each exhibit and schedule attached to it?

_____

If "No", what parts of the Franchise Agreement do you not understand? (Attach additional pages, if necessary.)

_____

3. Have you received and personally reviewed our disclosure document we provided to you?

_____

4. Do you understand all of the information contained in the disclosure document?

_____

If "No", what parts of the disclosure document do you not understand? (Attach additional pages, if necessary.)

_____

5. Have you discussed the benefits and risks of operating the APLUS Store with an attorney, accountant or other professional advisor and do you understand those risks?

_____

6. Do you understand that the success or failure of your business will depend in large part upon your skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, lease terms and other economic and business factors?

_____

7. Has any employee or other person speaking on our behalf made any statement or promise concerning the revenues or profits of the APLUS Store that we or our franchisees operate?

_____

8. Has any employee or other person speaking on our behalf made any statement or promise concerning a APLUS Store that is contrary to, or different from, the information contained in the disclosure document?

_____

9. Has any employee or other person speaking on our behalf made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a APLUS Store?

_____

10. Has any employee or other person speaking on our behalf made any statement, promise or agreement concerning the advertising, marketing, training, support service or assistance that we will furnish to you that is contrary to, or different from, the information contained in the disclosure document?

_____

11. If you have answered "Yes" to any of questions 7 through 10, please provide a full explanation of your answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below.) If you have answered "No" to each of these questions, please leave the following lines blank or write "not applicable" or "N/A".

_____

12. Do you understand that in all dealings with you, our officers, directors, employees and agents act only in a representative capacity and not in an individual capacity and these dealings are solely between you and us?

_____

You understand that your answers are important to us and that we will rely on them.

The following only applies to Maryland residents and/or franchises to be operated in the State of Maryland: All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

By signing this Franchisee Disclosure Questionnaire, you are representing that you have responded truthfully to the above questions.

Name of Franchisee/Applicant:

Date: _____ _____

_____, Individually

EXHIBIT G
~~MANUAL TABLE OF CONTENTS~~

Reserved

EXHIBIT H
FINANCIAL STATEMENTS

GUARANTEE OF PERFORMANCE

For value received, Sunoco LP, a Delaware limited partnership (the "Guarantor"), located at 8111 Westchester Drive, Dallas, Texas 75225, absolutely and unconditionally guarantees to assume the duties and obligations of Sunoco Retail LLC, a Pennsylvania limited liability company, located at 8111 Westchester Drive, Dallas, Texas 75225 (the "Franchisor"), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2026 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified, or extended from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registration and the Franchise Agreement have been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns and shall be subject to all defenses and counterclaims that may be available to the Franchisor.

The Guarantor signs this guarantee at Dallas, Texas on April 15, 2026.

GUARANTOR:
SUNOCO LP

By SUNOCO GP LLC, Its general partner

By: _____

Dylan Bramhall, Chief Financial Officer

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors of Sunoco GP LLC and
Unitholders of Sunoco LP

Opinion on the financial statements

We have audited the accompanying consolidated balance sheets of Sunoco LP (a Delaware limited partnership) and subsidiaries (the "Partnership") as of December 31, 2025 and 2024, the related consolidated statements of operations, comprehensive income, equity, and cash flows for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Partnership as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the Partnership's internal control over financial reporting as of December 31, 2025, based on criteria established in the 2013 Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"), and our report dated February 19, 2026 expressed an unqualified opinion.

Basis for opinion

These consolidated financial statements are the responsibility of the Partnership's management. Our responsibility is to express an opinion on the Partnership's consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Partnership in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical audit matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Fair values of property and equipment and intangible assets acquired in the acquisition of Parkland Corporation

As described further in Note 3 to the consolidated financial statements, on October 31, 2025, the Partnership completed the acquisition of Parkland Corporation ("Parkland") and the assets acquired and liabilities assumed were recorded at fair value as of the transaction date. The fair values of property and equipment and intangible assets recorded in the Parkland acquisition were $5.61 billion and $1.87 billion, respectively. Management utilized third-party valuation specialists to determine the fair values of the acquired property and equipment and intangible assets. We identified the estimation of the fair values of the acquired property and equipment and intangible assets as a critical audit matter.

The principal consideration for our determination that the estimation of the fair values of the acquired property and equipment and intangible assets is a critical audit matter is that there was estimation uncertainty due to significant judgments required by management when determining the fair value. In particular, the significant judgments were the replacement cost and market assumptions and methodology used for property and equipment as well as the estimated long-term cash flows and the discount rate related to the fair value of the intangible assets. This in turn led to a higher degree of auditor judgment and subjectivity, in performing procedures and evaluating audit evidence related to management's forecasted future cash flows and assumptions. In addition, the audit effort involved the use of specialists to assist in performing these procedures and evaluating the audit evidence.

Our audit procedures related to the estimation of the fair value of the acquired property and equipment and intangible assets included the following procedures, among others. We tested the effectiveness of controls relating to management's review of the assumptions

used to project future cash flows, the reconciliation of the future cash flows prepared by management to the data used in the valuation report prepared by the third-party specialists, and review of the valuation methodologies and assumptions applied by the third-party valuation specialists. In addition to testing the effectiveness of controls, we also performed the following:

- Assessed the reasonableness of management's future cash flows by:
  - evaluating management's significant assumptions used to project future cash flows, which included forecasted gross profit, earnings before interest, taxes, depreciation, and amortization, capital expenditures and discount rates, and
  - testing the projected future cash flows by comparing forecasted amounts to actual historical results to identify material changes and corroborating the basis for the changes, as applicable.
- Utilized an internal valuation specialist to evaluate:
  - the qualifications of the third-party valuation specialists engaged by management based on their credentials and experience,
  - the process used by management to develop the estimate, including valuation methodologies and assumptions used by the third-party valuation specialists and whether they were acceptable for the underlying assets and applied correctly,
  - the estimates of fair values for assets which were valued based on comparable market data and the appropriateness of the replacement costs, by performing independent market research and analyses, and
  - the appropriateness of the discount rate used by developing an independent range of acceptable discount rates and comparing those ranges to the amounts selected and applied by management.

/s/ GRANT THORNTON LLP

We have served as the Partnership's auditor since 2015.

Dallas, Texas
February 19, 2026

SUNOCO LP
CONSOLIDATED BALANCE SHEETS
(Dollars in millions)

	December 31, 2025	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 891	$ 94
Accounts receivable, net	1,972	1,162
Inventories, net	2,383	1,068
Other current assets	270	141
Total current assets	5,516	2,465
Property, plant and equipment	15,256	8,914
Accumulated depreciation	(1,848)	(1,240)
Property, plant and equipment, net	13,408	7,674
Other assets:		
Operating lease right-of-use assets, net	1,449	477
Goodwill	3,026	1,477
Intangible assets, net	2,411	547
Other non-current assets	928	400
Investments in unconsolidated affiliates	1,624	1,335
Total assets	$ 28,362	$ 14,375
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	$ 2,485	$ 1,255
Accounts payable to affiliates	331	199
Accrued expenses and other current liabilities	953	457
Operating lease current liabilities	211	34
Current maturities of long-term debt	17	2
Total current liabilities	3,997	1,947
Operating lease non-current liabilities	1,255	479
Long-term debt, net	13,372	7,484
Advances from affiliates	78	82
Deferred tax liabilities	1,139	157
Other non-current liabilities	512	158
Total liabilities	20,353	10,307
Commitments and contingencies (Note 15)		
Equity:		
Limited partners:		
Preferred unitholders (1,500,000 units issued and outstanding as of December 31, 2025)	1,507	—
Common unitholders (136,866,854 and 136,228,535 units issued and outstanding as of December 31, 2025 and 2024, respectively)	3,970	4,066
Class C unitholders - held by subsidiary (16,410,780 units issued and outstanding as of December 31, 2025 and 2024)	—	—
Class D unitholder (51,517,198 units issued and outstanding as of December 31, 2025)	2,538	—
Accumulated other comprehensive income (loss)	(6)	2
Total equity	8,009	4,068
Total liabilities and equity	$ 28,362	$ 14,375

The accompanying notes are an integral part of these consolidated financial statements.

SUNOCO LP
CONSOLIDATED STATEMENTS OF OPERATIONS
(Dollars in millions, except per unit data)

	Year Ended December 31,		
	2025	**2024**	**2023**
REVENUES:			
Sales revenue	$ 23,702	$ 21,588	$ 22,663
Service revenue	1,369	980	254
Lease revenue	130	125	151
Total revenues	25,201	22,693	23,068
COSTS AND EXPENSES:			
Cost of sales (excluding items shown separately below)	22,409	20,595	21,703
Operating expenses	765	545	356
General and administrative	296	277	126
Lease expense	114	72	68
(Gain) loss on disposal of assets and impairment charges	(6)	45	(7)
Depreciation, amortization and accretion	688	368	187
Total cost of sales and operating expenses	24,266	21,902	22,433
OPERATING INCOME	935	791	635
OTHER INCOME (EXPENSE):			
Interest expense, net	(541)	(391)	(217)
Equity in earnings of unconsolidated affiliates	143	60	5
Gain on West Texas Sale	—	586	—
Loss on extinguishment of debt	(31)	(2)	—
Other, net	83	5	7
INCOME BEFORE INCOME TAXES	589	1,049	430
Income tax expense	62	175	36
NET INCOME	527	874	394
Less: Net income attributable to noncontrolling interests	—	8	—
NET INCOME ATTRIBUTABLE TO PARTNERS	527	866	394
Less: Preferred unitholders' interest in net income	34	—	—
Less: Class D unitholder's interest in net income (loss)	(9)	—	—
NET INCOME ATTRIBUTABLE TO COMMON UNITS	$ 502	$ 866	$ 394
NET INCOME PER COMMON UNIT			
Common units - basic	$ 2.29	$ 6.04	$ 3.70
Common units - diluted	$ 2.28	$ 6.00	$ 3.65
WEIGHTED AVERAGE COMMON UNITS OUTSTANDING			
Common units - basic	136,492,204	118,529,390	84,081,083
Common units - diluted	137,198,218	119,342,038	85,093,497
CASH DISTRIBUTION PER COMMON UNIT	$ 3.6583	$ 3.5133	$ 3.3680

The accompanying notes are an integral part of these consolidated financial statements.

SUNOCO LP
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Dollars in millions, except per unit data)

	Year Ended December 31,		
	2025	2024	2023
Net income	$ 527	$ 874	$ 394
Other comprehensive income (loss), net of tax			
Foreign currency translation adjustment	1	(1)	—
Actuarial gain (loss) related to pension and other postretirement benefit plans	(3)	3	—
	(2)	2	—
Comprehensive income	525	876	394
Less: Comprehensive income attributable to noncontrolling interests	—	8	—
Less: Comprehensive income attributable to Preferred unitholders	34	—	—
Less: Comprehensive loss attributable to Class D unitholder	(9)	—	—
Comprehensive income attributable to common units	$ 500	$ 868	$ 394

The accompanying notes are an integral part of these consolidated financial statements.

SUNOCO LP
CONSOLIDATED STATEMENTS OF EQUITY
(Dollars in millions)

	Common Unitholders	Class D Unitholder	Series A Preferred Unitholders	Accumulated Other Comprehensive Income	Noncontrolling Interest	Total
Balance at December 31, 2022	$ 942	$ —	$ —	$ —	$ —	$ 942
Cash distribution to unitholders, including incentive distributions	(371)	—	—	—	—	(371)
Unit-based compensation	17	—	—	—	—	17
Other	(4)	—	—	—	—	(4)
Net income	394	—	—	—	—	394
Balance at December 31, 2023	978	—	—	—	—	978
Cash distributions to unitholders, including incentive distributions	(566)	—	—	—	(8)	(574)
Unit-based compensation	17	—	—	—	—	17
Other comprehensive income, net of tax	—	—	—	2	—	2
NuStar Acquisition	2,850	—	—	—	801	3,651
Preferred unit redemption	17	—	—	—	(801)	(784)
Common control transaction	(83)	—	—	—	—	(83)
Other	(13)	—	—	—	—	(13)
Net income	866	—	—	—	8	874
Balance at December 31, 2024	4,066	—	—	2	—	4,068
Cash distributions to unitholders, including incentive distributions	(657)	—	—	—	—	(657)
Unit-based compensation	19	—	—	—	—	19
Other comprehensive loss, net of tax	—	—	—	(2)	—	(2)
Parkland Acquisition	—	2,547	—	—	—	2,547
Preferred unit issuance	—	—	1,473	—	—	1,473
Units issued in other acquisitions	18	—	—	—	—	18
Other	22	—	—	(6)	—	16
Net income (loss)	502	(9)	34	—	—	527
Balance at December 31, 2025	$ 3,970	$ 2,538	$ 1,507	$ (6)	$ —	$ 8,009

The accompanying notes are an integral part of these consolidated financial statements.

SUNOCO LP
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in millions)

	Year Ended December 31,		
	2025	2024	2023
OPERATING ACTIVITIES:			
Net income	$ 527	$ 874	$ 394
Reconciliation of net income to net cash provided by operating activities:			
Depreciation, amortization and accretion	688	368	187
Amortization of deferred financing fees	27	24	8
(Gain) loss on disposal of assets and impairment charges	(6)	45	(7)
Loss on extinguishment of debt	31	2	—
Gain on West Texas Sale	—	(586)	—
Other non-cash, net	40	(7)	—
Non-cash unit-based compensation expense	19	17	17
Deferred income tax expense (benefit)	38	(14)	13
Inventory valuation adjustments	156	86	114
Equity in earnings of unconsolidated affiliates	(143)	(60)	(5)
Distribution from unconsolidated affiliates	196	—	—
Net change in operating assets and liabilities, net of effects of acquisitions and divestitures	(381)	(200)	(121)
Net cash provided by operating activities	1,192	549	600
INVESTING ACTIVITIES:			
Capital expenditures	(577)	(344)	(215)
Parkland Acquisition, net of cash acquired	(2,004)	—	—
NuStar Acquisition, net of cash acquired	—	27	—
Cash paid for other acquisitions	(253)	(224)	(111)
Contributions to unconsolidated affiliate	(73)	—	—
Proceeds from West Texas Sale	—	987	—
Distributions from unconsolidated affiliates in excess of cumulative earnings	72	8	9
Proceeds from disposal of property, plant and equipment	28	23	31
Other	—	—	(2)
Net cash provided by (used in) investing activities	(2,807)	477	(288)
FINANCING ACTIVITIES:			
Senior notes borrowings	2,900	1,500	500
Senior notes repayments	(600)	(421)	—
GoZone bond repayment	(75)	—	—
GoZone bond remarketing	75	—	—
Credit Facility borrowings	2,081	2,786	3,283
Credit Facility repayments	(2,284)	(3,449)	(3,772)
Parkland credit facility repayment	(444)	—	—
Loan origination costs	(57)	(19)	(5)
Series A Preferred Units issuance	1,473	—	—
Preferred units redemption	—	(784)	—
Cash distributions to unitholders, including incentive distributions	(657)	(566)	(371)
Cash distributions to noncontrolling interests	—	(8)	—
Net cash provided by (used in) financing activities	2,412	(961)	(365)
Net increase (decrease) in cash and cash equivalents	797	65	(53)
Cash and cash equivalents, beginning of period	94	29	82
Cash and cash equivalents, end of period	$ 891	$ 94	$ 29

The accompanying notes are an integral part of these consolidated financial statements.

SUNOCO LP
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Tabular dollar amounts, except per unit data, are in millions)

1. Organization and Principles of Consolidation

As used in this document, the terms "Partnership," "Sunoco," "we," "us" and "our" should be understood to refer to Sunoco LP and our consolidated subsidiaries, unless the context clearly indicates otherwise.

We are a Delaware master limited partnership. We are managed by our General Partner, which is owned by Energy Transfer. As of December 31, 2025, Energy Transfer and its subsidiaries owned 100% of the membership interest in our General Partner, 28,463,967 of our common units and all of our IDRs. In addition, Energy Transfer controls SunocoCorp, which owns all of the outstanding Class D Units and currently holds the rights to appoint and remove members of our General Partner.

We are primarily engaged in energy infrastructure and distribution of motor fuels across 32 countries and territories in North America, the Greater Caribbean and Europe. Our midstream operations include an extensive network of over 14,000 miles of pipeline and over 160 terminals. Our fuel distribution operations distribute over 15 billion gallons annually to approximately 11,000 Sunoco and partner branded locations, as well as independent dealers and commercial customers.

The consolidated financial statements of Sunoco presented herein for the years ended December 31, 2025, 2024 and 2023, have been prepared in accordance with GAAP and pursuant to the rules and regulations of the SEC. We consolidate all wholly owned subsidiaries. All significant intercompany transactions and accounts are eliminated in consolidation.

The operations of certain pipelines and terminals in which we own an undivided interest are proportionately consolidated in the accompanying consolidated financial statements.

Certain prior period amounts have been reclassified to conform to the current period presentation. These reclassifications had no impact on net income, total equity or cash flows.

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value Measurements

We use fair value measurements to measure, among other items, purchased assets, investments, leases and derivative contracts. We also use them to assess impairment of properties, equipment, intangible assets and goodwill. An asset's fair value is defined as the price at which an asset could be exchanged in a current transaction between knowledgeable, willing parties. A liability's fair value is defined as the amount that would be paid to transfer the liability to a new obligor, not the amount that would be paid to settle the liability with the creditor. Where available, fair value is based on observable market prices or parameters, or is derived from such prices or parameters. Where observable prices or inputs are not available, unobservable prices or inputs are used to estimate the current fair value, often using an internal valuation model. These valuation techniques involve some level of management estimation and judgment, the degree of which is dependent on the item being valued.

