

**AGENDA
CITY OF MORRISTOWN, TENNESSEE
BEER BOARD MEETING
APRIL 7, 2015 – 5:00 P.M.**

1. **CALL TO ORDER**

Mayor Danny Thomas

2. **ROLL CALL**

3. **APPROVAL OF MINUTES**

1. March 3, 2015

4. **OLD BUSINESS**

5. **NEW BUSINESS**

1. Off-premise beer permit for K-VA-T Food Stores, Inc. (Registered Agent Brady Parvin) DBA Food City #3607 Gas & Go, 2290 West Andrew Johnson Highway.

6. **ADJOURN**

**STATE OF TENNESSEE
COUNTY OF HAMBLLEN
CORPORATION OF MORRISTOWN
MARCH 3, 2015**

The Beer Board for the City of Morristown, Hamblen County, Tennessee, met in regular session at the regular meeting place in the Morristown City Center at 5:54 p.m., Tuesday, March 3, 2015, with the Honorable Mayor Danny Thomas, presiding and the following Beer Board members present; Bob Garrett, Chris Bivens, Kay Senter, Dennis Alvis and Paul LeBel.

Councilmember Senter made a motion to approve the February 3, 2015 minutes as circulated. Councilmember Alvis seconded the motion and upon roll call; all voted "aye".

Councilmember Senter made a motion to approve an off-premise Beer Permit for Wal-Mart Stores, Inc. (registered agent Brenda Frazier) DBA Wal-Mart, 4331 West Andrew Johnson Highway. Councilmember LeBel seconded the motion and upon roll call; all voted "aye".

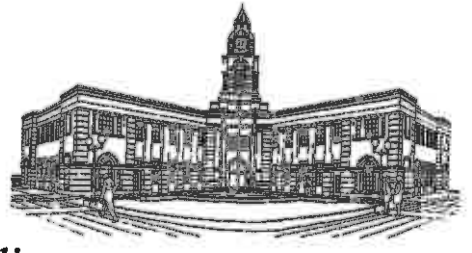
Mayor Thomas adjourned the March 3, 2015 meeting of the City of Morristown, Beer Board at 5:56 p.m.

MAYOR

ATTEST:

CITY ADMINISTRATOR

City of Morristown Beer Board



Beer Permit Application Checklist

Application Date: February 25, 2015

Applicant's Name: K-VA-T Food Stores, Inc.

DBA: Food City #3607 Gas & Go

Contact Name Karen Gobble Contact # (276)623-5100 ext 5626

Provided By Applicant

- ☒ Application
- ☒ Application fee
- ☒ Authorization for Criminal History Inquiry
- ☒ Designation of Registered Office and Registered Agent
- ☒ Certified copy of deed or copy of lease agreement
- ☒ Sales Tax Certification (copy of certification of registration)
- ☐ n/a Restaurant seating area plan showing a minimum of 75 seats
- ☐ n/a Certified Site Plan and Floor Plan (if facility is not existing)

Provided By the City of Morristown

☐ Site Plan Certification (by City Engineer)

Current taxes verified

- ☒ City Taxes
- ☒ County Taxes

Public Notices

- ☒ Notice of Beer Board Meeting
- ☒ Signs Posted at Location of Business – Date Posted: 3-20-15
- ☒ Newspaper Notice of Application – Date Ran in Paper: 3-26-15
- ☒ Background Investigation
- ☐ Date of Beer Board Approval: _____
- ☐ Copy of Permit (Number _____) Issued
- ☐ Prorated Privilege Tax Paid

A handwritten signature in black ink, appearing to read "Kelly Inley", written over a horizontal line.

Signature of person verifying completion of checklist

INVOICE

STORE NO.

