

GUARANTY

THIS GUARANTY is made this 20th day of April, 2010 by John W. Flynn III, an individual with a domicile of 52 Deep Meadow Estates, Exeter, New Hampshire, 03883 and Michael P. Flynn, an individual with a domicile of 3 Blossom Lane, Stratham, New Hampshire, 03885 ("Guarantors"), to and with the State of New Hampshire with an address of c/o the Department of Justice, 33 Capitol Street, Concord, New Hampshire 03301 ("State").

WHEREAS, pursuant to a Stipulation and Request for Entry of Final Order, filed with the Rockingham County Superior Court (the "Court"), and entered as an order of the Court on or about April 8, 2010 (the "Stipulation"), the Guarantors and Flynn's Oil Co., LLC ("Flynn's Oil") (together the "Obligors") and others agreed to certain repayment obligations with respect to moneys owed to consumers because of violations of state law, pursuant to which there arises the duty to repay the State certain amounts for the benefit of consumers, in the amount of \$554,603.08, as may be adjusted pursuant to the Stipulation (the "Obligation");

WHEREAS, pursuant to the Stipulation, proceeds from the sale of Flynn's Oil to Hilton Family Oil, LLC. are to be paid to the State (the "Oil Business Proceeds"), and in addition, in the event the Guarantors or either of them enter into an agreement with any entity which results in the sale of the real estate at 94 Portsmouth Ave., Exeter, NH and a lease agreement whereby the Guarantors or either of them leases back and operates any business on that property Guarantors and others are ordered to pay fifty percent (50%) of the EBITDA of any business conducted by either Guarantor, or any entity owned or controlled by either or both of them, operated upon the real estate located at 94 Portsmouth Ave., Exeter, NH to the State (the "State's EBITDA Share");

WHEREAS, under the Stipulation, the Guarantors are ordered to enter into personal guaranties of any amount of the Obligation that is not paid out of the Oil Business Proceeds or the State's EBITDA Share and the State advised Guarantors that it would not enter into the aforesaid stipulations unless, among other things, Guarantors guarantee all obligations under the Stipulation, including but not limited to the punctual payment of all obligations thereunder, and related obligations under the Stipulation to the State as hereinafter provided;

WHEREAS, Guarantors are willing and have agreed to guarantee the payment of the aforesaid obligations as hereinafter provided; and

WHEREAS, Guarantors will benefit from the Stipulation.

NOW THEREFORE, in order to induce State to engage in the aforesaid Stipulation and in consideration of the premises stated above and for other good and valuable consideration, the receipt of which is hereby acknowledged, Guarantors agree as follows:

1. Guarantors hereby unconditionally and irrevocably, guarantees: (i) the due and punctual payment in full (and not merely the collectability) of the Obligation, when due and payable, according to the terms of the Stipulation; (ii) the due and punctual payment in full (and

not merely the collectability) of all other sums and charges which may at any time be due and payable in accordance with, or under the terms of the Stipulation; (iii) the accuracy of the representations and warranties made in the Stipulation, and (iv) the due and punctual performance and observance of all of the other terms, covenants and conditions contained in the Stipulation (collectively, the "Guaranteed Obligations").

2. Guarantors expressly agree that the State may, in its sole and absolute discretion, without notice to or further assent of Guarantors, and without in any way releasing, affecting or impairing the obligations and liabilities of Guarantors, hereunder: (i) waive compliance with, or any default under, or grant any other indulgences with respect to, the Stipulation or any instrument or agreement securing the Stipulation; (ii) modify, amend or change any provisions of the Stipulation; (iii) grant extensions or renewals of or with respect to the Stipulation, and/or effect any release, compromise or settlement in connection therewith; (iv) agree to the substitution, exchange, release or other disposition of all or any part of any collateral securing the Stipulation; (v) assign or otherwise transfer the Stipulation and any other instrument or agreement securing the Stipulation, including without limitation this Guaranty, or any interest therein; and (vi) deal in all respects with Obligors as if this Guaranty were not in effect. The obligations of Guarantors under this Guaranty shall be unconditional, irrespective of the genuineness, validity, regularity or enforceability of the Stipulation or any security given therefor or in connection therewith or any other circumstances that might otherwise constitute a legal or equitable discharge of a surety or guarantor.

3. The liability of Guarantors under this Guaranty shall be primary, direct and immediate and not conditional or contingent upon pursuit by State of any remedies it may have against Obligors or any other party with respect to the Stipulation or any instrument or agreement securing the Stipulation, whether pursuant to the terms thereof or otherwise. No exercise or nonexercise by State of any right given to it under this Guaranty, the Stipulation or any instrument or agreement securing the Stipulation, and no change, impairment or suspension of any right or remedy of State shall in any way affect any of Guarantor's obligations hereunder or give Guarantors any recourse against State. Without limiting the generality of the foregoing, State shall not be required to make any demand on Obligors and/or any other party, or otherwise pursue to exhaustion its remedies against Obligors or any other party, before, simultaneously with or after, enforcing its rights and remedies hereunder against Guarantors. Any one or more successive and/or concurrent actions may be brought hereon against Guarantors, either in the same action, if any, brought against Obligors and/or any other party, or in separate actions, as often as State, in its sole discretion, may deem advisable.

4. Guarantors hereby expressly waive: (i) presentment and demand for payment and protest of nonpayment; (ii) notice of acceptance of this Guaranty and of presentment, demand and protest; (iii) notice of any default hereunder or under the Stipulation or under any other agreement executed in connection with the Stipulation and of all indulgences; (iv) demand for observance or performance of, or enforcement of, any terms or provisions of this Guaranty or the Stipulation, or any instrument or agreement securing the Stipulation; and (v) all other notices and demands otherwise required by law that Guarantors may lawfully waive.