ASC 820 "*Fair Value Measurements and Disclosures*" prioritizes the inputs used in measuring fair value into the following hierarchy:

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 Inputs other than quoted prices included within Level 1 that are either directly or indirectly observable;

Level 3 Unobservable inputs in which little or no market activity exists, therefore requiring an entity to develop its own assumptions about the assumptions that market participants would use in pricing.

Cash, accounts receivable, certain other current assets, marketable securities, accounts payable, accrued expenses and certain other current liabilities are reflected in the consolidated balance sheets at carrying amounts, which approximate the fair value due to their short term nature.

Segment Reporting

We operate our business in four reportable segments: Fuel Distribution, Pipeline Systems, Terminals and Refinery. Our Fuel Distribution segment supplies motor fuel to independently-operated dealer stations, distributors, commission agents and other

consumers. Also included in our Fuel Distribution segment is lease income from properties that we lease or sublease, as well as the Partnership's credit card services, franchise royalties and retail operations. Our Pipeline Systems segment includes an integrated pipeline and terminal network comprised of refined product, crude oil and ammonia pipelines and terminals, including our investments in the J.C. Nolan and ET-S Permian joint ventures. Our Terminals segment is composed of four transmix processing facilities and 83 refined product terminals (two in Europe, six in Hawaii, nine in Canada and 53 in the continental United States). Our Refinery segment is composed of the Burnaby Refinery, which is responsible for the refining of fuel products and engaged in renewable business activities.

Acquisition Accounting

Acquisitions of assets or entities that include inputs and processes and have the ability to create outputs are accounted for as business combinations. A purchase price allocation is recorded for tangible and intangible assets acquired and liabilities assumed based on their fair value. The excess of fair value of consideration conveyed over fair value of net assets acquired is recorded as goodwill. The consolidated statements of operations and comprehensive income for the periods presented include the results of operations for each acquisition from their respective dates of acquisition.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits and short-term investments with original maturities of three months or less.

Sunoco, LLC and Sunoco Retail have treasury services agreements with Energy Transfer (R&M), LLC, an indirect wholly owned subsidiary of Energy Transfer, for certain cash management activities, for which the net balance is reflected in either "Advances to affiliates" or "Advances from affiliates" on the consolidated balance sheets.

Accounts Receivable

The majority of trade receivables are from wholesale fuel customers or from credit card companies related to retail credit card transactions. Wholesale customer credit is extended based on an evaluation of the customer's financial condition. We maintain allowances for expected credit losses based on the best estimate of the amount of expected credit losses in existing accounts receivable. Credit losses are recorded against the allowance when accounts are deemed uncollectible.

Receivables from affiliates arise from fuel sales and other miscellaneous transactions with non-consolidated affiliates. These receivables are recorded at face value, without interest or discount.

7-Eleven, Inc. is the only third-party dealer or distributor which is individually over 10% of our Fuel Distribution segment or individually over 10%, in terms of revenue, of our aggregate business.

Inventories

Fuel inventories, other than in the Caribbean, are stated at the lower of cost or market using the LIFO method. Under this methodology, the cost of fuel sold consists of actual acquisition costs, which includes transportation and storage costs. Such costs are adjusted to reflect increases or decreases in inventory quantities which are valued based on changes in LIFO inventory layers.

Fuel inventories in the Caribbean are stated at the lower of cost or market using the FIFO method. Under this methodology, the cost of fuel sold consists of older acquisition costs, which includes transportation and storage costs.

Merchandise inventories are stated at the lower of average cost, as determined by the retail inventory method, or market. We record an allowance for shortages and obsolescence relating to merchandise inventory based on historical trends and any known changes. Shipping and handling costs are included in the cost of merchandise inventories.

Property, Plant and Equipment

Property, plant and equipment are recorded at cost. Depreciation is computed on a straight-line basis over the useful lives of assets. Assets under finance leases are depreciated over the life of the corresponding lease.

Amortization of leasehold improvements is based upon the shorter of the remaining terms of the leases including renewal periods that are reasonably assured, or the estimated useful lives. Expenditures for major renewals and betterments that extend the useful lives of property, plant and equipment are capitalized. Maintenance and repairs are charged to operations as incurred. Gains or losses on the disposition of property, plant and equipment are recorded in the period incurred.

Long-Lived Assets and Assets Held for Sale

Long-lived assets are tested for possible impairment whenever events or changes in circumstances indicate the carrying amount of the asset may not be recoverable. If such indicators exist, the estimated undiscounted future cash flows related to the asset are compared to the carrying value of the asset. If the carrying value is greater than the estimated undiscounted future cash flows, an impairment charge is recorded in the consolidated statements of operations and comprehensive income for amounts necessary to

reduce the corresponding carrying value of the asset to fair value. The impairment loss calculations require management to apply judgment in estimating future cash flows.

Properties that have been closed and other excess real property are recorded as assets held for sale, and are written down to the lower of cost or estimated net realizable value at the time we close such stores or determine that these properties are in excess and intend to offer them for sale. We estimate the net realizable value based on our experience in utilizing or disposing of similar assets and on estimates provided by our own and third-party real estate experts. Although we have not experienced significant changes in our estimate of net realizable value, changes in real estate markets could significantly impact the net values realized from the sale of assets.

Goodwill and Indefinite-Lived Intangible Assets

Goodwill represents the excess of consideration paid over fair value of net assets acquired. Goodwill and intangible assets acquired in a purchase business combination are recorded at fair value as of the date acquired. Acquired intangible assets determined to have an indefinite useful life are not amortized, but are instead tested for impairment at least annually, or more frequently if events and circumstances indicate that the asset might be impaired. The annual impairment test of goodwill and indefinite lived intangible assets is performed as of the first day of the fourth quarter of each fiscal year.

The Partnership uses qualitative factors to determine whether it is more likely than not (likelihood of more than 50%) that the fair value of a reporting unit exceeds its carrying amount, including goodwill. Some of the qualitative factors considered in applying this test include consideration of macroeconomic conditions, industry and market conditions, cost factors affecting the business, overall financial performance of the business and performance of the unit price of the Partnership.

If qualitative factors are not deemed sufficient to conclude that the fair value of the reporting unit more likely than not exceeds its carrying value, then a quantitative approach is applied in making an evaluation. The quantitative evaluation utilizes multiple valuation methodologies, including a market approach (market price multiples of comparable companies), an income approach (discounted cash flow analysis), or a weighted combination of these methods. The computations require management to make significant estimates and assumptions, including, among other things, selection of comparable publicly traded companies, the discount rate applied to future earnings reflecting a weighted average cost of capital and earnings growth assumptions. The Partnership believes the estimates and assumptions used in our impairment assessments are reasonable and based on available market information, but variations in any of the assumptions could result in materially different calculations of fair value and determinations of whether or not an impairment is indicated. A discounted cash flow analysis requires management to make various assumptions about future sales, operating margins, capital expenditures, working capital and growth rates. Cash flow projections are derived from one-year budgeted amounts plus an estimate of later period cash flows, all of which are determined by management. Subsequent period cash flows are developed for each reporting unit using growth rates that management believes are reasonably likely to occur. Under the guideline company method, the Partnership determined the estimated fair value of each of our reporting units by applying valuation multiples of comparable publicly-traded companies to each reporting unit's projected EBITDA and then averaging that estimate with similar historical calculations using a three-year average. In addition, the Partnership estimated a reasonable control premium representing the incremental value that accrues to the majority owner from the opportunity to dictate the strategic and operational actions of the business. If the evaluation results in the fair value of the reporting unit being lower than the carrying value, an impairment charge is recorded.

Indefinite-lived intangible assets are composed of certain tradenames and liquor licenses which are not amortized but are evaluated for impairment annually or more frequently if events or changes occur that suggest an impairment in carrying value, such as a significant adverse change in the business climate. Indefinite-lived intangible assets are evaluated for impairment by comparing each asset's fair value to its book value. Management first determines qualitatively whether it is more likely than not that an indefinite-lived asset is impaired. If management concludes that it is more likely than not that an indefinite-lived asset is impaired, then its fair value is determined by using the discounted cash flow model based on future revenues estimated to be derived in the use of the asset.

Other Intangible Assets

Other finite-lived intangible assets consist of supply agreements, customer relations, non-compete agreements and loan origination costs. Separable intangible assets that are not determined to have an indefinite life are amortized over their useful lives and assessed for impairment only if and when circumstances warrant. Determination of an intangible asset's fair value and estimated useful life are based on an analysis of pertinent factors including: (1) the use of widely-accepted valuation approaches, such as the income approach or the cost approach, (2) the expected use of the asset by the Partnership, (3) the expected useful life of related assets, (4) any legal, regulatory or contractual provisions, including renewal or extension periods that would cause substantial costs or modifications to existing agreements and (5) the effects of obsolescence, demand, competition and other economic factors. Should any of the underlying assumptions indicate that the value of the intangible assets might be impaired, we may be required to reduce the carrying value and remaining useful life of the asset. If the underlying assumptions governing the amortization of an intangible asset were later determined to have significantly changed, we may be required to adjust its

amortization period to reflect a new estimate of its useful life. Any write-down of the value or unfavorable change in the useful life of an intangible asset would increase expense at that time.

Customer relations and supply agreements are amortized on a straight-line basis over the remaining terms of the agreements, which generally range from five to 20 years. Non-compete agreements are amortized over the terms of the respective agreements.

Investments in Unconsolidated Affiliates

We own interests in a number of related businesses, including joint ventures with Energy Transfer, that are accounted for by the equity method. In general, we use the equity method of accounting for an investment for which we exercise significant influence over, but do not control, the investee's operating and financial policies. An impairment of an investment in an unconsolidated affiliate is recognized when circumstances indicate that a decline in the investment value is other-than-temporary.

Asset Retirement Obligations

The estimated future cost to remove an underground storage tank is recognized over the estimated useful life of the storage tank. We record a discounted liability for the future fair value of an asset retirement obligation along with a corresponding increase to the carrying value of the related long-lived asset at the time an underground storage tank is installed. We then depreciate the amount added to property, plant and equipment and recognize accretion expense in connection with the discounted liability over the remaining life of the tank. We base our estimates of the anticipated future costs for tank removal on our prior experience with removals. We review assumptions for computing the estimated liability for tank removal on an annual basis. Any change in estimated cash flows are reflected as an adjustment to both the liability and the associated asset.

Long-lived assets related to asset retirement obligations aggregated $178 million and $12 million as of December 31, 2025 and 2024, respectively, and were reflected as property, plant and equipment, net, on our consolidated balance sheets.

Environmental Liabilities

Environmental expenditures related to existing conditions, resulting from past or current operations and from which no current or future benefit is discernible, are expensed. Expenditures that extend the life of the related property or prevent future environmental contamination are capitalized. We determine and establish a liability on a site-by-site basis when future environmental expenditures are probable and can be reasonably estimated. A related receivable is recorded for estimable and probable reimbursements.

Revenue Recognition

Revenues from our Fuel Distribution segment are derived from the sale of fuel, non-fuel and lease income. Fuel sales consist primarily of the sale of motor fuel under supply agreements with third-party customers and affiliates. Fuel supply contracts with our customers generally provide that we distribute motor fuel at a price based on a formula which includes published rates, volume-based profit margin and other terms specific to the agreement. The customer is invoiced the agreed-upon price with most payment terms ranging less than 30 days. If the consideration promised in a contract includes a variable amount, the Partnership estimates the variable consideration amount and factors in such estimate to determine the transaction price under the expected value method. Revenue is recognized under the motor fuel contracts at the point in time the customer takes control of the fuel. At the time control is transferred to the customer the sale is considered final, because the agreements do not grant customers the right to return motor fuel. To determine when control transfers to the customer, the shipping terms of the contract are assessed as a primary indicator of the transfer of control. For free on board ("FOB") shipping point terms, revenue is recognized at the time of shipment. The performance obligation with respect to the sale of goods is satisfied at the time of shipment since the customer gains control at this time under the terms. Shipping and/or handling costs that occur before the customer obtains control of the goods are deemed to be fulfillment activities and are accounted for as fulfillment costs. Once the goods are shipped, the Partnership is precluded from redirecting the shipment to another customer and revenue is recognized. Non-fuel revenue includes merchandise revenue that comprises the in-store merchandise and food service sales at company-operated retail stores and other revenue such as credit card processing, car washes, lottery and other services. Lease revenue is derived from leasing arrangements for which we are the lessor and recognized ratably over the term of the underlying lease.

Revenues from our Pipeline Systems segment are derived from interstate and intrastate pipeline transportation of refined products, crude oil and anhydrous ammonia and the applicable pipeline tariff on a per barrel basis for crude oil or refined products and on a per ton basis for ammonia.

Revenues from our Terminals segment include fees for tank storage agreements, under which a customer agrees to pay for a certain amount of storage in a tank over a period of time and throughput agreements, under which a customer pays a fee per barrel for volumes moving through our terminals. Our terminals also provide blending, additive injections, handling and filtering services for which we charge additional fees.

Revenues from our Refinery segment are derived from refined products, generated environmental compliance credits and excess crude oil sales are recognized when delivered and the customer obtains control of such inventory, which is typically when title

passes and the customer is billed. All revenues are reported inclusive of shipping and handling costs billed and exclusive of any sales taxes billed to customers where applicable. Shipping and handling costs incurred are reported in cost of sales.

Lease Income

Lease income from leasing or subleasing of real estate is recognized on a straight-line basis over the term of the lease.

Cost of Sales

We include in cost of sales all costs incurred to acquire fuel and merchandise, including the costs of purchasing, storing and transporting inventory prior to delivery to our customers. Items are removed from inventory and are included in cost of sales based on the retail inventory method for merchandise and the LIFO method for motor fuel. Cost of sales does not include depreciation of property, plant and equipment. Depreciation is classified within operating expenses in the consolidated statements of operations and comprehensive income.

Motor Fuel and Sales Taxes

Certain motor fuel and sales taxes are collected from customers and remitted to governmental agencies either directly by the Partnership or through suppliers. The Partnership's accounting policy for wholesale direct sales to dealers, distributors and commercial customers is to exclude the collected motor fuel tax from sales and cost of sales.

For retail locations where the Partnership holds inventory, including commission agent locations, motor fuel sales and motor fuel cost of sales include motor fuel taxes. Such amounts were $261 million, $164 million and $274 million for the years ended December 31, 2025, 2024 and 2023, respectively. Merchandise sales and cost of merchandise sales are reported net of sales tax in our consolidated statements of operations and comprehensive income.

Deferred Branding Incentives

We receive payments for branding incentives related to fuel supply contracts. Unearned branding incentives are deferred and amortized on a straight-line basis over the term of the agreement as a credit to cost of sales.

Lease Accounting

At the inception of each lease arrangement, we determine if the arrangement is a lease or contains an embedded lease and review the facts and circumstances of the arrangement to classify lease assets as operating or finance leases under Topic 842. The Partnership has elected not to record any leases with terms of 12 months or less on our consolidated balance sheets.

Balances related to operating leases are included in operating lease right-of-use assets, net, operating lease current liabilities and non-current operating lease liabilities on our consolidated balance sheets. Finance leases represent a small portion of the active lease agreements and are included in other non-current assets and long-term debt, net on our consolidated balance sheets. The right-of-use assets represent the Partnership's right to use an underlying asset for the lease term and lease liabilities represent the obligation of the Partnership to make minimum lease payments arising from the lease for the duration of the lease term.

The Partnership leases a portion of its properties under non-cancelable operating leases, whose initial terms are typically five to 15 years, with options permitting renewal for additional periods. Most leases include one or more options to renew, with renewal terms that can extend the lease term from five to 10 years or greater. The exercise of lease renewal options is typically at the sole discretion of the Partnership and lease extensions are evaluated on a lease-by-lease basis. Leases containing early termination clauses typically require the agreement of both parties to the lease. At the inception of a lease, all renewal options reasonably certain to be exercised are considered when determining the lease term. The depreciable life of lease assets and leasehold improvements are limited by the expected lease term.

To determine the present value of future minimum lease payments, we use the implicit rate when readily determinable. Presently, because many of our leases do not provide an implicit rate, the Partnership applies its incremental borrowing rate based on the information available at the lease commencement date to determine the present value of minimum lease payments. The operating and finance lease right-of-use assets include any lease payments made and exclude lease incentives.

Minimum rent is expensed on a straight-line basis over the term of the lease, including renewal periods that are reasonably assured at the inception of the lease. The Partnership is typically responsible for payment of real estate taxes, maintenance expenses and insurance.

For short-term leases (leases that have term of 12 months or less upon commencement), lease payments are recognized on a straight-line basis and no right-of-use assets are recorded.

Earnings Per Unit

In addition to limited partner units, we have IDRs as participating securities and compute net income per common unit using the two-class method under which any excess of distributions declared over net income shall be allocated to the partners based on

their respective sharing of income specified in the Partnership Agreement. Net income per unit applicable to limited partners is computed by dividing limited partners' interest in net income, after deducting any incentive distributions and distributions on unvested phantom unit awards, by the weighted average number of outstanding common units.

Defined Benefit Plans

We estimate pension and other postretirement benefit obligations and costs based on actuarial valuations. The annual measurement date for our pension and other postretirement benefit plans is December 31. The actuarial valuations require the use of certain assumptions including discount rates, expected long-term rates of return on plan assets and expected rates of compensation increase. Changes in these assumptions are primarily influenced by factors outside of our control.