LOCATION

INVOICE TOTAL

NET INVOICE

250.00

CITY OF MORRISTOWN

100 W 1ST NORTH ST

MORRISTOWN TN 37814-1499

RECPT#: 456356

03/03/15 11:01 bstuart

CUSTOMER#:0

NAME:

BEER PERMIT

CHG: 808

BEER BOND

250.00

PAID AMT

25 PAID BY NAME

FOOD CIT' #36PAY METHOD

CHECK

1274185

AMT TENDERED:

AMT APPLIED: 250.00

CHANGE: 250.00

250.00

289

**CITY OF MORRISTOWN
APPLICATION FOR BEER PERMIT**

Received by Tax Office:

DATE: 2/25/15

I N S T R U C T I O N S

1. Answer all questions completely or check appropriate box. If question is not applicable, write "NA". Write "unknown" only if you do not know the answer. Use blank space at end of form for extra details on any question for which you have insufficient space.
2. Type, print, or write carefully. Illegible or incomplete forms will not receive consideration.
3. Consider your answers carefully. Your signature at the end of this form will certify as to their correctness.

SECTION I – OWNERSHIP INFORMATION

1- Name of Owner

K-VA-T Food Stores, Inc.

2- Check One for the Type of Ownership

<input type="checkbox"/> Person	<input type="checkbox"/> Firm	<input type="checkbox"/> Partnership
<input checked="" type="checkbox"/> Corporation	<input type="checkbox"/> Syndicate	<input type="checkbox"/> Association
<input type="checkbox"/> Joint-Stock Company		

3- Name(s), date(s) of birth and social security number(s) of all person(s) who own a 5% or greater interest in the owner (Attach supplemental sheet if needed).

(See Attached)

4- If you are the sole owner of the business listed above, please complete all remaining questions in the application.

n/a

5- If the owner listed in # 4, above is a corporation, firm, joint-stock company, syndicate, partnership or association, please complete Sections III, VI, VII, VIII and X of this application. Additionally, if the owner listed in # 4, above is a partnership, please complete Sections II, III, IV, and V for each partner.

SECTION II – GENERAL DATA

1- Full Name (last, first, middle)	2- Age Date of Birth	3- Sex Male _____ Female _____
4- Height	5- Weight	6- Color of Eyes
7- Color of Hair	8- Type Complexion	9- Type Build
10- Social Security No.	11- Driver's License No. & State of Issue	

Steven Curtis Smith
DOB 4/20/1957
224-62-4050

Stephanie Smith David
DOB 9/03/1949
224-64-6593

Sharon Smith Hembree
DOB 1/02/1951
224-62-4051

12-	Father's Full Name	13-	Mother's Maiden Name
14-	Previous Employment		
15-	Marital Status	16-	Spouse's Name
	Married _____ Single _____		Divorced _____
17-	Scars (Type and Location)		
18-	Other Distinguishing Features		
19-	Current Address		
20-	Permanent Address		
21-	Home Telephone No.	22-	Work Telephone No.
		23-	Legal Residence
24-	Nickname	25-	Other Names You Have Used
26-	Indicate circumstances (including length of time under which you have ever used these names)		
27-	If legally changed, give particulars (where and by what authority)		

SECTION III – CITIZENSHIP

To be completed by individual owners and each partner in a partnership

- 1- Are you a U.S. citizen or legal alien?
Yes _____ No _____
- 2- If you are a legal alien, please provide your certificate number.

To be completed by all other types of owners listed

- 3- Are you domiciliated in the State of Tennessee?
Yes X No _____

SECTION IV – MILITARY SERVICE

1-	In what military organizations have you served?		
2-	Date of separation	3-	Total length of service
4-	Serial or file No.	5-	Rank or grade
		6-	Type of discharge

SECTION V – RESIDENCES FOR THE PAST 10 YEARS

To be completed by individual owners (Use supplemental sheet if needed)

<u>Address – Most recent first</u>				<u>Inclusive dates</u>	
<u>No.</u>	<u>Street</u>	<u>City</u>	<u>State/Zip</u>	<u>From</u>	<u>To</u>

SECTION VI – ADDITIONAL INFORMATION

Special Instructions

If your answer is "yes" to any of the following questions, please provide complete details for each question on a separate signed sheet and attach the sheet to this form. A "yes" answer does not mean automatic refusal of a beer permit; however, failure to disclose may result in such a denial.

