

GUARANTY AGREEMENT

This GUARANTY AGREEMENT (this "Guaranty") is dated and effective as of _____, _____ (the "Effective Date"), by and between _____, an individual ("Guarantor"), and **GREG'S PETROLEUM SERVICE**, a California corporation ("Marketer"), in Bakersfield, California, who agree and contract as described below. Guarantor and Marketer are singularly referred to as a "party" and collectively as the "parties."

Recitals

This Guaranty is made and entered into in reliance on the accuracy of the following facts and circumstances, which are acknowledged by the parties to be accurate, complete and true:

A. _____, a California _____ ("Customer"), entered into the "Application for Credit" with Marketer dated _____, _____ (the "Agreement"). Pursuant to the Agreement, Customer shall purchase petroleum products from Marketer for use by Customer (the "Products"). Guarantor is an owner of, or otherwise affiliated with Customer; and,

B. In order to adequately secure Customer's performance of its duties, obligations and responsibilities under the Obligations (as defined immediately below), the parties agreed to enter into this Guaranty. The phrase "Obligations" as used in this Guaranty means and includes any and all debts, duties, liabilities, obligations and responsibilities of Customer to Marketer under the Agreement and the other agreements or contracts referenced therein, or any other written or verbal agreement whereby Customer purchases the Products from Marketer, as the same may be modified, renewed or replaced, whether such debts, duties, liabilities, obligations and responsibilities are now or hereafter made, existing, incurred, or created, due or not due, absolute or contingent, liquidated or unliquidated, or determined or undetermined,

THEREFORE, to memorialize the conditions, covenants, provisions and terms for the foregoing, the parties expressly agree and contract as set forth in the "Agreement" portion of this Guaranty. This Guaranty, including, without limitation, the "Agreement" portion that commences on Page 2 and is incorporated herein by reference as if fully set forth at length, shall become effective as of the Effective Date upon its execution and delivery by all of the parties.

GREG'S PETROLEUM SERVICE , a California corporation ("Marketer")	Print Name: _____, an individual ("Guarantor")
By: _____ RONALD P. MARIANI	Sign: _____
Its: President	Job Title: _____
7905 Downing Avenue Bakersfield, CA 93308 Telephone No. (661) 535-4900	_____, CA _____ Telephone No. () ____-_____ Telefax () ____-_____

Agreement

I. THE GUARANTY

1.1. Guaranty. Guarantor hereby: (a) guarantees unto Marketer the full and timely performance and also payment of the amounts due, owing and payable, or to become due, owing and payable to Marketer under the Obligations; and, (b) agrees with Marketer to pay to him the following: (i) the amounts due, owing and payable under the Obligations within fifteen (15) days from the date Marketer notifies Guarantor of Customer's failure to pay the same, if and when the same becomes due, owing and payable; and, (ii) Marketer's reasonable costs of collection and suit, including, without limitation, attorneys' fees and disbursements reasonably incurred by Marketer in enforcing or protecting any of his interests, recourses, remedies or rights hereunder. Marketer acknowledges, understands and agrees that Guarantor is not hereby guaranteeing payment of any other debt or performance of any duty, obligation or responsibility under any other agreement, contract or understanding, whether express or implied, written or oral, other than the Obligations. This is a guaranty of performance and payment, and not a guaranty of collection. It is the intent of the parties that such debts, duties, liabilities, obligations and responsibilities hereunder are primary, absolute and unconditional under any and all circumstances and that, until the Obligations are fully and finally redeemed or satisfied, such debts, duties, liabilities, obligations and responsibilities shall not be discharged or released, in whole or in part, by any act or occurrence which, but for this Section 1.1, might be deemed a legal or equitable discharge or release of Guarantor.

1.2. Authorization to Renew or Modify Obligations. Guarantor authorizes Marketer, without notice or demand and without affecting its liability hereunder, from time to time to: (a) accelerate, change, compromise, extend or renew the time for payment of, or otherwise change the terms of, any Obligations or any part thereof or any agreement or arrangement related to any of the foregoing; (b) take and hold security for the payment of this Guaranty or the Obligations guaranteed, and enforce, exchange, modify, release or waive any such security; (c) apply such security and direct the order or manner of sale thereof as Marketer in its discretion may determine; and, (d) release or substitute any one or more of the endorsers, guarantors or obligors of the Obligations.