Unit-Based Compensation

Under the Partnership's long-term incentive plans, various types of awards may be granted to employees, consultants and directors of our General Partner who provide services for us. Compensation expense related to outstanding awards is recognized over the vesting period based on the grant-date fair value. The grant-date fair value is determined based on the market price of our common units on the grant date. We amortize the grant-date fair value of these awards over their vesting period using the straight-line method. Expenses related to unit-based compensation are included in general and administrative expenses.

Foreign Currency Translation

The functional currencies of our foreign subsidiaries are the local currencies of the countries in which the subsidiaries are located. Transactions in foreign currencies are translated to the respective functional currencies at the exchange rates applicable on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated to the appropriate functional currency at the exchange rate at the consolidated balance sheet date. Foreign exchange gains and losses are recorded in the consolidated statements of income (loss). Non-monetary assets and liabilities denominated in foreign currencies are measured at cost using the exchange rates on the dates of initial recognition.

On consolidation, the financial statements of foreign operations are translated to U.S. dollars. The assets and liabilities of foreign operations are translated to U.S. dollars at the exchange rate prevailing at the consolidated balance sheet date. Income and expenses of foreign operations are translated to U.S. dollars at the exchange rates that approximate those on the dates of the transactions. Foreign exchange differences arising on translation for consolidation are recognized in other comprehensive income (loss). The results and financial position of subsidiaries with the functional currencies of hyperinflationary economies, after being restated for the effects of inflation in line with the Partnership's policy over hyperinflation accounting, are translated to U.S. dollars at the exchange rate prevailing at the consolidated balance sheet date.

In connection with certain internal restructuring transactions subsequent to the Parkland Acquisition, Sunoco and Parkland established an intercompany loan between subsidiaries having different functional currencies. Foreign currency translation gains and losses related to this intercompany loan are recorded in "Other, net" within net income on the Partnership's consolidated statement of operations.

Income Taxes

The Partnership is a publicly traded limited partnership and is not taxable for federal and most state income tax purposes. As a result, our earnings or losses, to the extent not included in a taxable subsidiary, for federal and most state purposes are included in the tax returns of the individual partners. Net earnings for financial statement purposes may differ significantly from taxable income reportable to Unitholders as a result of differences between the tax basis and financial basis of assets and liabilities, differences between the tax accounting and financial accounting treatment of certain items, and due to allocation requirements related to taxable income under our Partnership Agreement. We do not have access to information regarding each partner's individual tax basis in our limited partner interests.

As a publicly traded limited partnership, we are subject to a statutory requirement that our "qualifying income" (as defined by the Internal Revenue Code, related Treasury Regulations and IRS pronouncements) exceed 90% of our total gross income, determined on a calendar year basis. If our qualifying income were not to meet this statutory requirement, the Partnership would be taxed as a corporation for federal and state income tax purposes. For the years ended December 31, 2025, 2024 and 2023, our qualifying income met the statutory requirement.

The Partnership conducts certain activities through corporate subsidiaries which are subject to federal, state, local and foreign income taxes. The Partnership and its corporate subsidiaries account for income taxes under the asset and liability method.

Under this method, deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rate is recognized in

earnings in the period that includes the enactment date. Valuation allowances are established when necessary to reduce deferred tax assets to the amounts more likely than not to be realized.

The determination of the provision for income taxes requires significant judgment, use of estimates, and the interpretation and application of complex tax laws. Significant judgment is required in assessing the timing and amounts of deductible and taxable items and the probability of sustaining uncertain tax positions. The benefits of uncertain tax positions are recorded in our consolidated financial statements only after determining a more-likely-than-not probability that the uncertain tax positions will withstand challenge, if any, from taxing authorities. When facts and circumstances change, we reassess these probabilities and record any changes through the provision for income taxes.

The acquisition of Parkland brought the Partnership into scope for Pillar Two global minimum tax regime, a legislative framework established by Organization for Economic Co-operation and Development ("OECD"), as several jurisdictions in which the Partnership now operates have enacted Pillar Two global minimum tax legislation.

Consistent with ASC 740 and current industry guidance, the Partnership has applied a temporary exception and has not recognized deferred tax assets or liabilities related to Pillar Two tax liability.

The Partnership has elected to account for the tax on global intangible low-taxed income ("GILTI") under IRC §951A as a period cost in the year the tax is incurred, rather than recognizing deferred taxes on basis differences in its controlled foreign corporations that may give rise to future GILTI inclusions.

Recent Accounting Pronouncements

In November 2024, the FASB issued Accounting Standards Update ("ASU") 2024-03, Income Statement–Reporting Comprehensive Income–Expense Disaggregation Disclosures (Subtopic 220-40). ASU 2024-03 requires disclosure of specified information about certain costs and expenses in the notes to the consolidated financial statements. ASU 2024-03 is effective for annual periods beginning after December 15, 2026, and interim periods within annual periods beginning after December 15, 2027, with early adoption permitted. ASU 2024-03 is to be applied on a prospective basis, with retrospective application permitted. We are currently evaluating the impact, if any, of ASU 2024-03 on our consolidated financial statements and related disclosures.

In December 2023, FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. ASU 2023-09 improves and enhances income tax disclosure requirements, including new disclosures related to tax rate reconciliation and income taxes paid. The Partnership retrospectively adopted ASU 2023-09 during the year ended December 31, 2025 and has revised its disclosures accordingly, as reflected in Notes 4 and 18.

3. Acquisitions, Divestitures and Other Transactions

Parkland Acquisition

On October 31, 2025, we completed the previously announced acquisition of Parkland, whereby Sunoco Retail, a wholly owned corporate subsidiary of the Partnership, indirectly acquired all the outstanding shares of Parkland, in exchange for cash and SunocoCorp units that were contributed by SunocoCorp to the Partnership at the close of the Parkland Acquisition. Under the terms of the agreement, Parkland shareholders received 0.295 SunocoCorp units and C$19.80 for each Parkland share. Parkland shareholders could elect, in the alternative, to receive C$44.00 per Parkland share in cash or 0.536 SunocoCorp units for each Parkland share, subject to proration to ensure that the aggregate consideration payable in connection with the transaction would not exceed C$19.80 in cash per Parkland share outstanding as of immediately before close and 0.295 SunocoCorp units per Parkland share outstanding as of immediately before close. In connection with the closing of the Parkland Acquisition, we paid approximately $2.60 billion to Parkland's shareholders and transferred 51,517,198 SunocoCorp common units, which we had received from SunocoCorp in exchange for our issuance of 51,517,198 Sunoco Class D Units to SunocoCorp.

Parkland is a leading international fuel distributor, marketer and convenience retailer with operations in 26 countries across the Americas. Parkland's functional currency is the Canadian dollar, and its consolidated structure includes subsidiaries with multiple other functional currencies.

As part of the transaction, the Partnership repurposed and renamed an existing subsidiary as SunocoCorp. Prior to the Parkland Acquisition, SunocoCorp did not have any significant assets, liabilities or operations; in connection with the Parkland Acquisition, the Partnership deconsolidated SunocoCorp and SunocoCorp became a publicly traded entity classified as a corporation for U.S. federal income tax purposes. SunocoCorp units began trading on the NYSE effective November 6, 2025. Subsequent to the Parkland Acquisition, SunocoCorp holds Sunoco Class D Units, representing limited partnership interests in Sunoco that are generally economically equivalent to Sunoco's publicly traded common units on the basis of one Sunoco Common Unit for each outstanding SunocoCorp unit. For a period of two years following closing of the transaction, Sunoco will ensure that SunocoCorp unitholders receive distributions on a per unit basis that are equivalent to the per unit distributions to Sunoco unitholders.

The acquisition was recorded using the acquisition method of accounting which requires, among other things, that assets and liabilities assumed be recognized on the balance sheet at their estimated fair values as of the date of acquisition, with any excess

purchase price over the fair value of net assets acquired recorded to goodwill. Management, with the assistance of a third-party valuation specialist, determined the fair value of assets and liabilities as of the date of the acquisition. Determining the fair value involves the use of management's judgment as well as the use of significant estimates and assumptions.

As of the date these financial statements were issued, management and the third-party valuation specialist continue to evaluate certain assumptions, which could result in a change to the allocation of the fair value among reporting units or between line items on the consolidated balance sheet, potentially impacting deferred tax balances and/or goodwill. The following table summarizes the preliminary allocation of the purchase price among assets acquired and liabilities assumed.

	As of October 31, 2025
Total current assets	$ 2,814
Property, plant and equipment	5,612
Operating lease right-of-use assets, net	731
Goodwill [1]	1,528
Intangible assets, net [2]	1,871
Deferred tax assets	210
Other non-current assets	266
Investments in unconsolidated affiliates	341
Total assets	13,373
Total current liabilities	2,490
Long-term debt, less current maturities	3,797
Operating lease non-current liabilities	731
Deferred tax liabilities	965
Other non-current liabilities	375
Total liabilities	8,358
Total consideration	5,015
Cash acquired	(464)
Total consideration, net of cash acquired	$ 4,551

(1) Goodwill represents expected commercial and operational synergies. Approximately $660 million of the goodwill recorded as a result of this transaction is expected to be deductible for IRC Sec. 951A GILTI and foreign earnings and profits purposes. The goodwill is not deductible for non-US jurisdictions.

(2) Intangible assets, net comprised of $1.49 billion of customer relationships, with a remaining weighted average life of approximately 20 years, $297 million of indefinite-lived tradenames, and $85 million of other intangibles with a remaining weighted average life of approximately 10 years.

Expenses Related to the Parkland Acquisition

As a result of the Parkland Acquisition, we recognized $67 million of merger-related expenses for the year ended December 31, 2025, which are included in general and administrative expenses in our consolidated statement of operations.

TanQuid Acquisition

On January 16, 2026, the Partnership completed the previously announced acquisition of TanQuid for approximately €465 million (approximately $540 million as of January 16, 2026), including approximately €300 million of assumed debt, less approximately €39 million of cash acquired. TanQuid owns and operates 15 fuel terminals in Germany and one fuel terminal in Poland. The transaction was funded using cash on hand and amounts available under the Partnership's Credit Facility. As of the date of this Form 10-K filing, the initial accounting for this business combination is incomplete due to the timing of the close of the acquisition and therefore has not been included herein.

Expenses Related to the TanQuid Acquisition

As a result of the acquisition, Sunoco recognized $3 million of merger-related expenses during the year ended December 31, 2025, which are included in general and administrative expenses in our consolidated statement of operations.

Other Acquisitions

In the first quarter of 2025, Sunoco acquired fuel equipment, motor fuel inventory and supply agreements in two separate transactions for total consideration of approximately $17 million. Aggregate consideration included $12 million in cash and 91,776 newly issued Sunoco Common Units, which had an aggregate acquisition-date fair value of approximately $5 million.

In the second quarter of 2025, Sunoco acquired a total of 151 fuel distribution consignment sites in three separate transactions for total consideration of approximately $105 million, plus working capital. Aggregate consideration included $92 million in cash and 251,646 newly issued Sunoco Common Units which had an aggregate acquisition-date fair value of approximately $13 million.

In the third quarter of 2025, Sunoco acquired approximately 70 fuel distribution consignment sites and 100 supply agreements in five separate transactions for total cash consideration of approximately $85 million, plus working capital.

In the fourth quarter of 2025, Sunoco acquired a total of 27 fuel distribution consignment sites and 36 dealer sites, as well as commercial customers, in four separate transactions for total cash consideration of approximately $64 million, plus working capital.

These transactions were accounted for as asset acquisitions, and the purchase price was primarily allocated to inventories, property, plant and equipment and other non-current assets.

2024 Acquisitions

NuStar Acquisition

On May 3, 2024, Sunoco completed the acquisition of 100% of the common units of NuStar. Under the terms of the agreement, NuStar common unitholders received 0.400 Sunoco common units for each NuStar common unit. In connection with the acquisition, Sunoco issued approximately 51.5 million common units, which had a fair value of approximately $2.85 billion, assumed debt totaling approximately $3.5 billion, including approximately $56 million of lease related financing obligations, and assumed preferred units with a fair value of approximately $800 million. NuStar has approximately 9,500 miles of pipeline and 63 terminal and storage facilities that store and distribute crude oil, refined products, renewable fuels, ammonia and specialty liquids. The acquisition is expected to diversify the Partnership's business, increase scale and provide vertical integration, as well as improving the Partnership's credit profile and enhancing growth.

The acquisition was recorded using the acquisition method of accounting which requires, among other things, that assets and liabilities assumed be recognized on the balance sheet at their estimated fair values as of the date of acquisition, with any excess purchase price over the fair value of net assets acquired recorded to goodwill. Management, with the assistance of a third-party valuation specialist, determined the fair value of assets and liabilities as of the date of the acquisition. Determining the fair value involves the use of management's judgment as well as the use of significant estimates and assumptions.

The following table summarizes the allocation of the purchase price among assets acquired and liabilities assumed:

	As of May 3, 2024
Total current assets	$ 186
Property, plant and equipment	6,958
Operating lease right-of-use assets, net	136
Goodwill [1]	16
Intangible assets, net [2]	195
Other non-current assets	127
Total assets	7,618
Total current liabilities	245
Long-term debt, less current maturities [3]	3,500
Operating lease non-current liabilities	136
Deferred tax liabilities	4
Other non-current liabilities	82
Total liabilities	3,967
Preferred units [3]	801
Total consideration	2,850
Cash acquired	27
Total consideration, net of cash acquired	$ 2,823

(1) Goodwill primarily represents expected commercial and operational synergies. None of the goodwill recorded as a result of this transaction is deductible for tax purposes. Goodwill of $16 million relates to Sunoco's Fuel Distribution segment.

(2) Intangible assets, net comprised $151 million of favorable contracts, with a remaining weighted average life of approximately 7 years, and $44 million of customer relationships with a remaining weighted average life of approximately 15 years.

(3) Subsequent to the closing of the NuStar Acquisition, the Partnership redeemed all outstanding NuStar preferred units, totaling $784 million, redeemed NuStar's subordinated notes totaling $403 million and repaid and terminated the NuStar credit facility totaling $455 million.

Subsequent to the NuStar Acquisition, the Partnership purchased a property previously leased by NuStar and cancelled the lease, resulting in an impairment of $50 million based on the value of comparable real property.

Expenses Related to the NuStar Acquisition

As a result of the acquisition, Sunoco recognized $103 million of merger-related expenses during the year ended December 31, 2024, which are included in general and administrative expenses in our consolidated statement of operations.

Zenith European Terminals Acquisition

On March 13, 2024, Sunoco completed the acquisition of liquid fuels terminals in Amsterdam, Netherlands and Bantry Bay, Ireland from Zenith Energy for €170 million ($185 million), including working capital. The acquisition is expected to supply optimization for the Partnership's existing East Coast business and continues its focus on growing its portfolio of stable midstream income. The acquisition was recorded using the acquisition method of accounting which requires, among other things, that assets and liabilities assumed be recognized on the balance sheet at their estimated fair values as of the date of acquisition. Management, with the assistance of a third-party valuation specialist, determined the fair value of assets and liabilities as of the date of the acquisition. Determining the fair value involves the use of management's judgment as well as the use of significant estimates and assumptions. The following table summarizes the allocation of the purchase price among assets acquired and liabilities assumed:

	As of March 13, 2024
Other current assets	$ 6
Property, plant and equipment	204
Other non-current assets	36
Deferred tax assets	6
Current liabilities	(14)
Deferred tax liabilities	(4)
Other non-current liabilities	(43)
Net assets	191
Bargain purchase gain	(6)
Total cash consideration, net of cash acquired	$ 185

Zenith European terminals revenue and net income since the acquisition date to December 31, 2024 included in our consolidated statement of operations were $43 million and $8 million, respectively.

Other Acquisition

On August 30, 2024, Sunoco acquired a terminal in Portland, Maine for approximately $24 million, including working capital. The purchase price was primarily allocated to property, plant and equipment.

West Texas Sale

On April 16, 2024, Sunoco completed the sale of 204 convenience stores located in West Texas, New Mexico and Oklahoma to 7-Eleven, Inc. for approximately $1.0 billion, including customary adjustments for fuel and merchandise inventory. As part of the sale, Sunoco also amended its existing take-or-pay fuel supply agreement with 7-Eleven, Inc. to incorporate additional fuel gross profit. As a result of the sale, the Partnership recorded a $586 million gain ($442 million net of tax).

ET-S Permian

Effective July 1, 2024, Sunoco and Energy Transfer formed ET-S Permian, a joint venture combining their respective crude oil and produced water gathering assets in the Permian Basin. Pursuant to the contribution agreement by and among the Partnership, Sun Pipeline Holdings LLC, NuStar Permian Transportation and Storage LLC, NuStar Permian Crude Logistics LLC, NuStar Permian Holdings LLC, NuStar Logistics, L.P., ET-S Permian Holdings Company LP, ET-S Permian Pipeline Company LLC, ET-S Permian Marketing Company LLC, Energy Transfer LP, and Energy Transfer Crude Marketing, LLC dated July 14, 2024, in a cashless transaction, Sunoco contributed all of its Permian crude oil gathering assets and operations to ET-S Permian. Energy Transfer contributed its Permian crude oil and produced water gathering assets and operations to ET-S Permian. Energy Transfer's long-haul crude pipeline network that provides transportation of crude oil out of the Permian Basin to Nederland, Houston and Cushing is excluded from ET-S Permian.

ET-S Permian operates more than 5,000 miles of crude oil and water gathering pipelines with crude oil storage capacity in excess of 11 million barrels.

Sunoco holds a 32.5% interest, with Energy Transfer holding the remaining 67.5% interest in ET-S Permian. Energy Transfer serves as the operator of ET-S Permian.

2023 Acquisition

On May 1, 2023, Sunoco completed the acquisition of 16 refined product terminals located across the East Coast and Midwest from Zenith Energy for approximately $111 million, including working capital. The purchase price was primarily allocated to property, plant and equipment.