To be completed by individual owners:

- 1- Have you ever been arrested, indicted or convicted for any violation of the law other than minor traffic violations?
Yes _____ No _____
- 2- Have you ever been arrested or court-martialed under military law or regulation?
Yes _____ No _____

To be completed by all other types of owners listed:

- 3- Has any member listed on this application or any supplemental information form been arrested, indicted or convicted for any violation of the law other than minor traffic violations?
Yes _____ No X
 - 4- Has any member listed on this application or any supplemental information form been arrested or court-martialed under military law or regulation?
Yes _____ No X
-

SECTION VII - PERMIT DATA

- 1- Type of Permit Applied For:
On Premise _____ Off Premise X
- 2- Type of Business: Restaurant _____ Distributor _____
Patriotic Organization _____ Club _____
Drug Store _____ Full Line Grocery Store _____
Convenience Store X Lodge _____

<p>Charters that have been issued by the State of Tennessee must be presented with this completed application in all cases of lodges, patriotic organizations, and clubs. These charters will be examined and returned to applicant at the time this application is presented before the Beer Board</p>	DO NOT WRITE IN THIS BLOCK For Use by City of Morristown Only
	Charter Presented Yes _____ No _____
	Charter Returned Yes _____ No _____
	Issued by _____
	Date _____
	In Name of _____
	Signature of Tax Clerk _____

- 3- Do you possess a valid business license issued by the City of Morristown?
Yes X No _____
Date of Issue 6/4/2014

- 4- Complete address of business wherein beer is to be sold:
2290 W. Andrew Johnson Hwy. Morristown, TN 37814

DO NOT WRITE IN THIS BLOCK For Use by City of Morristown Only	
Requested location is in a Nonconforming _____ Conforming _____ location under the zoning laws and ordinances of the City of Morristown.	
For Off Premise Permits Only: Is requested location within 150 ft. of property on which any church, school, or city park is located? Yes _____ No <u>X</u> N/A _____	
If yes, identify establishment. <u>N/A</u>	
	Signature of City Planner <u>[Signature]</u>
Have occupancy issues been addressed by City Inspections?: Non-Conforming _____ Conforming _____	
	Signature of City Inspector <u>[Signature]</u>
Have fire code inspections been completed?: Non-Conforming _____ Conforming <u>X</u>	
	Signature of Fire Marshal <u>[Signature]</u>

- 5- Complete name of business wherein beer is to be sold:

Food City #3607 Gas & Go

- 6- Do you now possess a beer license? Yes X No. _____ If yes, list name of business, address, and type of license on separate sheet.

(See Attached List) #2

- 7- Identify the Registered Agent (chapter 209 of the Beer Ordinance)

Brady P. Parvin

- 8- Identify the individual who is to receive annual tax notices and any other communication from the Tax Office, City Council, or Beer Board and list their address.

K-VA-T Food Stores, Inc.

P.O. Box 1158

Abingdon, Virginia 24212

Attn: Paul A. Cox

SECTION VIII – GENERAL INFORMATION AND AGREEMENTS

- 1- Do you agree not to engage in the sale, storage, manufacture, or distribution of beer other than at the place for which a permit was issued?
Yes X No _____
- 2- Do you agree that sale, storage, manufacture, or distribution of beer will be made only in accordance with the permit granted?
Yes X No _____
- 3- Do you agree that no sales will be made to any person under twenty-one years of age?
Yes X No _____
- 4- Have you received and read the Beer Ordinance of the City of Morristown, and do you agree not to violate any of its requirements?
Yes X No _____
- 5- Have you ever had a license for the sale, storage, manufacture, or distribution of legalized beer revoked?
Yes _____ No X
If the answer is yes, give complete details on separate sheet of paper.