1.3. Guarantor's Representations and Warranties. Guarantor hereby acknowledges, understands, represents and warrants unto Marketer as follows: (i) this Guaranty constitutes the legal, valid and binding obligation of Guarantor and is fully enforceable against Guarantor in

accordance with its conditions, provisions and terms; (ii) Guarantor is solvent and the execution of this Guaranty does not render Guarantor insolvent. Any and all financial statements, balance sheets, net worth statements and other financial data which have heretofore been furnished to Marketer with respect to Guarantor fairly and accurately present the financial condition of Guarantor as of the date they were furnished to Marketer and, since that date, there has been no material adverse change in the financial condition of Guarantor; (iii) there are no legal proceedings or material claims or demands pending against or, to the best of Guarantor's knowledge threatened against, Guarantor or any of its assets; (iv) the execution and delivery of this Guaranty and the assumption of liability hereunder have been in all respects authorized and approved by Guarantor; Guarantor has full authority and power to execute this Guaranty and to perform its obligations hereunder; and, (v) that neither the execution nor the delivery of this Guaranty nor the fulfillment and compliance with the provisions hereof will conflict with, result in a breach of, constitute a default under or result in the creation of any lien, charge, or encumbrance upon any property or assets of Guarantor under any agreement or instrument to which Guarantor is now a party or by which it may be bound.

II. EXTENT OF THE GUARANTY

2.1. No Limitation of Liability; No Revocation. Notwithstanding anything to the contrary contained or implied above, there is no limit to the liability of Guarantor hereunder. This Guaranty may not be revoked or terminated until or unless either the Obligations are recovered, rescinded, required to be returned, satisfied, set aside or voided except as otherwise provided in Section 3.3.

2.2. Guarantor's Obligations Independent; Statute of Limitations. The duties, obligations and responsibilities of Guarantor hereunder are independent of the duties, obligations and responsibilities of Customer, and a separate action or actions may be brought and prosecuted against Guarantor whether action is brought against Customer or whether Customer is joined in any such action or actions. Guarantor waives the benefit of any statute of limitations, and all other defenses affecting its liability hereunder or the enforcement hereof.

2.3. No Conditions Precedent. The duties, obligations and responsibilities of Guarantor hereunder shall be and remain unaffected; (i) by the existence or non-existence, validity or invalidity of any security; (ii) by any agreement, contract or understanding that any other person was or is to

execute this or any other guaranty, or any other document or instrument relating to or evidencing the Obligations, or any part thereof; (iii) by resort by Marketer or failure by Marketer to resort to or enforce any other security or remedy relating to the Obligations; or, (iv) by the dissolution, death or bankruptcy of any party, or by failure of the Marketer to file claim against any estate.

2.4. Subordination and No Subrogation. If, for any reason whatsoever, Customer now is or hereafter becomes indebted to Guarantor (collectively the "Debt"), the Debt shall, until the later to occur of redemption or the full satisfaction of the Obligations, be subordinate in all respects to the Obligations, and Guarantor shall not be entitled to enforce or receive payment under the Debt until the later to occur of the redemption or the full satisfaction of the Obligations. Notwithstanding anything to the contrary contained in this Guaranty, Guarantor shall not have any right of subrogation in or under the Obligations, all such rights of subrogation, together with any other contractual, or common, equitable or statutory law right that Guarantor may have under this Guaranty are hereby knowingly and expressly waived and released until the later to occur of the redemption of the Obligations or the full satisfaction of the Obligations.

III. WAIVERS, ACKNOWLEDGMENT OF BENEFIT AND EFFECT OF BANKRUPTCY

3.1. Waivers. Guarantor waives any right to require Marketer to: (i) proceed against Customer; (ii) proceed against or exhaust any security held from Customer; or, (iii) pursue any other remedy in Marketer's power whatsoever. Guarantor also waives any defense arising by reason of any disability or other defense of Customer or by reason of the cessation from any cause whatsoever of the liability of Customer. Guarantor additionally waives all rights of subrogation and contribution, and waives any right to enforce any remedy which Marketer now has or may hereafter have against Customer, and waives any benefit of, and any right to participate in, any security now or hereafter held by Marketer. Guarantor further waives all presentments, suretyship defenses, demands for performance, notices of non-performance, protests, notices of protest, notices of dishonor, and notices of acceptance of this Guaranty and of the existence, creation, or incurring of new or additional Obligations.

3.2. Acknowledgement of Benefit. Guarantor acknowledges, understands, represents and warrants that it has received, or will receive, direct or indirect benefit from the execution and delivery of this Guaranty.