Pro Forma Results of Operations

The following unaudited pro forma consolidated results of operations for the year ended December 31, 2025 and 2024 are presented as if the Parkland and NuStar acquisitions and the West Texas Sale had been completed on January 1, 2024.

	Year Ended December 31,	
	2025	2024
Revenues	$ 41,457	$ 43,696
Net income (loss)	313	(12)

The pro forma consolidated results of operations include adjustments to:

- include the results of Parkland and NuStar for all periods presented;
- include incremental expenses associated with the fair value adjustments recorded as a result of applying the acquisition method of accounting for Parkland and NuStar;
- include incremental interest expense related to financing the transactions;
- include $175 million of expenses representing one-time costs associated with completing the transaction;
- adjust for relative changes in ownership resulting from the acquisition;
- exclude the results from the convenience stores sold in the West Texas Sale; and
- exclude the gain on sale and related tax impact related to the West Texas Sale.

The pro forma information is not necessarily indicative of the results of operations that would have occurred had the Parkland Acquisition been made at the beginning of the periods presented or the future results of the combined operations.

Parkland's revenue and net income, excluding intercompany transactions, since the acquisition date to December 31, 2025 included in our consolidated statement of operations were $3.17 billion and $195 million, respectively.

4. Cash And Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits and short-term investments with original maturities of three months or less.

The net change in operating assets and liabilities, net of effects of acquisitions and divestitures, included in cash flows from operating activities is comprised as follows:

	Year Ended December 31,		
	2025	2024	2023
Accounts receivable, net	$ 212	$ (212)	$ 34
Accounts receivable from affiliates	—	20	(5)
Inventories, net	(275)	(265)	(182)
Other assets	(30)	43	47
Accounts payable	(255)	357	(101)
Accounts payable to affiliates	129	29	61
Accrued expenses and other current liabilities	(86)	(66)	43
Other non-current liabilities	(76)	(106)	(18)
	$ (381)	$ (200)	$ (121)

Non-cash investing and financing activities were as follows:

	Year Ended December 31,		
	2025	2024	2023
Non-cash investing and financing activities and supplemental cash flow information:			
Senior notes redeemed and issued in exchange transaction	$ 3,654	$ —	$ —
Units issued in connection with acquisitions	4,038	2,850	—
Contribution of assets to ET-S Permian	—	1,159	—
Lease assets obtained in exchange for new lease liabilities	280	3	—
Interest paid	434	339	202

5. Accounts Receivable, net

Accounts receivable, net, consisted of the following:

	December 31, 2025	December 31, 2024
Accounts receivable, trade	$ 1,686	$ 1,058
Credit card receivables	42	28
Other receivables	286	78
Allowance for expected credit losses	(42)	(2)
Accounts receivable, net	$ 1,972	$ 1,162

6. Inventories, net

Fuel inventories included balances stated at the lower of cost or market using the LIFO method. As of December 31, 2025 and 2024, the Partnership's fuel inventory balance included lower of cost or market reserves of $472 million and $316 million, respectively. For the years ended December 31, 2025, 2024 and 2023, the Partnership's consolidated statements of operations and comprehensive income did not include any material amounts of income from the liquidation of LIFO fuel inventory. For the years ended December 31, 2025, 2024 and 2023, the Partnership's cost of sales included unfavorable LIFO inventory adjustments of $156 million, $86 million and $114 million, respectively, which decreased net income.

Inventories, net consisted of the following:

	December 31, 2025	December 31, 2024
Fuel	$ 2,178	$ 1,054
Other	205	14
Inventories, net	$ 2,383	$ 1,068

The Partnership's fuel inventories in the Caribbean, which totaled $88 million at December 31, 2025, are stated at the lower of cost or market using the FIFO method. Under this methodology, the cost of fuel sold consists of older acquisition costs, which includes transportation and storage costs.

7. Investments in Unconsolidated Affiliates

Description of Investments

The following is a summary of the Partnership's significant unconsolidated investments:

J.C. Nolan

Sunoco owns a 50% interest in J.C. Nolan, which provides diesel fuel storage in Midland, Texas with storage capacity of 130,000 barrels and transports diesel fuel from a tank farm in Hebert, Texas to Midland, Texas, on a 500 mile pipeline with a throughput capacity of approximately 36 thousand barrels per day.

ET-S Permian

Sunoco owns a 32.5% interest in ET-S Permian, which operates more than 5,000 miles of crude oil and water gathering pipelines with crude oil storage capacity in excess of 11 million barrels.

SARA

Sunoco owns a 29% interest in SARA, which is a refinery based in Martinique with operations to sell refined crude oil in Guadeloupe, French Guiana and Martinique.

Isla

Sunoco owns a 50% interest in Isla, which is comprised of over 200 retail locations alongside an integrated commercial and aviation business in Dominican Republic.

Summary of Balances Related to Unconsolidated Affiliates

The carrying values of the Partnership's investments in unconsolidated affiliates as of December 31, 2025 and 2024 were as follows:

	December 31, 2025	December 31, 2024
J.C. Nolan	$ 121	$ 123
ET-S Permian	1,161	1,212
SARA	141	—
Isla	171	—
Other	30	—
	$ 1,624	$ 1,335

The following table presents equity in earnings (losses) of unconsolidated affiliates:

	Year Ended December 31,		
	2025	2024	2023
J.C. Nolan	$ 7	$ 7	$ 5
ET-S Permian	134	53	—
SARA	1	—	—
Isla	2	—	—
Other	(1)	—	—
	$ 143	$ 60	$ 5

Summarized Financial Information

The following tables present aggregated selected balance sheet and income statement data for Sunoco's unconsolidated affiliates: J.C. Nolan, ET-S Permian, SARA and Isla (on a 100% basis), for all periods presented:

	December 31, 2025	December 31, 2024
Current assets	$ 511	$ 650
Property, plant and equipment, net	3,912	3,542
Other assets	361	310
Total assets	$ 4,784	$ 4,502
Current liabilities	$ 375	$ 477
Non-current liabilities	159	49
Equity	4,250	3,976
Total liabilities and equity	$ 4,784	$ 4,502

	Year Ended December 31,		
	2025	2024	2023
Revenues	$ 21,022	$ 8,267	$ 34
Operating income	444	176	10
Net income	437	176	10

8. Property, Plant and Equipment, net

Components and useful lives of property, plant and equipment, net consisted of the following:

	December 31, 2025	December 31, 2024
Land and improvements	$ 2,081	$ 739
Buildings, equipment and leasehold improvements (1 to 40 years)	4,695	1,315
Pipelines (5 to 65 years)	3,747	3,553
Product storage and related facilities (2 to 40 years)	1,400	891
Right of way (20 to 65 years)	1,728	1,727
Other (1 to 48 years)	727	403
Construction work-in-process	878	286
Total property, plant and equipment	15,256	8,914
Less – Accumulated depreciation	1,848	1,240
Property, plant and equipment, net	$ 13,408	$ 7,674

Depreciation expense on property, plant and equipment was $638 million, $326 million and $139 million for the years ended December 31, 2025, 2024 and 2023, respectively.

9. Goodwill and Intangible Assets, net

Goodwill

Goodwill balances and activity for the years ended December 31, 2025 and 2024 consisted of the following:

	Segment				
	Fuel Distribution	Pipeline Systems	Terminals	Refinery	Consolidated
			(in millions)		
Balance at December 31, 2023	$ 1,362	$ —	$ 237	$ —	$ 1,599
West Texas Sale	(138)	—	—	—	(138)
NuStar Acquisition	16	—	—	—	16
Balance at December 31, 2024	1,240	—	237	—	1,477
Parkland Acquisition	1,070	38	—	420	1,528
Other	15	—	—	6	21
Balance at December 31, 2025	$ 2,325	$ 38	$ 237	$ 426	$ 3,026

The Partnership determines the fair value of our reporting units using the discounted cash flow method, the guideline company method, or a weighted combination of the discounted cash flow method and the guideline company method. Determining the fair value of a reporting unit requires judgment and the use of significant estimates and assumptions. Such estimates and assumptions include revenue growth rates, operating margins, weighted average costs of capital and future market conditions, among others. The Partnership believes the estimates and assumptions used in our impairment assessments are reasonable and based on available market information, but variations in any of the assumptions could result in materially different calculations of fair value and determinations of whether or not an impairment is indicated. Under the discounted cash flow method, the Partnership determines fair value based on estimated future cash flows of each reporting unit including estimates for capital expenditures, discounted to present value using the risk-adjusted industry rate, which reflect the overall level of inherent risk of the reporting unit. Cash flow projections are derived from one year budgeted amounts and five year operating forecasts plus an estimate of later period cash flows, all of which are evaluated by management. Subsequent period cash flows are developed for each reporting unit using growth rates that management believes are reasonably likely to occur. Under the guideline company method, the Partnership determines the estimated fair value of each of our reporting units by applying valuation multiples of comparable publicly-traded companies to each reporting unit's projected EBITDA and then averaging that estimate with similar historical calculations using a three year average. In addition, the Partnership estimates a reasonable control premium representing the incremental value that accrues to the majority owner from the opportunity to dictate the strategic and operational actions of the business. The fair value estimates used in the long-lived asset and goodwill tests were primarily based on Level 3 inputs of the fair value hierarchy.

During the fourth quarters of 2025, 2024 and 2023, we performed our annual impairment testing. No goodwill impairment was identified for the reporting units as a result of these tests.

Intangible Assets, net

Gross carrying amounts and accumulated amortization for each major class of intangible assets, excluding goodwill, consisted of the following:

	December 31, 2025			December 31, 2024		
	Gross Carrying Amount	Accumulated Amortization	Net Book Value	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Indefinite-lived						
Tradenames	$ 606	$ —	$ 606	$ 302	$ —	$ 302
Finite-lived						
Customer relations including supply agreements	2,241	520	1,721	721	477	244
Other intangibles	93	9	84	8	7	1
Intangible assets, net	$ 2,940	$ 529	$ 2,411	$ 1,031	$ 484	$ 547

During the fourth quarters of 2025, 2024 and 2023, we performed the annual impairment tests on Sunoco's indefinite-lived intangible assets. No impairments were recorded in 2025, 2024 and 2023.

Total amortization expense on finite-lived intangibles included in depreciation, amortization and accretion was $45 million, $37 million and $44 million for the years ended December 31, 2025, 2024 and 2023, respectively.

Customer relations and supply agreements have a remaining weighted average life of approximately 18 years.

As of December 31, 2025, the Partnership's estimate of amortization for each of the five succeeding fiscal years and thereafter for finite-lived intangibles was as follows:

	Amortization
2026	$ 124
2027	124
2028	124
2029	120
2030	118
Thereafter	1,195
Total	$ 1,805

10. Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following:

	December 31, 2025	December 31, 2024
Wage and other employee-related accrued expenses	$ 92	$ 64
Accrued tax expense	187	152
Accrued insurance	37	39
Accrued interest expense	183	82
Dealer deposits	21	24
Accrued capital expenditures	46	—
Accrued environmental expense	10	7
Contract liabilities	102	17
Other	275	72
Accrued expenses and other current liabilities	$ 953	$ 457

11. Debt Obligations

Sunoco's debt obligations consisted of the following:

	December 31, 2025	December 31, 2024
Credit Facility	$ —	$ 203
5.750% senior notes due 2025	—	600
6.000% senior notes due 2026 [1]	500	500
3.875% CAD senior notes due 2026 [1][2]	400	—
Parkland 3.875% CAD senior notes due 2026 [1][3]	37	—
6.000% senior notes due 2027	600	600
5.625% senior notes due 2027	550	550
5.875% senior notes due 2027 [2]	499	—
Parkland 5.875% senior notes due 2027 [3]	1	—
5.875% senior notes due 2028	400	400
7.000% senior notes due 2028	500	500
6.000% CAD senior notes due 2028 [2]	277	—
Parkland 6.000% CAD senior notes due 2028 [3]	14	—
4.500% senior notes due 2029	800	800
7.000% senior notes due 2029	750	750
4.375% CAD senior notes due 2029 [2]	397	—
Parkland 4.375% CAD senior notes due 2029 [3]	40	—
4.500% senior notes due 2029 [2]	790	—
Parkland 4.500% senior notes due 2029 [3]	10	—
4.500% senior notes due 2030	800	800
6.375% senior notes due 2030	600	600
4.625% senior notes due 2030 [2]	798	—
Parkland 4.625% senior notes due 2030 [3]	2	—
5.625% senior notes due 2031	1,000	—
7.250% senior notes due 2032	750	750
6.625% senior notes due 2032 [2]	493	—
Parkland 6.625% senior notes due 2032 [3]	7	—
6.250% senior notes due 2033	1,000	—
5.875% senior notes due 2034	900	—
GoZone Bonds	322	322
Lease-related financing obligations and other subsidiary debt	233	132
Net unamortized premiums, discounts and fair value adjustments	2	16
Deferred debt issuance costs	(83)	(37)
Total debt	13,389	7,486
Less: current maturities	17	2
Total long-term debt, net	$ 13,372	$ 7,484

(1) As of December 31, 2025, $937 million aggregate principal amount of senior notes due before December 31, 2026 were classified as long-term as management has the intent and ability to refinance the borrowings on a long-term basis.

(2) These senior notes, totaling $3.65 billion as of December 31, 2025, were assumed and exchanged by the Partnership in connection with the closing of the Parkland Acquisition. For additional information, see "Parkland Senior Note Exchange" below.

(3) These senior notes, totaling $111 million as of December 31, 2025, represent the aggregate principal amounts not tendered in the private exchange offers and remain outstanding obligations of Parkland. For additional information, see "Parkland Senior Note Exchange" below.

At December 31, 2025, scheduled future debt maturities were as follows:

2026	$ 954
2027	1,661
2028	1,202
2029	2,797
2030	2,206
Thereafter	4,650
Total	$ 13,470

Recent Financing Transactions

March 2025 Senior Notes Offering and Redemption

In March 2025, the Partnership issued $1.00 billion aggregate principal amount of 6.250% senior notes due 2033 in a private offering. These notes will mature on July 1, 2033 and interest is payable semi-annually on January 1 and July 1 of each year. The Partnership used the net proceeds from the private offering to repay its $600 million aggregate principal amount of 5.750% senior notes due 2025 and to repay a portion of the outstanding borrowings under its Credit Facility.

September 2025 Senior Notes Offering

In September 2025, the Partnership issued $1.00 billion aggregate principal amount of 5.625% senior notes due 2031 and $900 million aggregate principal amount of 5.875% senior notes due 2034 in a private offering. These notes will mature on March 15, 2031 and March 15, 2034, respectively, and interest is payable semi-annually on March 15 and September 15 of each year, commencing on March 15, 2026. The Partnership used the net proceeds from this private offering (i) on the closing date of the Parkland Acquisition to fund a portion of the cash consideration for the Parkland Acquisition and related transaction costs, with the remaining proceeds used for general corporate purposes, and (ii) prior to the closing date of the Parkland Acquisition, to temporarily reduce the borrowings outstanding under the Partnership's Credit Facility and to pay interest and fees in connection therewith.

The 5.625% senior notes due 2031 and 5.875% senior notes due 2034 were originally subject to a special mandatory redemption requirement, which was eliminated upon closing of the Parkland Acquisition.

Parkland Senior Note Exchange

In October 2025, in connection with the Parkland Acquisition, the Partnership commenced a private offering to exchange up to C$1.60 billion Canadian dollar denominated notes issued by Parkland (collectively, the "PKI CAD Notes") and up to $2.60 billion U.S. dollar denominated notes issued by Parkland (collectively, the "PKI USD Notes") for new notes issued by the Partnership. The exchange offer closed on November 7, 2025 with approximately C$1.47 billion of the PKI CAD Notes and approximately $2.58 billion of the PKI USD Notes being validly tendered and not validly withdrawn.

Description of Debt Obligations

Sunoco Senior Notes

The terms of each tranche of Sunoco Senior Notes are governed by indentures among the Partnership and Sunoco Finance Corp. (together, the "Issuers"), and certain other subsidiaries of the Partnership and U.S. Bank National Association, as trustee. The Sunoco Senior Notes are senior obligations of the Issuers and are guaranteed by all of the Partnership's existing subsidiaries and certain of its future subsidiaries. The Sunoco Senior Notes and guarantees are unsecured and rank equally with all of the Issuers' and each Guarantor's existing and future senior obligations. The Sunoco Senior Notes and guarantees are effectively subordinated to the Issuers' and each Guarantor's secured obligations, including obligations under the Partnership's Credit Facility (as defined below), to the extent of the value of the collateral securing such obligations, and structurally subordinated to all indebtedness and obligations, including trade payables, of the Partnership's subsidiaries that do not guarantee the Sunoco Senior Notes.

Energy Transfer guarantees collection to the Issuers with respect to the payment of the principal amount of the 5.875% senior notes due 2028. Energy Transfer is not subject to any of the covenants under the Indenture.

Credit Facility

The Partnership's $2.50 billion Credit Facility matures on June 17, 2030, which date may be extended in accordance with the terms of the Credit Facility. The Credit Facility can be increased from time to time upon Sunoco's written request, subject to certain conditions, up to an aggregate amount of $3.50 billion. As of December 31, 2025, Sunoco had no outstanding borrowings on the Credit Facility and $26 million in standby letters of credit were outstanding. The unused availability on the Credit Facility as of December 31, 2025 was $2.47 billion. The weighted average interest rate on the total amount outstanding as of

December 31, 2025 was 6.38%. The Partnership was in compliance with all financial covenants as of December 31, 2025. The Partnership's net leverage ratio was 4.03 to 1.00 at December 31, 2025.