To be completed by individual owners:

- 6- Have you or any of your employees involved in the distribution, storage, manufacture, or sale of beer ever been convicted of any violation of any law involving prohibition, sale, manufacture, storage, distribution or transportation of any alcoholic beverage or any crime involving moral turpitude within the past 10 years immediately preceding the date of this application?
Yes _____ No _____
If the answer is yes, give complete details on separate sheet of paper.
-

#2

**Food City #602
451 South Cumberland Street
Radio Center
Morristown, TN 37814**

**Beer Permit #148-76
Off Premise**

**Food City #607
2181 W. Andrew Johnson Highway
Morristown, TN 37814**

**Beer Permit #147-85
Off Premise**

**Food City #635
1570 Buffalo Trail
N. Food City Shopping Center
Morristown, TN 37814**

**Beer Permit #4212-28
Off Premise**

**Food City #646
4100 Cool Springs Road
Morristown, TN 37814**

**Beer Permit #8362-83
Off Premise**

To be completed by all other types of owners listed:

- 7- Has any person listed on this application or any supplemental information form involved in the distribution, storage, manufacture, or sale of beer ever been convicted of any violation of any law involving prohibition, sale, manufacture, storage, distribution or transportation of any alcoholic beverage or any crime involving moral turpitude within the past 10 years immediately preceding the date of this application?
Yes _____ No X
If the answer is yes, give complete details on separate sheet of paper.

-
- 8- Do you agree not to employ any person so convicted?
Yes X No _____

-
- 9- Do any brewers, manufacturers, distributors or warehousemen of legalized beer have any interest in the business, financial or otherwise or in the premises upon or in which the business is to be licensed to sell beer at retail?
Yes _____ No X
If the answer is yes, give complete details on separate sheet of paper.

To be completed by individual owners and partnerships:

- 10- Are you willing to be fingerprinted by the Police Department, City of Morristown?
Yes _____ No _____

To be completed by all other types of owners listed:

- 11- If requested, are you willing for any member listed with a 5% or greater ownership to be fingerprinted by the Morristown Police Department?
Yes X No _____
-
- 12- Is a completed fingerprint card submitted with this application?
Yes _____ No X *COPY MADE FROM PREVIOUS APPLICATION*
Applicant may have cards completed at Morristown Police Department.

SECTION IX – REFERENCES

Please give the correct name, address, zip code, and telephone number of at least three people who have known you personally for a period of at least three years.

Name	Address	City/State/Zip	Phone
------	---------	----------------	-------

SECTION X – SIGNATURES

STATE OF TENNESSEE
COUNTY OF HAMBLEN

The undersigned Robert L. Neeley, hereby makes oath and swears that all the facts and answers set forth in the above application are true and correct to the best of my knowledge, information, and belief; that misrepresentation of facts and/or withholding of information on this application may result in the denial of a beverage permit now and can forfeit the eligibility to receive any permit for a period of ten (10) years, that I will comply with the laws of the United States, and of the State of Tennessee, and Ordinances of the City of Morristown, that I have received a copy of and read the Beer Ordinance of the City of Morristown, and all amendments thereto. The undersigned further makes oath that if the owner is a corporation, firm, joint-stock company, syndicate, partnership or association, that he or she is authorized to execute this application on behalf of the owner.

In testimony whereof witness my signature on this the 25th day of Feb, 2015

Robert L. Neeley
Applicant

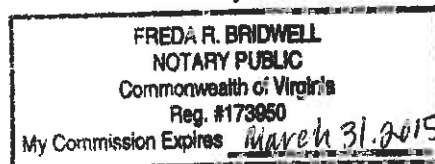
Sworn to and subscribed by Robert L. Neeley before me, a notary public in and for said State and County, on this the 25 day of February, 2015

Freda R. Bridwell

Notary Public

My commission expires

March 31, 2015



RECORD CHECKS

Local Record Checks:

Department:	Date:	Clerk's Signature:
Morristown Police Dept	3-19-15	
Hamblen Co Sheriff's Dept	3-18-15	

Other Record Checks:

Department:	Date:	Clerk's Signature:

Office Copy Only

POST AT LOCATION OF BUSINESS	City of Morristown Minimum Business License and Gross Receipt Tax THIS LICENSE EXPIRES 04/15/2015	License Number 9259
Business Name K-VA-T STORES INC DBA FOOD CITY #3607 GAS & GO PO BOX 1158 ABINGDON, VA 24212-1158 ID: 9259 Location: 2290 W ANDREW JOHNSON HWY		
<div data-bbox="803 514 852 997" data-label="Section-Header"> <p>MINIMUM BUSINESS TAX</p> </div> <div data-bbox="609 325 803 1165" data-label="Text"> <p>This is your official notice that if gross receipts tax is not paid within 60 days from above expiration date, a distress warrant may be issued to satisfy the tax dept. Further notification of expiration is not required by law. Please make note of these dates. If paid by check, this license valid only after check is paid. This license does not permit operation unless properly zoned, and/or in compliance with all other applicable laws/rules.</p> </div> <div data-bbox="527 325 568 556" data-label="Text"> <p>Classification: 1</p> </div> <div data-bbox="446 325 487 640" data-label="Text"> <p>Date Issued 06/04/2014</p> </div> <div data-bbox="397 325 430 378" data-label="Text"> <p>By _____</p> </div> <div data-bbox="341 661 373 850" data-label="Text"> <p>Taxing Authority</p> </div> <div data-bbox="576 1260 828 1753" data-label="Image"> </div> <div data-bbox="462 1302 560 1701" data-label="Text"> <p>City of Morristown P.O. Box 1654 Morristown, Tennessee 37816-1654</p> </div> <div data-bbox="332 1207 365 1533" data-label="Text"> <p>Total Tax</p> </div> <div data-bbox="324 1533 397 1732" data-label="Text"> <p>PAID</p> </div>		

LINDA WILDER, HAMBLLEN COUNTY CLERK

LICENSE
0352366

MINIMUM BUSINESS LICENSE AND GROSS SALES RECEIPT, NOT A BILL

Total Due: 15.00
Cash: Check: 15.00 Check No.: 1227937 Change:
TAMMY wk03 Drawer: 28 Site: 1
Work Date: 06/10/2014

DETACH THIS PORTION FOR CONFIDENTIAL FILE

**LINDA WILDER
HAMBLLEN COUNTY CLERK**
511 W. 2ND NORTH ST
MORRISTOWN, TN 37814

LICENSE
0352366

MINIMUM BUSINESS LICENSE AND GROSS SALES RECEIPT, NOT A BILL

Mailing

Location

73341 FOOD CITY # 3607 GAS AND GO

FOOD CITY # 3607 GAS AND GO

PO BOX 1158
ABINGDON, VA 24212

2290 W ANDREW JOHNSON HIGHWAY
MORRISTOWN, TN 37814

STEVEN C SMITH
ROBERT L NEELEY

LOCAL ACCOUNT NUMBER 73341
STATE ACCOUNT NUMBER 173678589
TRANSACTION NUMBER _____
CLASS 1A
SALES TAX NUMBER 0

ISSUE DATE 03/04/15
TAX PERIOD STARTED - 07/01/2014
PAYMENT DUE BY 4/15/2015
EXPIRATION DATE 5/15/2015

TO AVOID PENALTY, INTEREST, AND POTENTIAL ENFORCED COLLECTION ACTION, BUSINESS TAX RETURNS AND PAYMENTS MUST BE REMITTED TO THE TENNESSEE DEPARTMENT OF REVENUE AT LEAST 30 DAYS PRIOR TO THE EXPIRATION DATE OF THIS LICENSE.

IF PAID BY CHECK, THIS LICENSE VALID ONLY AFTER CHECK IS PAID.

THIS LICENSE DOES NOT PERMIT OPERATION UNLESS PROPERLY ZONED, AND/OR IN COMPLIANCE WITH ALL OTHER APPLICABLE LAWS/RULES.


DEPUTY CLERK SIGNATURE TAMMY wk03 Drawer:28 Site:1

-- POST AT LOCATION OF BUSINESS --
IF BUSINESS CLOSES, MOVES, OR CHANGES OWNERS, NOTIFY THIS OFFICE

[Return to Agenda](#)



TENNESSEE DEPARTMENT OF REVENUE

CERTIFICATE OF REGISTRATION

FOOD CITY #3607 GAS & GO
PO BOX 1158
ABINGDON VA 24212-1158

June 3, 2014

Account Type: SALES&USE

Account No.: 106562758

Filing Status: MONTHLY

We have received and processed your application for registration. Your valid certificate is attached below. This certificate must be publicly displayed at the location for which it is issued. The account number on this certificate is used by the department to identify your account and must be shown on all reports and correspondence. The reverse side of this certificate contains important information regarding change and/or cancellation instructions. This certificate is not assignable and is valid only for the person (entity) to whom it is issued.