3.3. Effect of Bankruptcy. This Guaranty shall continue to be effective or reinstated, as applicable, if at any time all or any part of the Obligations or payments

thereunder is rescinded or must otherwise be restored or refunded by Marketer pursuant to any insolvency, bankruptcy, reorganization, receivership or other debtor relief proceeding involving Customer or Guarantor. In the event that Marketer must rescind or restore all or any part of the Obligations or payments thereunder by Marketer, any prior release or discharge of this Guaranty shall be without force or effect and thus this Guaranty shall remain in full force and effect.

IV. MISCELLANEOUS PROVISIONS

4.1. Indemnification. Guarantor shall indemnify, hold harmless and defend Marketer against any and all actions, administrative or legal proceedings, claims, costs, damages, debts, deficiencies, duties, expenses, fees, injuries, liabilities, losses, obligations, penalties, recoveries, or responsibilities, including, without limitation, attorney's fees and disbursements, arising out of, concerning or related in any way to Guarantor's failure to perform its duties, obligations and responsibilities under or the conditions, provisions and terms of this Guaranty. Marketer may participate in the defense of any claim or suit without relieving Guarantor of its duties, obligations and responsibilities under this Section 4.1, including, without limitation, attorney's fees and costs.

4.2. Enforceability. The rights granted to the parties are of a special and unique kind and character, and if there is a breach by any party of any material provision of this Guaranty, the other party would not have any adequate remedy at law. It is expressly agreed that the rights of the parties may be enforced by any action for specific performance and such other equitable remedies as provided under the laws of the State California.

4.3. Remedies Not Exclusive. Any party's use of any remedy specified herein for the enforcement of this Guaranty is not exclusive and shall not deprive such party of, or limit the application of, any other remedy provided by law, at equity or otherwise.

4.4. Attorneys' Fees and Costs. In the event of any action at law or in equity between the parties hereto to enforce or interpret this Guaranty, the unsuccessful party or parties to such litigation shall pay to the successful party or parties all costs and expenses, including reasonable attorneys' fees, incurred therein by such successful party or parties and, if such successful party or parties shall recover judgment in any such action or proceedings, such costs, expenses and attorneys' fees may be included in and as a part of such judgment. The successful party or parties shall be the party who is entitled to recover its costs of suit, whether or not the suit proceeds to final judgment. If no costs of suit are awarded, the court shall determine the successful party or parties. For the purpose of this Section

4.4, the term “attorney’s fees and disbursements” shall include, without limitation, fees and disbursements incurred in connection with the following: (i) contempt proceedings; (ii) discovery; (iii) any motion, proceeding or other activity of any kind or nature in connection with a bankruptcy proceeding or case arising out, concerning or related in any way to any petition under Title 11 of the United States Code, as the same shall be in effect from time to time, or any similar law; (iv) garnishment, levy, and debtor and third party examinations; and, (iv) post judgment motions, proceedings or activity of any kind or nature, including, without limitation, any activity taken to collect or enforce any judgment.

4.5. Waiver. No waiver of any default or failure or delay to exercise any right or remedy by a party shall operate as a waiver of any other default or of the same default in the future or as a waiver of any right or remedy with respect to the same or any other occurrence.

4.6. Further Assurances. Each party agrees to and will cooperate fully with the other parties in the performance of this Guaranty. Each party also shall execute and deliver any and all additional documents, instruments, papers or other assurances and shall perform any further acts which may be reasonably necessary to carry out the intent of the parties and this Guaranty.

4.7. Notices. Any and all notices, demands or communications required or desired to be given hereunder by any party shall be in writing and shall be validly given or made to another party if served either personally or if deposited in the United States Mail, certified or registered, postage prepaid, return receipt requested. If such notice, demand or other communication is served personally, service shall be conclusively deemed made at the time of such personal service. If such notice, demand or other communication be given by mail, service shall be conclusively deemed given forty-eight (48) hours after the deposit thereof in the United States Mail, addressed to the person to whom such notice, demand or other communication is to be given at the addresses: set forth above in the signature block. Either party may change its address for purposes of this Section 4.7 by giving written notice to the other party pursuant to this Section 4.7.

4.8. Binding Effect. Subject to Section 4.9, this Guaranty shall inure to and for the benefit of and be binding upon each party’s respective parent, subsidiary or affiliated organizations, administrators, agents, attorneys, beneficiaries, conservators, custodians, directors, employees, executors, guardians, heirs, independent contractors, joint venturers, members, officers, partners, predecessors, representatives, servants, stockholders, successors, and all others acting for, under, or in concert with it, including associations, corporations, limited

liability companies, and general or limited partnerships, past, present, and future.