Borrowings under the Credit Facility will bear interest, at the Borrower's election, at a rate equal to Term SOFR (as defined therein) or a base rate (a rate based off of the higher of (a) the Federal Funds Rate (as defined therein) plus 0.500%, (b) Bank of America's prime rate and (c) one-month Term SOFR (as defined therein) plus 1.00%), in each case plus an applicable margin ranging from 1.250% to 2.250%, in the case of a Term SOFR loan, or from 0.250% to 1.25%, in the case of a base rate loan (determined with reference to the Partnership's Net Leverage Ratio as defined in the Credit Facility). Upon the first achievement by the Partnership of an investment grade credit rating, the applicable margin will decrease to a range of 1.125% to 1.750%, in the case of a Term SOFR loan, or from 0.125% to 0.750%, in the case of a base rate loan (determined with reference to the credit rating for the Partnership's senior, unsecured, non-credit enhanced long-term debt and the Partnership's corporate issuer rating). Interest is payable quarterly if the base rate applies, and at the end of the applicable interest period if Term SOFR applies. In addition, the unused portion of the Partnership's Credit Facility will be subject to a commitment fee ranging from 0.250% to 0.350%, based on the Partnership's Net Leverage Ratio. Upon the first achievement by the Partnership of an investment grade credit rating, the commitment fee will decrease to a range of 0.125% to 0.350%, based on the Partnership's credit rating as described above.

The Credit Facility requires the Partnership to maintain a Net Leverage Ratio of not more than 5.50 to 1.00 before the first achievement by the Partnership of an investment grade credit rating, and from and after the first occurrence of an investment grade credit rating, a Net Leverage Ratio of not more than 5.00 to 1.00. The maximum Net Leverage Ratio is subject to upwards adjustment after the achievement by the Partnership of an investment grade credit rating to not more than 5.50 to 1.00 for a period not to exceed three fiscal quarters in the event the Partnership engages in certain specified acquisitions of not less than $50 million (as permitted under the Credit Facility). The Credit Facility also requires the Partnership to maintain an Interest Coverage Ratio (as defined in the Credit Facility) of not less than 2.25 to 1.00.

Indebtedness under the Credit Facility is guaranteed by material domestic subsidiaries of the Partnership and other subsidiaries for which the Partnership elects to provide guarantees.

On May 16, 2025, the Credit Facility was amended, effective as of the Parkland Acquisition closing date, to, among other things, (i) increase the letter of credit sublimit from $100 million to $250 million, (ii) exclude Parkland and its subsidiaries from any requirement to provide a guarantee of the Obligations (as defined in the Sunoco Credit Agreement) to the extent (x) such guarantee would not be permitted under any existing indebtedness of Parkland and its subsidiaries that remains outstanding after the Parkland Acquisition closing date or (y) such guarantee, if provided by a domestic subsidiary that is a direct or indirect subsidiary of a foreign subsidiary, could reasonably be expected to have material adverse tax consequences and (iii) permit the Partnership or any of its subsidiaries to incur (x) Parkland Acquisition bridge debt in an aggregate principal amount not to exceed $2.65 billion and (y) Parkland backstop bridge debt in an aggregate principal amount not to exceed $3.40 billion less reductions to such maximum amount as set forth in the Sunoco Credit Agreement.

On June 17, 2025, the Credit Facility was amended to, among other things, (i) extend the maturity date of the revolving credit facility from May 3, 2029 to June 17, 2030, (ii) increase the aggregate principal amount of the revolving loan commitments from $1.50 billion to approximately $2.50 billion, upon closing of the Parkland Acquisition, (iii) increase the swingline sublimit on and after the Parkland Acquisition closing from $100 million to $500 million, of which $250 million will be dedicated to swingline borrowings in Canadian Dollars and $250 million will be dedicated to swingline borrowings in U.S. Dollars, and (iv) add the ability to borrow revolving loans in Canadian Dollars.

On August 8, 2025, the Credit Facility was amended to, among other things, provide for up to $2.00 billion of cash that has been reserved by the Partnership to fund a portion of the cash consideration for the Parkland Acquisition to be netted in calculating the Net Leverage Ratio (as defined in the Sunoco Credit Agreement) for purposes of the financial maintenance covenant.

On October 3, 2025, the Credit Facility was amended to, among other things, (i) amend the maturity limitations on the incurrence of additional unsecured indebtedness by the Partnership and its subsidiaries to permit both (a) the new notes to be issued by the Partnership in connection with the previously announced private exchange offers (the "Exchange Offers") and (b) the guaranty by the Partnership of any senior notes of Parkland that remain outstanding after giving effect to the settlement of the Exchange Offers and (ii) exclude any domestic subsidiaries that are "foreign subsidiary holding companies" or subsidiaries of "controlled foreign corporations" from an obligation to provide a guaranty under the Credit Facility.

On November 25, 2025, the Credit Facility was amended to increase the aggregate principal amount of the revolving loan commitments from approximately $2.46 billion to $2.50 billion.

NuStar Logistics Senior Notes

NuStar Logistics is the issuer of $2.25 billion of senior notes, including 5.750% senior notes due 2025, 6.000% senior notes due 2026, 5.625% senior notes due 2027 and 6.375% senior notes due 2030 (collectively, the "NuStar Logistics Senior Notes").

Subsequent to the closing of the NuStar Acquisition, the indentures related to the Partnership's senior notes ("Sunoco Senior Notes") and the indentures related to NuStar Logistics' Senior Notes were amended to add certain subsidiaries as guarantors. Consequently, Sunoco and NuStar Logistics are each a guarantor of the other's senior notes, along with other subsidiary guarantors of each.

The NuStar Logistics Senior Notes do not have sinking fund requirements. These notes rank equally with existing senior unsecured indebtedness and senior to existing subordinated indebtedness of NuStar Logistics and contain restrictions on NuStar Logistics' ability to incur secured indebtedness unless the same security is also provided for the benefit of holders of the NuStar Logistics Senior Notes. In addition, the NuStar Logistics Senior Notes limit the ability of NuStar Logistics and its subsidiaries to, among other things, incur indebtedness secured by certain liens, engage in certain sale-leaseback transactions and engage in certain consolidations, mergers or asset sales. At the option of NuStar Logistics, the NuStar Logistics Senior Notes may be redeemed in whole or in part at any time at a redemption price, plus accrued and unpaid interest to the redemption date. If Sunoco undergoes a change of control that is followed by a ratings decline that occurs within 60 days of the change of control, each holder of the applicable senior notes may require Sunoco to repurchase all or a portion of its notes at a price equal to 101% of the principal amount of the notes repurchased, plus any accrued and unpaid interest to the date of repurchase.

GoZone Bonds

NuStar Logistics' obligations include revenue bonds issued by the Parish of St. James, Louisiana pursuant to the Gulf Opportunity Zone Act of 2005 (the "GoZone Bonds").

As reflected in the table below, the holders of the Series 2008, Series 2010B and Series 2011 GoZone Bonds are required to tender their bonds at the applicable mandatory purchase date in exchange for 100% of the principal plus accrued and unpaid interest, after which these bonds may be remarketed with a new interest rate established. Each of the Series 2010 and Series 2010A GoZone Bonds is subject to redemption on or after June 1, 2030 by the Parish of St. James, at Sunoco's option, in whole or in part, at a redemption price of 100% of the principal amount to be redeemed plus accrued and unpaid interest. Interest on the GoZone Bonds is payable semi-annually on June 1 and December 1 of each year.

The following table summarizes the GoZone Bonds outstanding as of December 31, 2025:

Series	Date Issued	Amount Outstanding	Interest Rate	Mandatory Purchase Date	Optional Redemption Date	Maturity Date
Series 2008	June 26, 2008	$ 56	6.10 %	June 1, 2030	n/a	June 1, 2038
Series 2010	July 15, 2010	100	6.35 %	n/a	June 1, 2030	July 1, 2040
Series 2010A	October 7, 2010	43	6.35 %	n/a	June 1, 2030	October 1, 2040
Series 2010B	December 29, 2010	48	6.10 %	June 1, 2030	n/a	December 1, 2040
Series 2011	October 1, 2025	75	3.70 %	June 1, 2030	n/a	August 1, 2041

During 2025, the Partnership completed the remarketing of $75 million principal amount of Series 2011 GoZone Bonds, which were previously repurchased on the mandatory purchase date of June 1, 2025 but were not remarketed at that time. The remarketed bonds were issued on October 1, 2025 and have a 3.70% interest rate, a mandatory purchase date of June 1, 2030, and a maturity of August 1, 2041.

NuStar Logistics' agreements with the Parish of St. James related to the GoZone Bonds contain: (i) customary restrictive covenants that limit the ability of NuStar Logistics and its subsidiaries to, among other things, create liens, enter into certain sale leaseback transactions, and engage in certain consolidations, mergers or asset sales; and (ii) a repurchase provision which provides that if Sunoco undergoes a change of control that is followed by a ratings decline that occurs within 60 days of the change of control, then each holder may require the trustee, with funds provided by NuStar Logistics, to repurchase all or a portion of that holder's GoZone Bonds at a price equal to 101% of the aggregate principal amount repurchased, plus any accrued and unpaid interest. The Partnership and certain of its subsidiaries are guarantors to the agreements related to the GoZone Bonds.

Parkland Senior Notes

Parkland's senior notes are unsecured obligations guaranteed by Parkland's subsidiaries and contain covenants that limit Parkland's ability to incur additional debt, make certain restricted payments and investments, create liens, enter into transactions with affiliates, and consolidate, merge, transfer or sell all or substantially all of its property and assets. Interest on the Parkland senior notes is paid semi-annually.

Receivables Financing Agreement

Upon the closing of the NuStar Acquisition, the commitments under NuStar's receivables financing agreement were reduced to zero during a suspension period, for which the period end has not been determined. As of December 31, 2025, this facility had no outstanding borrowings.

Lease-Related Financing Obligations

Southside Oil, LLC, a subsidiary of the Partnership, is a party to a sale leaseback transaction that did not meet the criteria for sale leaseback accounting. This transaction was accounted for as a financing arrangement over the course of the lease agreement. The obligations mature in varying dates through 2058, require monthly interest and principal payments, and bear interest at 11.865%. As of December 31, 2025 and 2024, the balance of the sale leaseback financing obligation were $145 million and $85 million, respectively.

Lease-related financing obligations also include finance lease obligations of $87 million and $47 million as of December 31, 2025 and 2024, respectively. See further discussion in Note 16.

Fair Value of Debt

The aggregate estimated fair value and carrying amount of Sunoco's consolidated debt obligations as of December 31, 2025 were $13.52 billion and $13.39 billion, respectively. As of December 31, 2024, the aggregate fair value and carrying amount of Sunoco's consolidated debt obligations were $7.45 billion and $7.49 billion, respectively. The fair value of Sunoco's consolidated debt obligations is a Level 2 valuation based on the respective debt obligations' observable inputs for similar liabilities.

12. Other Non-Current Liabilities

Other non-current liabilities consisted of the following:

	December 31, 2025	December 31, 2024
Asset retirement obligations	$ 254	$ 84
Accrued environmental expense, long-term	158	21
Other	100	53
Other non-current liabilities	$ 512	$ 158

We record an asset retirement obligation for the estimated future cost to remove underground storage tanks. Revisions to the liability could occur due to changes in tank removal costs, tank useful lives or if federal and/or state regulators enact new guidance on the removal of such tanks. Changes in the carrying amount of asset retirement obligations for the years ended December 31, 2025 and 2024 were as follows:

	Year Ended December 31,	
	2025	2024
Balance at beginning of year	$ 84	$ 84
Parkland Acquisition	166	—
Liabilities incurred	—	4
Liabilities settled	(3)	(8)
Accretion expense	7	4
Balance at end of year	$ 254	$ 84

13. Related Party Transactions

We are party to fee-based commercial agreements with various affiliates of Energy Transfer for pipeline, terminalling and storage services. We also have agreements with subsidiaries of Energy Transfer for the purchase and sale of fuel. Additionally, under our Partnership Agreement, our General Partner does not receive a management fee or other compensation for its role as our general partner. However, our General Partner is reimbursed for all expenses incurred on our behalf. These expenses include shared service fees, as well as all other expenses necessary or appropriate to the conduct of our business that are allocable to us, as provided for in our Partnership Agreement. There is no cap on the amount that may be paid or reimbursed to our General Partner.

Summary of Related Party Transactions

Related party transactions for the years ended December 31, 2025, 2024 and 2023 were as follows:

	Year Ended December 31,		
	2025	2024	2023
Motor fuel sales to affiliates	$ 24	$ 28	$ 42
Bulk fuel purchases from affiliates	1,249	1,463	1,661
Expense reimbursement	43	35	34

Significant affiliate balances included on our consolidated balance sheets were as follows:

- Accounts payable to affiliates were $331 million and $199 million as of December 31, 2025 and 2024, respectively, which were attributable to operational expenses and bulk fuel purchases.
- Advances from affiliates were $78 million and $82 million at December 31, 2025 and 2024, respectively, which were related to treasury services agreements with Energy Transfer.

14. Revenue

Disaggregation of Revenue

Revenues from our Fuel Distribution segment are derived from the sale of fuel, non-fuel and lease income. Fuel sales consist primarily of the sale of motor fuel under supply agreements with third-party customers and affiliates. Fuel supply contracts with our customers generally provide that we distribute motor fuel at a price based on a formula which includes published rates, volume-based profit margin and other terms specific to the agreement. The customer is invoiced the agreed-upon price with most payment terms ranging less than 30 days. If the consideration promised in a contract includes a variable amount, the Partnership estimates the variable consideration amount and factors in such estimate to determine the transaction price under the expected value method. Revenue is recognized under the motor fuel contracts at the point in time the customer takes control of the fuel. At the time control is transferred to the customer the sale is considered final, because the agreements do not grant customers the right to return motor fuel. To determine when control transfers to the customer, the shipping terms of the contract are assessed as a primary indicator of the transfer of control. For FOB shipping point terms, revenue is recognized at the time of shipment. The performance obligation with respect to the sale of goods is satisfied at the time of shipment since the customer gains control at this time under the terms. Shipping and/or handling costs that occur before the customer obtains control of the goods are deemed to be fulfillment activities and are accounted for as fulfillment costs. Once the goods are shipped, the Partnership is precluded from redirecting the shipment to another customer and revenue is recognized. Non-fuel revenue includes merchandise revenue that comprises the in-store merchandise and food service sales at company-operated retail stores and other revenue such as credit card processing, car washes, lottery and other services. Lease revenue is derived from the leasing or subleasing of real estate used in the retail distribution of motor fuels.

Revenues from our Pipeline Systems segment are derived from interstate and intrastate pipeline transportation of refined products, crude oil and anhydrous ammonia and the applicable pipeline tariff on a per barrel basis for crude oil or refined products and on a per ton basis for ammonia.

Revenues from our Terminals segment include fees for tank storage agreements, under which a customer agrees to pay for a certain amount of storage in a tank over a period of time (storage terminal revenues) and throughput agreements, under which a customer pays a fee per barrel for volumes moving through our terminals (throughput terminal revenues). Our terminals also provide blending, additive injections, handling and filtering services for which we charge additional fees. Additionally, we lease certain of our storage tanks in exchange for a fixed fee, subject to an annual consumer price index adjustment. We recognized lease revenues from these leases of $47 million and $31 million for the years ended December 31, 2025 and 2024, respectively, which are included in "Service revenue" in our consolidated statements of operations.

Revenues from our Refinery segment are derived from refined products, generated environmental compliance credits and excess crude oil sales are recognized when delivered and the customer obtains control of such inventory, which is typically when title passes and the customer is billed. All revenues are reported inclusive of shipping and handling costs billed and exclusive of any sales taxes billed to customers where applicable. Shipping and handling costs incurred are reported in cost of sales.

The following table depicts the disaggregation of revenue:

	Year Ended December 31,		
	2025	2024	2023
Fuel	$ 23,290	$ 21,362	$ 22,520
Non-fuel	442	294	284
Lease income	130	125	151
Pipeline throughput	660	457	—
Terminal throughput	117	102	61
Refinery throughput	177	—	—
Other	385	353	52
Total revenues	$ 25,201	$ 22,693	$ 23,068

Contract Balances with Customers

The Partnership satisfies its performance obligations by transferring goods or services in exchange for consideration from customers. The timing of performance may differ from the timing the associated consideration is paid to or received from the customer, thus resulting in the recognition of a contract asset or a contract liability.

The Partnership recognizes a contract asset when making upfront consideration payments to certain customers. The upfront considerations represent a pre-paid incentive, as these payments are not made for distinct goods or services provided by the customer. The pre-payment incentives are recognized as a contract asset upon payment and amortized as a reduction of revenue over the term of the specific agreement.

The Partnership recognizes a contract liability if the customer's payment of consideration precedes the Partnership's fulfillment of the performance obligations, which primarily result from contracts with an incentive pricing structure, contributions in aid of construction ("CIAC") payments (as discussed below), and contracts with minimum volume commitment We maintain some franchise agreements requiring dealers to make one-time upfront payments for long-term license agreements. The Partnership recognizes a contract liability when the upfront payment is received and recognizes revenue over the term of the license.