T.C.A. 67-6-607 Unauthorized Use of Certificate

It is a class C misdemeanor for any person having a certificate of registration to:

- (1) Use such certificate for the purpose of purchasing tangible personal property subject to the tax herein levied except for resale, unless authorized to do so by other provisions of this chapter and the rules and regulations adopted pursuant thereto; or
- (2) Use or consume any tangible personal property purchased or otherwise acquired under the certificate of registration and subject to the privilege taxes herein levied without paying the privilege taxes.

Reporting

~~All sales and use tax returns must be filed and associated tax payments must be paid electronically.~~ You are required to file your monthly, quarterly, or annual return, according to your filing frequency, even if no tax is due. If your business opens after the 20th of the month, do not file a separate return covering only the days remaining in the month. Rather, include those days on the return covering your first full filing period.

Penalty & Interest

In order to avoid the penalty and interest, all returns must be filed and all associated tax payments must be made on or before the due date for the reporting period.

DETACH HERE AND DISPLAY IN PUBLIC AREA

TENNESSEE DEPARTMENT OF REVENUE
CERTIFICATE OF REGISTRATION
SALES&USE

This certificate must be publicly displayed

FOOD CITY #3607 GAS & GO
2290 W ANDREW JOHNSON HIGHWAY
MORRISTOWN, TN 37814

Account Type: SALES&USE

Account No.: 106562758

Effective Date: July 1, 2014

Richard H. Roberts
COMMISSIONER OF REVENUE *Return to Agenda*

For additional information, contact the Taxpayer Services Division in one of our Department of Revenue Offices:

Chattanooga (423) 634-6266 Suite 350 State Office Building 540 McCallie Avenue	Jackson (731) 423-6747 Suite 340 Lowell Thomas Building 225 Martin Luther King Blvd.
Johnson City (423) 854-5321 204 High Point Drive	Knoxville (865) 594-6100 Suite 300 State Office Building 7175 Strawberry Plains Pike
Memphis (901) 213-1400 3150 Appling Road Bartlett	Nashville (615) 253-0600 AJ Building 500 Deaderick Street

www.tennessee.gov/revenue

ASSISTANCE

For additional information or assistance regarding this notice, you should contact the Department of Revenue. Tennessee residents may use the toll-free number, 1-800-342-1003. Nashville area and out-of-state callers may call (615)253-0600. Hearing Impaired may call TDD at (615)741-7398. You may call either of these numbers between 8:00 a.m. and 4:30 p.m. (CT), Monday through Friday, holidays excepted. You may direct any correspondence or submit written information to the following address: Tennessee Department of Revenue, 500 Deaderick Street, Nashville, TN 37242. Please provide your account number and notice number when inquiring about the notice.

THIS CERTIFICATE IS NON-TRANSFERABLE

If the business is closed, moved, sold or the trade name is changed, the taxpayer must complete the questions listed below and return this certificate to:

Department of Revenue
Taxpayer Services Division
Andrew Jackson State Office Building
Nashville, Tennessee 37242

CHANGE OF ADDRESS AND/OR TRADE NAME

NEW TRADE NAME _____

NEW ADDRESS _____

OUT OF BUSINESS OR CHANGE OF OWNERSHIP

DATE OF CLOSING OR SALE OF BUSINESS _____

NEW FIRM NAME _____

[Return to Agenda](#)

NEW OWNER'S NAME(S) _____

Esco R. Jarnagin
Sheriff

Wayne Mize
Chief Deputy



Sheriff of Hamblen County

510 Allison Street
Morristown, Tennessee 37814

HAMBLÉN CO. ARREST RECORD SEARCH

DATE: 3/18/2015

AN ARREST RECORD SEARCH WAS PROVIDED FOR THE FOLLOWING
INDIVIDUAL:

NAME: Dwain Pervin

DATE OF BIRTH: 06-14-1967

INDIVIDUAL HAS NO RECORD AT THE HAMBLÉN CO. SHERIFF'S DEPT. ☒

INDIVIDUAL HAS THE FOLLOWING RECORD AT THE HAMBLÉN CO. SHERIFF'S DEPT:

NO RECORD

MAR 18 2015

HCSD

IF YOU HAVE ANY QUESTIONS PLEASE CONTACT THE HAMBLÉN CO.
SHERIFF'S DEPT. RECORDS OFFICE AT (423) 585-2769. THIS
RECORD CHECK IS A COUNTY RECORD CHECK ONLY.