4.9. Assignability. Notwithstanding Section 4.8, Guarantor shall have no right to assign its rights, or duties, obligations or responsibilities under this Guaranty without the prior written consent of Distributor as exercised in its sole and absolute discretion. Distributor may assign its rights under this Guaranty at any time. No consent to any assignment, conveyance, encumbrance, hypothecation, sale or transference shall constitute a further waiver of the provisions of this Section 4.9.

4.10. No Third Party Beneficiary. This Guaranty is made for the sole benefit of the parties and their respective successors and assigns and no other person or persons shall have any right of action hereon.

4.11. No Partnership or Joint Venture Created. Nothing in this Guaranty shall be construed, deemed or interpreted by the parties or by any third person to create the relationship of principal and agent or of partnership, joint venture or any other association other than that of debtor-creditor between the parties.

4.12. Entire Agreement. This Guaranty, the Agreement, and the other documents described in those agreements contain the entire agreement between the parties and constitute an integration of the entire agreement, contract, promise and understandings of the parties. All prior agreements, conditions, contracts, promises, representations, understandings, or warranties, whether oral or written, express or implied, concerning the subject matter of this Guaranty are expressly superseded hereby and have no further force or effect, except for this Guaranty, the Agreement, and the other documents described in those agreements.

4.13. No Novation. This Guaranty shall not be construed or otherwise interpreted as a novation of any prior or contemporaneous agreements, contracts or other understandings, whether oral or written, express or implied, between the parties. The rights, and also the duties, obligations and responsibilities of the parties under this Guaranty are not in substitution, but in addition to, any prior or contemporaneous agreements, contracts or other understandings, whether oral or written, express or implied, between the parties.

4.14. Modification. This Guaranty may not be altered, amended, or modified in any respect, except by a writing duly executed by all the parties.

4.15. Governing Law; Venue. This Guaranty shall be construed and enforced in accordance with the internal laws, and not the law of conflicts, of California, where it is

to be executed, delivered and performed. This Guaranty is entered into and is to be performed in Kern County, California, and accordingly the only appropriate venue for a dispute under this Guaranty or the Obligations is in the Kern County Superior Court, Metropolitan Division.

4.16. Construction; Computation of Time. Headings are used herein for convenience only and shall have no force or effect in the construction or interpretation of this Guaranty. As used in this Guaranty, the singular includes the plural and masculine includes the feminine and neuter. This Guaranty shall not be construed against the party drafting it but shall be construed fairly and equitably as though it was the joint product of the parties. Except where the context otherwise requires, all references to the term of this Guaranty shall include any extensions of such term. The time in which any act under this Guaranty is to be done shall be computed by excluding the first (1st) calendar day and including the last calendar day. If the last calendar day of any time period shall fall on a Saturday, Sunday or a federal and/or State of California bank holiday, then the duration of such time period shall be extended so that it shall end on the next succeeding day that is not a Saturday, Sunday or a federal and/or State of California bank holiday. Unless preceded by the word "business," the word "day" shall mean a "calendar" day. The phrase "business day" shall mean a day which is not a Saturday, Sunday or a federal and/or State of California bank holiday.

4.17. Partial Invalidity. If any clause, paragraph, phrase, provision, section or sentence of this Guaranty shall become illegal, null or void for any reason or shall be held by any court of competent jurisdiction to be illegal, null or void, or against public policy, the remaining clauses, Sections, phrases and sentences of this Guaranty shall not be affected thereby and the parties shall negotiate an equitable adjustment of the affected provision with a view toward effecting the purpose of this Guaranty.

4.18. Time of the Essence. Time is of the essence under this Guaranty.

4.19. Separate Counterparts; Facsimile or .Pdf Signatures. This Guaranty may be executed in counterparts (including by facsimile or e-mailed portable document format file), all of which shall constitute one document, and that by the signature(s) hereto, and the undersigned further agree that facsimile or e-mailed portable document format file signatures shall be effective for all purposes.

4.20. Independent Counsel. Guarantor acknowledges and agrees that he/she has been advised to obtain independent counsel to advise him/her/it as to the contents of this Guaranty, the effects of this Guaranty and the rights that have been acquired by way of executing this Guaranty.