The balances of the Partnership's contract assets and contract liabilities as of December 31, 2025, 2024 and 2023 were as follows:

	December 31, 2025	December 31, 2024	December 31, 2023
Contract assets	$ 480	$ 288	$ 256
Accounts receivable from contracts with customers	1,686	1,084	809
Contract liabilities	125	39	—

The following table summarizes the consolidated activity of our contract liabilities:

	Contract Liabilities
Balance, December 31, 2023	$ —
NuStar Acquisition	78
Zenith European terminals acquisition	3
ET-S Permian	(29)
Other additions	26
Revenue recognized	(39)
Balance, December 31, 2024	39
Parkland Acquisition	84
Other additions	40
Revenue recognized	(38)
Balance, December 31, 2025	$ 125

Costs to Obtain or Fulfill a Contract

The Partnership recognizes an asset from the costs incurred to obtain a contract (e.g. sales commissions) only if it expects to recover those costs. On the other hand, the costs to fulfill a contract are capitalized if the costs are specifically identifiable to a contract, would result in enhancing resources that will be used in satisfying performance obligations in the future, and are expected to be recovered. These capitalized costs are recorded as a part of other current assets and other non-current assets on our consolidated balance sheets and are amortized as a reduction of revenue on a systematic basis consistent with the pattern of transfer of the goods or services to which such costs relate. The amount of amortization on these capitalized costs that the Partnership recognized in the years ended December 31, 2025, 2024 and 2023 was $41 million, $35 million and $29 million, respectively.

Performance Obligations

At contract inception, the Partnership assesses the goods and services promised in its contracts with customers and identifies a performance obligation for each promise to transfer a good or service (or bundle of goods or services) that is distinct. To identify the performance obligations, the Partnership considers all the goods or services promised in the contract, whether explicitly stated or implied based on customary business practices. For a contract that has more than one performance obligation, the Partnership allocates the total contract consideration to each distinct performance obligation on a relative standalone selling price basis. Revenue is recognized when (or as) the performance obligations are satisfied, that is, when the customer obtains control of the good or the service is provided.

The Partnership distributes fuel under long-term contracts to branded distributors, branded and unbranded third-party dealers and branded and unbranded retail fuel outlets. Sunoco-branded supply contracts with distributors generally have both time and volume commitments that establish contract duration. These contracts have an initial term of approximately ten years, with an estimated, volume-weighted term remaining of approximately five years.

The Partnership is party to a 15-year take-or-pay fuel supply agreement with 7-Eleven, Inc. and SEI Fuel Services, Inc. (collectively, the "Distributor") in which the Distributor is required to purchase a volume of fuel that provides the Partnership a minimum amount of gross profit annually. We expect to recognize this revenue in accordance with the contract as we transfer control of the product to the customer. However, in case of an annual shortfall we will recognize the amount payable by the Distributor at the sooner of the time at which the Distributor makes up the shortfall or becomes contractually or operationally unable to do so. The transaction price of the contract is variable in nature, fluctuating based on market conditions. The Partnership has elected to take the practical expedient not to estimate the amount of variable consideration allocated to wholly unsatisfied performance obligations. 7-Eleven, Inc. accounted for approximately 13%, 18% and 20% of total revenues for the years ended December 31, 2025, 2024 and 2023, respectively.

In some contractual arrangements, the Partnership grants dealers a franchise license to operate the Partnership's retail stores over the life of a franchise agreement. In return for the grant of the retail store license, the dealer makes a one-time nonrefundable franchise fee payment to the Partnership plus sales based royalties payable to the Partnership at a contractual rate during the period of the franchise agreement. Under the requirements of ASC Topic 606, the franchise license is deemed to be a symbolic license for which recognition of revenue over time is the most appropriate measure of progress toward complete satisfaction of the performance obligation. Revenue from this symbolic license is recognized evenly over the life of the franchise agreement.

In certain instances, our customers reimburse us for capital projects, in arrangements referred to as CIAC. Typically, in these instances, we receive upfront payments for future services, which are included in the transaction price of the underlying service contract.

Remaining Performance Obligations

The following table presents our estimated revenues from contracts with customers for remaining performance obligations that have not yet been recognized, representing our contractually committed revenue as of December 31, 2025.

	Remaining Performance Obligations
2026	$ 336
2027	195
2028	161
2029	114
2030	100
Thereafter	239
Total	$ 1,145

Practical Expedients Selected by the Partnership

The Partnership elected the following practical expedients in accordance with ASC 606:

- **Significant financing component** - The Partnership elected not to adjust the promised amount of consideration for the effects of a significant financing component if the Partnership expects at contract inception that the period between the transfer of a promised good or service to a customer and when the customer pays for that good or service will be one year or less.
- **Incremental costs of obtaining a contract** - The Partnership elected to expense the incremental costs of obtaining a contract when the amortization period for such contracts would have been one year or less.
- **Shipping and handling costs** - The Partnership elected to account for shipping and handling activities that occur after the customer has obtained control of a good as fulfillment activities (i.e., an expense) rather than as a promised service.
- **Measurement of transaction price** - The Partnership has elected to exclude from the measurement of transaction price all taxes assessed by a governmental authority that are both imposed on and concurrent with a specific revenue-producing transaction and collected by the Partnership from a customer (i.e., sales tax, value added tax, etc.).
- **Variable consideration of wholly unsatisfied performance obligations** - The Partnership has elected to exclude the estimate of variable consideration to the allocation of wholly unsatisfied performance obligations.

15. Commitments and Contingencies

Litigation and Contingencies

We may, from time to time, be involved in litigation and claims arising out of our operations in the normal course of business. In the ordinary course of business, we are sometimes threatened with or named as a defendant in various lawsuits seeking actual and punitive damages for personal injury and property damage. We maintain liability insurance with insurers in amounts and with coverage and deductibles management believes are reasonable and prudent, and which are generally accepted in the industry. However, there can be no assurance that the levels of insurance protection currently in effect will continue to be available at reasonable prices or that such levels will remain adequate to protect us from material expenses related to personal injury or property damage in the future. In addition, various regulatory agencies such as tax authorities, environmental agencies, or other such agencies may perform audits or reviews to ensure proper compliance with regulations. We are not fully insured for any claims that may arise from these various agencies and there can be no assurance that any claims arising from these activities would not have an adverse, material effect on our consolidated financial statements.

Environmental Remediation

We are subject to various federal, state and local environmental laws and make financial expenditures in order to comply with regulations governing underground storage tanks adopted by federal, state and local regulatory agencies. In particular, at the federal level, the Resource Conservation and Recovery Act of 1976, as amended, requires the EPA to establish a comprehensive regulatory program for the detection, prevention and cleanup of leaking underground storage tanks (e.g. overfills, spills and underground storage tank releases).

Federal and state regulations require us to provide and maintain evidence that we are taking financial responsibility for corrective action and compensating third parties in the event of a release from our underground storage tank systems and terminals. In order to comply with these requirements, we have historically obtained private insurance in the states in which we operate. These policies provide protection from third-party liability claims. During 2025, our coverage was $15 million per occurrence and in the aggregate. Our sites continue to be covered by these policies.

We are currently involved in the investigation and remediation of contamination at motor fuel storage and gasoline store sites where releases of regulated substances have been detected. We accrue for anticipated future costs and the related probable state reimbursement amounts for remediation activities. Accordingly, we have recorded estimated undiscounted liabilities for these sites totaling $168 million and $28 million as of December 31, 2025 and 2024, respectively, which are classified as accrued expenses and other current liabilities and other non-current liabilities.

New York Motor Fuel Excise Tax Audit

New York State issued a motor fuel excise tax assessment to Sunoco, LLC, a wholly owned subsidiary of the Partnership, in the amount of approximately $20 million, exclusive of penalties and interest, for the periods of March 2017 through May 2020. Sunoco, LLC filed an appeal with the New York State Division of Tax Appeals challenging the assessment. Sunoco, LLC cannot predict the outcome of this matter at this time.

16. Lease Accounting

Lessee Accounting

The Partnership leases retail stores, other property, plant and equipment under non-cancellable operating leases whose initial terms are typically five to 15 years, with options that permit renewals for additional periods. At the inception of each, we determine if the arrangement is a lease or contains an embedded lease and review the facts and circumstances of the arrangement to classify leased assets as operating or finance under Topic 842. The Partnership has elected not to record any leases with terms of 12 months or less on our consolidated balance sheets.

At this time, the majority of active leases within our portfolio are classified as operating leases. Operating leases are included in operating lease right-of-use assets, net, operating lease current liabilities and operating lease non-current liabilities on our consolidated balance sheets. Finance leases represent a small portion of the active lease agreements and are included in other non-current assets and long-term debt, net on our consolidated balance sheets. The right-of-use assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make minimum lease payments arising from the lease for the duration of the lease term.

Most leases include one or more options to renew, with renewal terms that can extend the lease term from five to 10 years or greater. The exercise of lease renewal options is typically at our discretion. Additionally, many leases contain early termination clauses, however early termination typically requires the agreement of both parties to the lease. At lease inception, all renewal options reasonably certain to be exercised are considered when determining the lease term. At this time, the Partnership does not

have leases that include options to purchase or automatic transfer of ownership of the leased property to the Partnership. The depreciable life of leased assets and leasehold improvements are limited by the expected lease term.

To determine the present value of future minimum lease payments, we use the implicit rate when readily determinable. At this time, many of our leases do not provide an implicit rate, therefore to determine the present value of minimum lease payments we use our incremental borrowing rate based on the information available at lease commencement date. The right-of-use assets also include any lease payments made and exclude lease incentives.

Minimum rent payments are expensed on a straight-line basis over the term of the lease. In addition, some leases may require additional contingent or variable lease payments based on factors specific to the individual agreement. Variable lease payments we are typically responsible for include payment of real estate taxes, maintenance expenses and insurance.

The components of lease expense consisted of the following:

		Year Ended December 31,	
Lease cost	**Classification**	**2025**	**2024**
Operating lease costs:			
Operating lease cost	Lease expense	$ 96	$ 50
Finance lease costs:			
Amortization of leased assets	Depreciation, amortization and accretion	4	1
Interest on lease liabilities	Interest expense	3	2
Short-term lease cost	Lease expense	7	4
Variable lease cost	Lease expense	11	18
Sublease income	Lease income	(35)	(45)
Net lease cost		$ 86	$ 30

Lease term and discount rate	**December 31, 2025**	**December 31, 2024**
Weighted average remaining lease term (years)		
Operating leases	16	19
Finance leases	11	18
Weighted average discount rate (%)		
Operating leases	6 %	6 %
Finance leases	5 %	6 %

	Year Ended December 31,	
Other information	**2025**	**2024**
Cash paid for amount included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$ (92)	$ (49)
Operating cash flows from finance leases	(4)	(1)
Financing cash flows from finance leases	(1)	(1)
Leased assets obtained in exchange for new finance lease liabilities	1	—
Leased assets obtained in exchange for new operating lease liabilities	279	3

Maturities of lease liabilities as of December 31, 2025 were as follows:

	Operating leases	Finance leases	Total
2026	$ 240	$ 16	$ 256
2027	196	15	211
2028	171	15	186
2029	149	12	161
2030	138	6	144
Thereafter	1,445	53	1,498
Total lease payments	2,339	117	2,456
Less: interest	873	30	903
Present value of lease liabilities	$ 1,466	$ 87	$ 1,553

Lessor Accounting

The Partnership leases or subleases a portion of its real estate portfolio to third-party companies as a stable source of long-term revenue. Our lessor and sublease portfolio consists mainly of operating leases with convenience store operators. At this time, most lessor agreements contain five-year terms with renewal options to extend and early termination options based on established terms specific to the individual agreement. Additionally, we lease certain of our storage tanks in exchange for a fixed fee, subject to an annual consumer price index adjustment.

Minimum future lease payments receivable as of December 31, 2025 were as follows:

2026	$ 154
2027	124
2028	98
2029	78
2030	68
Thereafter	369
Total undiscounted cash flows	$ 891

The balances of property, plant and equipment that are being leased to third parties were as follows:

	December 31, 2025	December 31, 2024
Land and improvements	$ 698	$ 513
Buildings, equipment and leasehold improvements	1,045	556
Pipelines	377	217
Product storage and related facilities	410	283
Right of way	105	—
Other	81	39
Construction work-in-process	54	64
Total property, plant and equipment	2,770	1,672
Less: Accumulated depreciation	(829)	(449)
Property, plant and equipment, net	$ 1,941	$ 1,223

17. Interest Expense, net

Components of net interest expense were as follows:

	Year Ended December 31,		
	2025	2024	2023
Interest expense	$ 535	$ 380	$ 212
Amortization of deferred financing fees	27	24	8
Interest income	(21)	(13)	(3)
Interest expense, net	$ 541	$ 391	$ 217

18. Income Tax Expense

As a partnership, we are generally not subject to federal income tax and most state income taxes. However, the Partnership conducts certain activities through corporate subsidiaries which are subject to federal and state income taxes.

The Partnership's income before income tax expense by geographic area were as follows:

	Year Ended December 31,		
	2025	2024	2023
United States	$ 397	$ 1,040	$ 430
Foreign	192	9	—
Total	$ 589	$ 1,049	$ 430

The components of the federal and state income tax expense (benefit) of our taxable subsidiaries were summarized as follows:

	Year Ended December 31,		
	2025	2024	2023
Current:			
Federal	$ 18	$ 152	$ 16
State	(1)	37	7
Foreign	7	—	—
Total current income tax expense	24	189	23
Deferred:			
Federal	22	(19)	9
State	(8)	5	4
Foreign	24	—	—
Total deferred tax expense (benefit)	38	(14)	13
Income tax expense	$ 62	$ 175	$ 36

Our effective tax rate differs from the statutory rate primarily due to Partnership earnings that are not subject to U.S. federal and most state income taxes at the Partnership level. A reconciliation of income tax expense at the U.S. federal statutory rate to net income tax expense is as follows:

	Year Ended December 31,					
	2025		2024		2023	
	Amount	Percent	Amount	Percent	Amount	Percent
Income tax expense at United States statutory rate	$ 124	21.00 %	$ 220	21.00 %	$ 90	21.00 %
Increase (reduction) in income taxes resulting from:						
Non-taxable Partnership earnings	(67)	(11.40)	(84)	(8.04)	(64)	(14.85)
State and local income tax, net of federal income tax effect [1]	4	0.66	33	3.11	9	2.11
Foreign tax effects	(4)	(0.68)	—	—	—	—
Effect of cross-border tax laws - subpart F income inclusion	6	1.06	—	—	—	—
Changes in unrecognized tax benefits - state apportionment positions	(10)	(1.67)	1	0.07	1	0.15
Other:						
Deferred tax remeasurement	15	2.64	—	—	—	—
Discount on purchased tax credits	(4)	(0.64)	—	—	—	—
Interest on federal refund	(5)	(0.93)	—	—	—	—
Other adjustments	3	0.56	5	0.48	—	—
Income tax expense	$ 62	10.60 %	$ 175	16.62 %	$ 36	8.41 %

[1] State taxes that made up the majority (greater than 50 percent) of the tax effect in this category were Pennsylvania in 2025, New Jersey, Pennsylvania and New York in 2024, and Pennsylvania, Hawaii and New Jersey in 2023.

The One Big Beautiful Bill Act ("OBBBA"), enacted in July 2025, is expected to impact the Partnership primarily through the ability to take higher tax depreciation deductions via 100% expensing on eligible property and higher interest expense deductions

via more favorable interest expense limitation calculations. We will continue to monitor regulatory guidance and interpretations, which could have a material impact on our financials condition and results of operations.

Cash paid for taxes were as follows:

	Year Ended December 31,		
	2025	2024	2023
Cash paid for income taxes, net of refunds (excluding federal tax credits purchased from non-governmental third parties)			
Federal	$ (68)	$ 105	$ 21
State			
Pennsylvania	2	7	2
New Jersey	2	12	3
Other	3	11	3
Foreign			
Canada	62	—	—
Other	2	—	—
Total	$ 3	$ 135	$ 29
Cash paid for federal tax credits purchased from non-governmental third parties	$ 41	$ 47	$ —

Deferred taxes result from the temporary differences between financial reporting carrying amounts and the tax basis of existing assets and liabilities. The principal components of deferred tax assets and liabilities were as follows:

	December 31, 2025	December 31, 2024
Deferred income tax assets:		
Net operating losses, credits and other carryforwards	$ 233	$ 16
Other	45	18
Total deferred income tax assets	278	34
Valuation allowance	(62)	—
Net deferred income tax assets	216	34
Deferred income tax liabilities:		
Property, plant and equipment	846	49
Trademarks and other intangibles	239	82
Investments in affiliates	54	53
Other	38	1
Total deferred tax liabilities	1,177	185
Net deferred income tax liabilities	$ 961	$ 151

The completion of the Parkland transaction significantly increased the deferred tax assets (liabilities). The table below provides a rollforward of the net deferred income tax liability as follows:

	December 31, 2025	December 31, 2024
Net deferred income tax liability, beginning of year	$ (151)	$ (166)
Acquired via Parkland Acquisition	(755)	—
Acquired via NuStar Acquisition	—	(3)
Tax accrual	(55)	18
Net deferred income tax liability, end of year	$ (961)	$ (151)

As of December 31, 2025, Sunoco Retail had federal NOL carryforwards of $287 million, that may be carried forward indefinitely. Of this amount, $206 million is subject to limitations under IRC §382 (ownership-change limitation) and $35 million is limited under Separate Return Limitation Year ("SRLY") rules. Although these federal NOLs are expected to be fully utilized, the amount utilized in a particular year may be limited. Sunoco Retail's foreign subsidiaries had NOL carryforwards of $425 million, of which, $279 million expire between 2026 and 2045. Our corporate subsidiaries have state NOL carryforward benefits of $6 million, net of federal tax, with some expiring between 2026 and 2044 and others carried forward indefinitely. Our

corporate subsidiaries have cumulative excess business interest expense carryforwards of $159 million available for indefinite carryforward, all of which is limited under IRC §382. Although the excess business interest expense carryforwards are expected to be fully utilized, the amount utilized in a particular year may be limited. For the year ended December 31, 2025, the net change in the total valuation allowances was an increase of $62 million, and for the year ended December 31, 2024, there was no net change. Valuation allowances totaling $52 million and $10 million are attributable to foreign and federal NOLs, respectively.