5. Any claim against the Obligor or any guarantor to which Guarantors may be or become entitled (including, without limitation, claims by subrogation or otherwise by reason of any payment or performance by Guarantor in satisfaction and discharge, in whole or in part, of his obligations under this Guaranty) shall be and hereby is made subject and subordinate to the prior payment or performance in full of the Guaranteed Obligations. Nothing herein contained shall be construed to give Guarantors any right of subrogation in and to the rights of State under the Stipulation or any instrument or agreement securing the Stipulation until all amounts owing to State under the Stipulation have been paid in full.

In addition to any other security given by Guarantors to State, State is hereby authorized and empowered, at its option, to appropriate and apply to the payment and extinguishment of the Guaranteed Obligations, at any time after such liability becomes payable, any and all moneys or other property of Guarantors and any proceeds thereof (including proceeds of sales provided for below) now or hereafter in the possession of State for any purpose, including safekeeping or pledge for this or any other liability of Guarantors, and including any balance on deposit or otherwise for the account of, to the credit of, or belonging to Guarantors.

6. Any notice, demand, request or other communication given hereunder or in connection herewith (hereinafter "Notices") shall be deemed sufficient if in writing and sent by certified mail, postage prepaid, return receipt requested, addressed to the party to receive such Notice at its address first above set forth or at such other address as such party may hereafter designate by Notice given in like fashion. Notices shall be deemed given when mailed.

7. Any payments made by Guarantors under the provisions of this Guaranty shall, if made to State, be made at its address first set forth above, unless some other address is hereafter designated by State.

8. All rights and remedies afforded to State by reason of this Guaranty and the Stipulation and any instrument or agreement securing the Stipulation, or by law, are separate and cumulative and the exercise of one shall not in any way limit or prejudice the exercise of any other such rights or remedies. No delay or omission by State in exercising any such right or remedy shall operate as a waiver thereof. No waiver of any rights and remedies hereunder, and no modification or amendment hereof, shall be deemed made by State unless in writing and duly executed. Any such written waiver shall apply only to the particular instance specified therein and shall not impair the further exercise of such right or remedy or of any other right or remedy of State, and no single or partial exercise of any right or remedy hereunder shall preclude further exercise of any other right or remedy.

9. The obligations of Guarantors to make payment in accordance with the terms of this Guaranty shall not be impaired, modified, changed, released, or limited in any manner whatsoever by any impairment, modification, change, release or limitation of the liability of Flynn's Oil, Flynn's Carwash, Inc. or 94 Portsmouth Avenue Trust, or either bankrupt individual Guarantor, in respect of the non-bankrupt Guarantor, or their estate(s) in bankruptcy or reorganization resulting from the operation of any present or future provision of federal bankruptcy laws or other statute or from the decision of any court.

10. Guarantors hereby covenant and agrees that Guarantors will, at Guarantors' expense, annually deliver to State on or before April 15th of each year financial statements in form and content satisfactory to State accurately reflecting all changes in net worth for the preceding year and, as soon as practicable after filing with the Internal Revenue Service, each year, Guarantors' complete federal income tax return with the schedules thereto.

11. This Guaranty shall remain in full force and effect until State is paid the Guaranteed Obligation in full. This Guaranty shall continue to be effective or be reinstated, notwithstanding any such termination, if at any time any payment made or value received with respect to a Guaranteed Obligation is rescinded or must otherwise be returned by State upon the insolvency, bankruptcy or reorganization of any of the Obligors, or otherwise, all as though such payment had not been made or value received.

12. Guarantors agree that if this Guaranty shall be enforced by suit or otherwise, or if State shall exercise or endeavor to exercise any of its remedies under the Stipulation, the Guarantors will reimburse State, upon demand, for all expenses incurred in connection therewith, including, without limitation, reasonable attorneys' fees.

13. This Guaranty shall be construed in accordance with the laws of the State of New Hampshire.

14. This Guaranty shall inure to the benefit of, and be enforceable by, State and its successors and assigns, and shall be binding upon, and enforceable against, Guarantors and their personal representatives, ~~heirs~~, and assigns.

ESTATES

15. Whenever the context so requires reference herein to the masculine gender shall include the feminine gender or the neuter or vice versa; and the singular shall include the plural and vice versa. All references herein to the Stipulation shall be construed to refer to such instrument as it may be amended from time to time.

16. If more than one person executes this Guaranty, the liability of all such persons hereunder shall be joint and several.

17. Guarantors hereby consent to the jurisdiction of the Court in connection with any suit to enforce any rights of the State under this Guaranty.

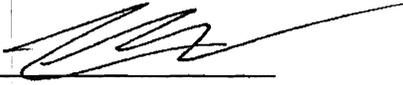
18. All references herein to the Stipulation shall be deemed to include such instruments as they may be amended from time to time.

19. If any provision or condition of this Guaranty is prohibited or rendered invalid or unenforceable, such prohibition, invalidity or unenforceability shall not affect the validity or enforceability of any other provisions and conditions of this Guaranty.

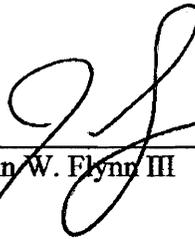
20. Nothing contained in this Guaranty or the Stipulation shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State.

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IN WITNESS WHEREOF, Guarantors have each executed this Guaranty as of the day and year first above written.



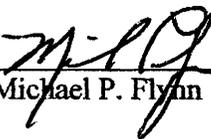
Witness

By: 

John W. Flynn III



Witness

By: 

Michael P. Flynn