The following table sets forth the changes in unrecognized tax benefits:

	December 31, 2025	December 31, 2024
Balance at beginning of year	$ 11	$ 11
Reduction attributable to tax positions taken in prior years	(8)	—
Balance at end of year	$ 3	$ 11

As of December 31, 2025, we had $3 million ($2 million after federal income tax benefits) related to tax positions which, if recognized, would impact our effective tax rate. During 2025, the Partnership recognized an $8 million tax benefit associated with certain prior tax positions that previously did not meet the criteria for recognition in the Partnership's consolidated financial statements.

We accrue interest and penalties on income tax underpayments (overpayments) as a component of income tax expense. During 2025, we recognized interest and penalties of $3 million. At December 31, 2025, we had interest and penalties accrued of $1 million, net of taxes.

The IRS closed its audit of a 2018 income tax refund claim filed by a wholly owned subsidiary of Sunoco with no change. In general, Sunoco and its U.S. subsidiaries are no longer subject to examination by the IRS and most state jurisdictions for the 2020 and prior tax years. Sunoco's non-U.S. subsidiaries may be subject to examination in their local taxing jurisdictions for periods ranging from 3 to 12 years from the date the tax return is filed.

19. Partners' Capital

As of December 31, 2025, Energy Transfer and its subsidiaries owned 28,463,967 common units, which constitutes a 13.9% limited partner interest in the Partnership. As of December 31, 2025, our wholly owned consolidated subsidiaries owned 16,410,780 Class C units representing limited partner interests in the Partnership (the "Class C Units"). In connection with the Parkland Acquisition, Sunoco issued to SunocoCorp 51,517,198 Class D units which are economically equivalent to Sunoco's publicly traded common units (the "Class D Units"). As of December 31, 2025 the public owned 108,402,887 common units.

Common Units

Common unit activity for the years ended December 31, 2025 and 2024 was as follows:

	Number of Units
Number of common units at December 31, 2023	84,408,014
Phantom unit vesting	277,421
NuStar Acquisition	51,543,100
Number of common units at December 31, 2024	136,228,535
Phantom unit vesting	294,897
Units issued in acquisitions	343,422
Number of common units at December 31, 2025	136,866,854

Allocation of Net Income

Our Partnership Agreement contains provisions for the allocation of net income and loss to the unitholders. For purposes of maintaining partner capital accounts, the Partnership Agreement specifies that items of income and loss shall be allocated among the partners in accordance with their respective percentage interest. Normal allocations according to percentage interests are made after giving effect, if any, to priority income allocations in an amount equal to incentive cash distributions allocated 100% to Energy Transfer.

The calculation of net income allocated to common unitholders was as follows:

	Year Ended December 31,		
	2025	2024	2023
Attributable to Common Units			
Distributions declared	$ 548	$ 478	$ 284
Distributions (in excess of) less than net income	(235)	238	27
Common unitholders' interest in net income	$ 313	$ 716	$ 311

Class C Units

The Partnership has outstanding an aggregate of 16,410,780 Class C Units, all of which are held by wholly owned subsidiaries of the Partnership.

Class C Units (i) are not convertible or exchangeable into Common Units or any other units of the Partnership and are non-redeemable; (ii) are entitled to receive distributions of available cash of the Partnership (other than available cash derived from or attributable to any distribution received by the Partnership from Sunoco Retail, the proceeds of any sale of the membership interests of Sunoco Retail, or any interest or principal payments received by the Partnership with respect to indebtedness of Sunoco Retail or its subsidiaries) at a fixed rate equal to $0.8682 per quarter for each Class C Unit outstanding; (iii) do not have the right to vote on any matter except as otherwise required by any non-waivable provision of law; (iv) are not allocated any items of income, gain, loss, deduction or credit attributable to the Partnership's ownership of, or sale or other disposition of, the membership interests of Sunoco Retail, or the Partnership's ownership of any indebtedness of Sunoco Retail or any of its subsidiaries ("Sunoco Retail Items"); (v) will be allocated gross income (other than from Sunoco Retail Items) in an amount equal to the cash distributed to the holders of Class C Units and (vi) will be allocated depreciation, amortization and cost recovery deductions as if the Class C Units were Common Units and 1% of certain allocations of net termination gain (other than from Sunoco Retail Items).

Pursuant to the terms described above, these distributions do not have an impact on the Partnership's consolidated cash flows and as such, are excluded from total cash distributions and allocation of limited partners' interest in net income.

Class D Units

The Partnership has outstanding an aggregate of 51,517,198 Class D Units, all of which are held by SunocoCorp.

Class D Units (i) except as required by law and in addition to the voting rights established in the Partnership Agreement, are entitled to vote; (ii) shall represent limited partnership interests and common unit interests in the Partnership and shall be economically equivalent to other Partnership common units and no distribution may be made in respect of the Partnership's common units unless an equal distribution is simultaneously made on the Class D Units; and (iii) provide dividend equalization rights for the period beginning on October 31, 2025 and ending December 31, 2027 (the "Equalization Period"), the Partnership shall ensure that SunocoCorp shall have cash necessary and sufficient to pay distributions on each SunocoCorp common unit for each quarter during the Equalization Period in an amount equal to 100% of the distributions paid by the Partnership on each Sunoco common unit during such quarter.

Preferred Units

In September 2025, the Partnership closed a private offering of 1.5 million of its 7.875% Series A Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Units (the "Series A Preferred Units") at an offering price of $1,000 per unit. The Partnership received net proceeds of approximately $1.47 billion from the sale of the Series A Preferred Units after deducting the initial purchasers' discount and other estimated offering expenses. The Partnership used the net proceeds from this private offering (i) on the closing date of the Parkland Acquisition to fund a portion of the cash consideration for the Parkland Acquisition, and (ii) prior to the closing date of the Parkland Acquisition, to temporarily reduce the borrowings outstanding under the Partnership's Credit Facility and to pay interest and fees in connection therewith.

Distributions on the Series A Preferred Units will be cumulative from the date of original issuance and will be payable semi-annually in arrears commencing on March 18, 2026, when, as, and if declared by Sunoco GP LLC out of legally available funds for such purpose. An initial distribution on the Series A Preferred Units will be paid on March 18, 2026 in an amount equal to approximately $39.38 per Series A Preferred Unit.

Incentive Distribution Rights

The following table illustrates the percentage allocations of available cash from operating surplus between Sunoco's common unitholders and the holder of Sunoco IDRs based on the specified target distribution levels, after the payment of distributions to Class C unitholders. The amounts set forth under "marginal percentage interest in distributions" are the percentage interests of our IDR holder and the common unitholders in any available cash from operating surplus it distributes up to and including the

corresponding amount in the column "total quarterly distribution per common unit target amount." The percentage interests shown for Sunoco's common unitholders and Sunoco's IDR holder for the minimum quarterly distribution are also applicable to quarterly distribution amounts that are less than the minimum quarterly distribution. Energy Transfer currently owns Sunoco's IDRs.

		Marginal percentage interest in distributions	
	Total quarterly distribution per Common unit target amount	Common Unitholders	Holder of IDRs
Minimum Quarterly Distribution	$0.4375	100 %	—
First Target Distribution	Above $0.4375 up to $0.503125	100 %	—
Second Target Distribution	Above $0.503125 up to $0.546875	85 %	15 %
Third Target Distribution	Above $0.546875 up to $0.656250	75 %	25 %
Thereafter	Above $0.656250	50 %	50 %

Cash Distributions

Our Partnership Agreement sets forth the calculation used to determine the amount and priority of cash distributions that the common unitholders receive.

Cash distributions paid or to be paid with respect to Sunoco common units and Class D Units were as follows:

			Limited Partners			
Period Ended	Record Date	Payment Date	Per Unit Distribution	Distributions on Common Units	Distributions on Class D Units	Distribution to IDR Holders
December 31, 2022	February 7, 2023	February 21, 2023	$ 0.8255	$ 69	$ —	$ 18
March 31, 2023	May 8, 2023	May 22, 2023	0.8420	71	—	19
June 30, 2023	August 14, 2023	August 21, 2023	0.8420	71	—	19
September 30, 2023	October 30, 2023	November 20, 2023	0.8420	71	—	19
December 31, 2023	February 7, 2024	February 20, 2024	0.8420	71	—	19
March 31, 2024	May 13, 2024	May 20, 2024	0.8756	119	—	36
June 30, 2024	August 9, 2024	August 19, 2024	0.8756	119	—	36
September 30, 2024	November 8, 2024	November 19, 2024	0.8756	119	—	36
December 31, 2024	February 7, 2025	February 19, 2025	0.8865	121	—	37
March 31, 2025	May 9, 2025	May 20, 2025	0.8976	122	—	39
June 30, 2025	August 8, 2025	August 19, 2025	0.9088	124	—	41
September 30, 2025	October 30, 2025	November 19, 2025	0.9202	126	—	42
December 31, 2025	February 6, 2026	February 19, 2026	0.9317	128	48	60

Accumulated Other Comprehensive Income

The following table presents the components of AOCI, net of tax:

	December 31, 2025	December 31, 2024
Foreign currency translation adjustment	$ (6)	$ (1)
Actuarial gains related to pensions and other postretirement benefits	—	3
Total accumulated other comprehensive income included in partners' capital, net of tax	$ (6)	$ 2

20. Employee Benefit Plans

Pension and Other Postretirement Benefits

The NuStar Pension Plan (the "Pension Plan") was a qualified non-contributory defined benefit pension plan that provided certain eligible NuStar employees with retirement income as calculated under a cash balance formula. Under the cash balance formula, benefits were determined based on age, years of vesting service and interest credits, and employees become fully vested in their benefits upon attaining three years of vesting service.

NuStar had also maintained an excess pension plan (the "Excess Pension Plan"), which was a nonqualified deferred compensation plan that provided benefits to a select group of management or other highly compensated employees. Neither the Excess Thrift

Plan nor the Excess Pension Plan was intended to constitute either a qualified plan under the provisions of Section 401 of the Code or a funded plan subject to the Employee Retirement Income Security Act.

The Pension Plan and Excess Pension Plan were collectively referred to as the "Pension Plans" in the tables and discussion below. Other postretirement benefit plans included NuStar's contributory medical benefits plan for U.S. employees who retired prior to April 1, 2014 and, for employees who retired on or after April 1, 2014, a partial reimbursement for eligible third-party health care premiums. We used December 31 as the measurement date for Sunoco's pension and other postretirement plans.

Sunoco made no contributions to the Pension Plans subsequent to the NuStar Acquisition, and the Pension Plan was terminated on November 30, 2024.

The changes in the benefit obligation, the changes in fair value of plan assets, the funded status and the amounts recognized in the consolidated balance sheets for Sunoco's Pension Plans and other postretirement benefit plans as of December 31, 2025 were as follows:

	December 31, 2025		December 31, 2024	
	Pension Plans	Other Postretirement Benefit Plans	Pension Plans	Other Postretirement Benefit Plans
Change in benefit obligation:				
Benefit obligation at beginning of period	$ 137	$ 1	$ —	$ —
NuStar Acquisition	—	—	152	12
Service cost	—	—	1	—
Interest cost	3	—	5	1
Plan amendments	—	—	—	(11)
Benefits paid, net	(136)	—	(36)	—
Actuarial (gain) loss and other	(4)	—	15	(1)
Benefit obligation at end of period	—	1	137	1
Change in plan assets:				
Fair value of plan assets at beginning of period	$ 160	$ —	$ —	$ —
NuStar Acquisition	—	—	178	—
Actual return on plan assets	2	—	12	—
Employer contributions	1	—	5	—
Benefits paid, net	(136)	—	(35)	—
Fair value of plan assets at end of period	27	—	160	—
Amount (overfunded) underfunded at end of period	$ (27)	$ 1	$ (23)	$ 1
Amounts recognized in the consolidated balance sheets consist of:				
Current assets	$ 27	$ —	$ —	$ —
Non-current assets	—	—	24	—
Current liabilities	—	—	(1)	(1)
Non-current liabilities	—	(1)	—	—
	$ 27	$ (1)	$ 23	$ (1)
Amounts recognized in accumulated other comprehensive income (pre-tax basis) consist of:				
Net actuarial loss	$ —	$ —	$ (9)	$ —
Prior service credit	—	—	—	11
	$ —	$ —	$ (9)	$ 11

In 2024, the actuarial loss related to the benefit obligation for Sunoco's pension plans was primarily attributable to the termination of the Pension Plan. The fair value of Sunoco's plan assets is affected by the return on plan assets resulting primarily from the performance of equity and bond markets during the period.

21. Unit-Based Compensation

Sunoco Phantom Units. The Partnership has issued phantom units to its employees and non-employee directors, which vest 60% after three years and 40% after five years. Phantom units have the right to receive distributions prior to vesting. The fair value of

these units is the market price of Sunoco's common units on the grant date, and is amortized over the five-year vesting period using the straight-line method. Unit-based compensation expense related to the Partnership included in our consolidated statements of operations and comprehensive income was $19 million, $17 million and $17 million for the years ended December 31, 2025, 2024 and 2023, respectively. The total fair value of phantom units vested for the years ended December 31, 2025, 2024 and 2023, was $16 million, $14 million and $16 million, respectively, based on the market price of Sunoco's common units as of the vesting date. Unrecognized compensation expenses related to our unvested phantom units totaled $68 million as of December 31, 2025, which are expected to be recognized over a weighted average period of 3.17 years.

Phantom unit award activity for the year ended December 31, 2025 consisted of the following:

	Number of Phantom Common Units	Weighted Average Grant Date Fair Value
Outstanding at January 1, 2025	1,542,700	$ 46.83
Granted	730,078	54.79
Vested	(442,386)	36.60
Forfeited	(59,020)	48.22
Outstanding at December 31, 2025	1,771,372	$ 52.49

Sunoco Cash Restricted Units. Beginning in 2024, the Partnership also granted cash restricted units, which vest through three years of service. A cash restricted unit entitles the award recipient to receive cash equal to the market value of one Sunoco common unit upon vesting. For the years ended December 31, 2025 and 2024, the Partnership granted a total of 217,432 and 134,225 cash restricted units, respectively. As of December 31, 2025, the Partnership had outstanding grants of cash restricted units totaling 303,179.

SunocoCorp Long-Term Incentive Plan

SunocoCorp has established a long-term incentive plan, under which equity awards have been granted to its non-employee directors, as well as certain of the Partnership's international employees. Compensation expense associated with grants to Partnership employees will be recognized by the Partnership over the vesting period.

SunocoCorp Phantom Units. As of December 31, 2025, SunocoCorp had granted 183,813 phantom units, which have similar vesting provisions to those issued by the Partnership, as discussed above. The fair value of these units is the market price of SunocoCorp common units on the grant date, and is amortized over the vesting period using the straight-line method. Total unrecognized compensation expenses related to SunocoCorp unvested phantom units totaled $9 million as of December 31, 2025, which are expected to be recognized over a weighted average period of 3.8 years. The fair value of unvested phantom units outstanding as of December 31, 2025 totaled $9 million.

Phantom unit award activity for the year ended December 31, 2025 consisted of the following:

	Number of Phantom Common Units	Weighted Average Grant Date Fair Value
Outstanding at January 1, 2025	—	$ —
Granted	183,813	51.24
Vested	—	—
Forfeited	—	—
Outstanding at December 31, 2025	183,813	$ 51.24

Cash Restricted Units. In December 2025, SunocoCorp issued 61,171 cash restricted units under its long-term incentive plan to the Partnership's international employees who contributed to the Partnership's international operations. The compensation expense associated with these awards will be recognized by the Partnership over the vesting period of three years.

22. Segment Reporting

Description of Segments

Our consolidated financial statements reflect four reportable segments: Fuel Distribution, Pipeline Systems, Terminals, and Refinery.

Fuel Distribution. Our Fuel Distribution segment supplies motor fuel to independently-operated dealer stations, distributors, commission agents and other consumers. Also included in our Fuel Distribution segment is lease income from properties that we lease or sublease, as well as the Partnership's credit card services, franchise royalties and retail operations in North America and the Greater Caribbean.

Pipeline Systems. Our Pipeline Systems segment includes an integrated pipeline and terminal network comprised of approximately 6,000 miles of refined product pipeline (including the pipeline of J.C. Nolan), approximately 6,000 miles of crude oil pipeline (including the pipelines of ET-S Permian), approximately 2,000 miles of ammonia pipeline and 69 terminals.

Terminals. Our Terminals segment is composed of four transmix processing facilities and 83 terminals (two in Europe, six in Hawaii, nine in Canada, 13 in the Greater Caribbean and 53 in the continental United States).

Refinery. Our Refinery segment is composed of the Burnaby Refinery, which was acquired in the Parkland Acquisition, with an operational capacity of approximately 55,000 barrels per day. The refinery consumes primarily sweet conventional crude oil and sweet synthetic crude oil to produce gasoline, diesel and jet fuel among other products. The refinery meets federal and provincial regulations for lower carbon intensity transportation fuels through a combination of co-processing of bio feedstocks (i.e. canola oil, tallow, tall oil and others) and blending of low-carbon intensity fuels such as bio-diesel, renewable diesel, ethanol and others. Fuel from the refinery is sold primarily through Sunoco-owned retail network in British Columbia ("BC"), directly to Vancouver International Airport, and to commercial and cardlock customers.

Segment Operating Results

The Partnership evaluates performance and allocates resources for all of its reportable segments based on Segment Adjusted EBITDA.

The Partnership's chief operating decision maker ("CODM") is its chief operating officer. The CODM uses Segment Adjusted EBITDA to allocate resources (including employees, property, and financial or capital resources) for each segment predominantly in the annual budget and forecasting process. The CODM considers forecast-to-actual variances on a monthly basis when making decisions about allocating capital and personnel to the segments. The CODM also uses Segment Adjusted EBITDA to assess the performance for each segment and in the compensation of certain employees. Assets by segment are not a measure used to assess our performance by the CODM and thus are not reported in our disclosures.

The Partnership's reportable segments are business units that offer different products and services. The reportable segments are each managed separately because they provide different services and products.

We report Adjusted EBITDA by segment as a measure of segment performance. We define Adjusted EBITDA as net income before net interest expense, income tax expense, depreciation, amortization and accretion expense, non-cash compensation expense, gains and losses on disposal of assets and impairment charges, unrealized gains and losses on commodity derivatives, inventory adjustments, certain foreign currency transaction gains and losses and certain other operating expenses reflected in net income that we do not believe are indicative of ongoing core operations. Inventory valuation adjustments that are excluded from the calculation of Adjusted EBITDA represent changes in lower of cost or market reserves on the Partnership's inventory. These amounts are unrealized valuation adjustments applied to fuel volumes remaining in inventory at the end of the period.

The following tables present financial information by segment for the years ended December 31, 2025, 2024 and 2023.

	Year Ended December 31,		
	2025	2024	2023
Revenues:			
Fuel Distribution			
Revenues from external customers	$ 23,862	$ 21,781	$ 22,955
Intersegment revenues	71	41	31
	23,933	21,822	22,986
Pipeline Systems			
Revenues from external customers	729	562	1
Intersegment revenues	22	3	—
	751	565	1
Terminals			
Revenues from external customers	433	350	112
Intersegment revenues	971	985	373
	1,404	1,335	485
Refinery			
Revenues from external customers	177	—	—
Intersegment revenues	297	—	—
	474	—	—
Eliminations	(1,361)	(1,029)	(404)
Total	$ 25,201	$ 22,693	$ 23,068

	Year Ended December 31,		
	2025	2024	2023
Cost of sales:			
Fuel Distribution	$ 22,419	$ 20,635	$ 21,761
Pipeline Systems	13	30	(2)
Terminals	904	959	348
Refinery	434	—	—
Eliminations	(1,361)	(1,029)	(404)
Total	$ 22,409	$ 20,595	$ 21,703

	Year Ended December 31,		
	2025	2024	2023
Operating and lease expenses, excluding non-cash unit-based compensation:			
Fuel Distribution	$ 492	$ 325	$ 350
Pipeline Systems	196	136	2
Terminals	181	150	67
Refinery	5	—	—
Total	$ 874	$ 611	$ 419

	Year Ended December 31,		
	2025	2024	2023
General and administrative expenses, excluding non-cash unit-based compensation:			
Fuel Distribution	$ 206	$ 88	$ 113
Pipeline Systems	42	123	—
Terminals	33	55	1
Refinery	1	—	—
Total	$ 282	$ 266	$ 114

	Year Ended December 31,		
	2025	2024	2023
Other[1]:			
Fuel Distribution	$ (174)	$ (134)	$ (103)
Pipeline Systems	(218)	(101)	(10)
Terminals	(13)	(1)	(19)
Refinery	(6)	—	—
Total	$ (411)	$ (236)	$ (132)

[1] Other by segment includes Adjusted EBITDA from unconsolidated affiliates, unrealized gains and losses on commodity derivatives, inventory valuation adjustments and other less significant items, as applicable.

	Year Ended December 31,		
	2025	2024	2023
Segment Adjusted EBITDA:			
Fuel Distribution	$ 990	$ 908	$ 865
Pipeline Systems	718	377	11
Terminals	299	172	88
Refinery	40	—	—
Total	$ 2,047	$ 1,457	$ 964

	Year Ended December 31,		
	2025	2024	2023
Reconciliation of net income to Adjusted EBITDA:			
Net income	$ 527	$ 874	$ 394
Depreciation, amortization and accretion	688	368	187
Interest expense, net	541	391	217
Non-cash unit-based compensation expense	19	17	17
(Gain) loss on disposal of assets and impairment charges	(6)	45	(7)
Loss on extinguishment of debt	31	2	—
Unrealized (gains) losses on commodity derivatives	(11)	12	(21)
Inventory valuation adjustments	156	86	114
Equity in earnings of unconsolidated affiliates	(143)	(60)	(5)
Adjusted EBITDA related to unconsolidated affiliates	221	101	10
Gain on West Texas Sale	—	(586)	—
Other non-cash adjustments	(38)	32	22
Income tax expense	62	175	36
Adjusted EBITDA (consolidated)	$ 2,047	$ 1,457	$ 964

Additions to property, plant and equipment (excluding acquisitions) by reportable segment were as follows:

	Year Ended December 31,		
	2025	2024	2023
Fuel Distribution	$ 339	$ 231	$ 182
Pipeline Systems	87	44	5
Terminals	124	69	28
Refinery	27	—	—
Total	$ 577	$ 344	$ 215

The following table shows total revenues by geographic area:

	Year Ended December 31,		
	2025	2024	2023
United States	$ 22,495	$ 22,649	$ 23,068
Canada	1,703	—	—
Foreign	1,003	44	—
Total	$ 25,201	$ 22,693	$ 23,068

The following table shows long-lived assets by geographic area:

	December 31, 2025	December 31, 2024
United States	$ 9,053	$ 7,907
Canada	4,268	—
Foreign	1,536	244
Total	$ 14,857	$ 8,151

23. Net Income per Common Unit

Net income per common unit is computed by dividing common unitholders' interest in net income by the weighted average number of outstanding common units. Our net income is allocated to common unitholders in accordance with their respective partnership percentages, after giving effect to any priority income allocations for incentive distributions and distributions on employee unit awards. Earnings in excess of distributions are allocated to common unitholders based on their respective ownership interests. Payments made to our common unitholders are determined in relation to actual distributions declared and are not based on the net income allocations used in the calculation of net income per unit.

In addition to the common units, we identify the IDRs as participating securities and use the two-class method when calculating net income per unit applicable to limited partners, which is based on the weighted average number of common units outstanding during the period. Diluted net income per unit includes the effects of potentially dilutive units on our common units, consisting of unvested phantom units.

A reconciliation of the numerators and denominators of the basic and diluted per unit computations is as follows:

	Year Ended December 31,		
	2025	2024	2023
Net income	$ 527	$ 874	$ 394
Less:			
Net income attributable to noncontrolling interests	—	8	—
Incentive distribution rights	182	145	77
Distributions on unvested phantom unit awards	7	5	6
Preferred unitholders' interest in net income	34	—	—
Class D unitholder's interest in net income	(9)	—	—
Common unitholders' interest in net income	$ 313	$ 716	$ 311
Weighted average common units outstanding:			
Basic	136,492,204	118,529,390	84,081,083
Dilutive effect of unvested phantom unit awards	706,014	812,648	1,012,414
Diluted	137,198,218	119,342,038	85,093,497
Net income per common unit:			
Basic	$ 2.29	$ 6.04	$ 3.70
Diluted	$ 2.28	$ 6.00	$ 3.65

EXHIBIT I
STATE SPECIFIC ADDENDA

STATE SPECIFIC ADDENDA

FOR THE STATE OF CALIFORNIA

The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

The California Corporations Code, Section 31125, requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

The Franchise Agreement contains provisions shortening the statute of limitations to bring claims and requiring you to waive your right to punitive or exemplary damages against the franchisor, limiting your recovery to actual damages for any claims related to your franchise. Under California Corporations Code 31512, these provisions are not enforceable in California for any claims you may have under the California Franchise Investment Law.

Item 3 of the disclosure document is supplemented by the following:

Neither the franchisor nor any person identified in Item 2 of the disclosure document is subject to any current effective order of any national securities association or national securities exchange as defined in the Securities Exchange Act of 1934, U.S.C.A., 78a et. seq., suspending or expelling such persons from membership in such association or exchange.

Item 17 of the disclosure document is supplemented by the following:

California Business and Professions Code, Sections 20000 through 20043 provides rights to the franchisee concerning transfer, termination or nonrenewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

You must sign a general release if you renew or transfer your franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

The Franchise Agreement contains a covenant not to compete that extends beyond expiration or termination of the agreement. This provision may not be enforceable under California law.

The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. § 101 et seq.).

The Franchise Agreement provides for mediation and/or arbitration for certain disputes. The mediation and/or arbitration will occur at a location within 10 miles of our then current address (currently Dallas, Texas). This provision may not be enforceable under California law.

Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS

CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT www.dfpi.ca.gov.

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FOR THE STATE OF ILLINOIS

Item 17 is supplemented by the following:

Section 705/4 of the Illinois Franchise Disclosure Act of 1987 (the "Illinois Franchise Disclosure Act") provides that any provision in the Franchise Agreement and Development Agreement that designates venue outside of Illinois is void with respect to any cause of action that is otherwise enforceable in Illinois; however, the Agreement may provide for arbitration in a forum outside of Illinois.

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

Illinois law shall apply to and govern the Franchise Agreement and Development Agreement.

The conditions under which your franchise can be terminated and your rights on renewal may be affected by Illinois law, 815 ILCS 705/19 and 705/20.

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FOR THE STATE OF MARYLAND

Item 17 of the disclosure document is supplemented as follows:

The Franchise Agreement and Development Agreement provide for termination upon bankruptcy. These provisions may not be enforceable under federal bankruptcy law.

Any provisions requiring you to sign a general release of claims against us, including upon renewal, transfer or any amendment of the Franchise Agreement and Development Agreement, does not release any claim you may have under the Maryland Franchise Registration and Disclosure Law.

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

You may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

Nothing in the General Release shall operate to release us from any liability under the Maryland Franchise Registration and Disclosure Law.

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FOR THE STATE OF MINNESOTA

1. Item 17 is supplemented by adding the following language to the end of the "Summary" section of Item 17(c) (Requirements for franchisee to renew or extend) and Item 17(m) (Conditions for our approval of transfer by franchisee):

Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§80C.01-80C.22.

2. Item 17 is supplemented by adding the following language to the end of the "Summary" section of Item 17(f) (Termination by franchisor with cause):

   Minnesota law provides a franchisee with certain termination and non-renewal rights. Minnesota Statutes Sec. 80C.14, Subs, 3,4, and 5 require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the applicable agreement.

3. Item 17 is supplemented by adding the following language to the end of the "Summary" section of Item 17(v) (Choice of forum):

   Minnesota Statute 80C.21 and Minnesota Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the disclosure document or agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

4. Item 6 of the disclosure document is supplemented with the following:

   NSF checks are governed by Minnesota Statute 604.113, which puts a cap of $30 on service charges.

5. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

6. Minnesota Rule 2860.4400(K) prohibits a franchisor from requiring a security deposit except for the purpose of securing against damage to property, equipment, inventory, or leaseholds.

FOR THE STATE OF NEW YORK

1. The following information is added to the Cover Page of the Franchise Disclosure document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT D OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises, under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of a or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of any franchise, antifraud, or securities law, fraud, embezzlement, fraudulent conversion, or misappropriation of property, or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State or Canadian franchise, securities, antitrust, trade regulation, or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the "Summary" sections of item 17(c), titled "**Requirements for franchisee to renew or extend**", and Item 17(m), entitled "**Conditions for franchisor approval of transfer**":

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

4. The following replaces the "Summary" section of Item 17(d), titled "**Termination by franchisee**":

You may terminate the agreement on any grounds available by law.

5. The following is added to the "Summary" section of Item 17(v), titled "**Choice of forum franchisor**", and item 17(w), titled "**Choice of law**":

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

FOR THE STATE OF NORTH DAKOTA

1. The Securities Commissioner for the State of North Dakota has held that the provisions stated below in (a) through (h) are unfair, unjust, or inequitable to North Dakota Franchisees (Section 51-19-09, N.D.C.C.) and may be unenforceable under North Dakota Law:

(a) A provision requiring a North Dakota franchisee to sign a general release upon renewal of the Franchise Agreement;

(b) A provision requiring a North Dakota franchisee to consent to termination penalties or liquidated damages;

(c) A provision requiring a North Dakota franchisee to consent to the jurisdiction of courts outside the state of North Dakota;

(d) A provision requiring a choice of law contrary to the North Dakota Franchise Investment Law;

(e) A provision restricting the time in which a North Dakota franchisee may make a claim to less than the applicable North Dakota statute of limitations;

(f) A provision calling for the waiver by a North Dakota franchisee of the right to trial by jury;

(g) A provision requiring a North Dakota franchisee to consent to a waiver of exemplary and punitive damages; and

(h) A provision requiring the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the Franchise Agreement.

2. North Dakota Century Code Section 9-08-06 subjects covenants not to compete to the provisions of that statute. The covenants not to compete contained within the Franchise Agreement are subject to Section 9-08-06 and may be unenforceable under North Dakota law.

3. The State of North Dakota has determined that parties agreeing to arbitration or mediation of disputes at a location that is remote from the site of the franchisee's business to be unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. The site of arbitration or mediation will be agreeable to all parties and may not be remote from the franchisee's place of business.

4. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FOR THE STATE OF RHODE ISLAND

Section 19-28.1-14 of the Rhode Island Franchise Investment Act ("RIFIA") provides that any provision in the Franchise Agreement and Development Agreement restricting jurisdiction or venue to a forum outside of Rhode Island or requiring the application of the laws of another state is void with respect to claims otherwise enforceable under RIFIA.

FOR THE STATE OF VIRGINIA

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, Item 17.h. of the Franchise Disclosure Document is supplemented by the following:

> "Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement and Development Agreement do not constitute "reasonable cause", as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable."

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any

applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FOR THE STATE OF WISCONSIN

Item 17 of the disclosure document is supplemented by the following:

For franchisees subject to the Wisconsin Fair Dealership Law, Ch. 135, Stats., provisions in the Fair Dealership Law supersede any inconsistent provisions of the Franchise Agreement and Development Agreement or a related contract.

EXHIBIT J
STATE EFFECTIVE DATES

STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	Pending
Illinois	~~April 24, 2025~~Pending
Indiana	~~April 24, 2025~~Pending
Maryland	~~May 1,~~ Pending~~2025~~
Michigan	~~April 24,~~ Pending~~2025~~
Minnesota	Pending
New York	~~April 24,~~ Pending~~2025~~
North Dakota	Pending
Rhode Island	~~May 13, 2025~~Pending
Virginia	~~May 10,~~ Pending~~2025~~
Wisconsin	~~April 25,~~ Pending~~2025~~

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT K
RECEIPT

Receipt

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Sunoco Retail LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. Michigan requires that Sunoco Retail LLC give you this disclosure document at least ten (10) business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. New York requires us to provide you the disclosure document to you by the earliest of (1) the first personal meeting to discuss our franchise; or (2) ten business days before the signing of a binding agreement; or (3) ten business days before a payment to Sunoco Retail LLC or its agent.

If Sunoco Retail LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and State law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed on Exhibit D. Sunoco Retail LLC's agents for service of process are listed in Exhibit E.

Date of Issuance: April ~~24,~~ 28, 2026~~2025~~

The name, principal business address, and telephone number of the franchise seller offering the franchise is:

Name	Principal Business Address	Telephone No.

I have received a disclosure document dated April 28, 2026. State registration effective dates are listed on the State Effective Dates page in Exhibit J. The disclosure document included the following Exhibits:

A. APLUS Franchise Agreement with Attachments	G. Reserved

~~The name, principal business address, and telephone number of the franchise seller offering the franchise is:~~

~~Name~~	~~Principal Business Address~~	~~Telephone No.~~

~~I have received a disclosure document dated April 24, 2025.~~

~~State registration effective dates are listed on the State Effective Dates page in Exhibit J. The disclosure document included the following Exhibits:~~

~~A. APLUS Franchise Agreement with Attachments~~	~~G. Manual Table of Contents~~
B. Development Agreement	H. Financial Statements
C. List of Current and Former Franchisees	I. State Specific Addenda
D. List of State Administrators	J. State Effective Dates
E. List of Agents for Service of Process	K. Receipt
F. Franchise Disclosure Questionnaire	

Please sign and print your name below, date and return one copy of this receipt to Sunoco Retail LLC and keep the other for your records.

_____
Date of Receipt

_____
Print Name

_____
Signature
(individually and as an officer of)

_____

(Name of corporation, LLC, or partnership)
_____ A corporation
_____ A Limited Liability Company
_____ A Partnership

[KEEP THIS RECEIPT FOR YOUR RECORDS]

Receipt

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Sunoco Retail LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. Michigan requires that Sunoco Retail LLC give you this disclosure document at least ten (10) business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. New York requires us to provide you the disclosure document to you by the earliest of (1) the first personal meeting to discuss our franchise; or (2) ten business days before the signing of a binding agreement; or (3) ten business days before a payment to Sunoco Retail LLC or its agent.

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Please sign and print your name below, date and return one copy of this receipt to Sunoco Retail LLC and keep the other for your records.

_____ _____

Date of Receipt Print Name

_____

Signature
(individually and as an officer of)

_____
(Name of corporation, LLC, or partnership)
_____ A corporation
_____ A Limited Liability Company
_____ A Partnership

RETURN THIS COMPLETED FORM TO SUNOCO RETAIL LLC
8111 Westchester Drive, Suite 600, Dallas, Texas 75225