Kim Sipe

PHONE: (423) 586-3781 - Administrative
(423) 585-2720 - Jail
FAX: (423) 587-1658 - Administrative
(423) 587-1329 - Jail

[Return to Agenda](#)

LAST NAME FIRST NAME MIDDLE NAME

ALIAS AKA

APPLICANT

SIGNATURE OF PERSON FINGERPRINTED

RESIDENCE OF PERSON FINGERPRINTED

DATE

EMPLOYER AND ADDRESS

1057 RHETT CIRCLE

MORRISTOWN, TN 37814

SIGNATURE OF OFFICIAL TAKING FINGERPRINTS

9/19/14 Det Ricky Sanders

CITIZENSHIP

US

YOUR NO.

QCA

FBI NO.

E3

ARMED FORCES NO.

MNU

SOCIAL SECURITY NO.

SOC

MISCELLANEOUS NO.

MNU

CLASS

REF.

DATE OF BIRTH

DOB

Month Day Year

06/14/1967

PLACE OF BIRTH

ROCKSVILLE TN

SEX

M

RACE

W

HEIGHT

6'2"

WEIGHT

180

EYES



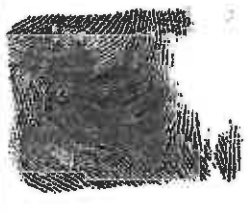





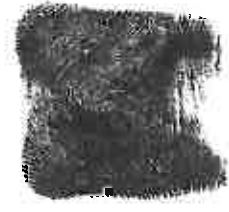
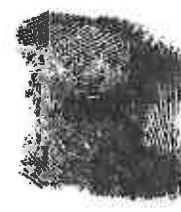
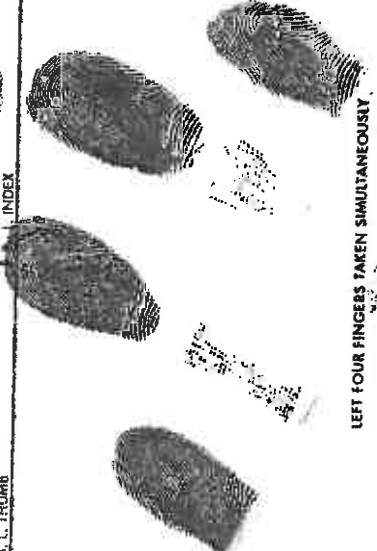

GRN

HAIR

BRN

LEAVE BLANK

REASON FINGERPRINTED

				
1. L. THUMB	2. L. INDEX	3. L. MIDDLE	4. L. RING	5. L. LITTLE
				
6. L. THUMB	INDEX	7. L. MIDDLE	8. L. RING	9. L. LITTLE
				
LEFT FOUR FINGERS TAKEN SIMULTANEOUSLY				
				
RIGHT FOUR FINGERS TAKEN SIMULTANEOUSLY				



City of Morristown
Office of the Police Department



LOCAL ARREST HISTORY
MORRISTOWN, TN (CITY LIMITS ONLY)

Subject of Inquiry: Parvin, Brady
Last First Middle

Full Maiden Name if Applicable

Date of Birth: 06/14/1967

Address: Street: 118 Frank Harris Rd.

City: Bulls Gap State: Tn. Zip Code: 37711

ID Presented: ☐ DL (State) ☒ SSN ☐ Military ☐ Other ID Number:

☐ Check if information is same as above

Person Requesting: Gulley, B.
Last First Middle

Date of Birth:

Address: Street: MPD

City: State: Zip Code:

ID Presented: ☐ DL (State) ☐ SSN ☐ Military ☐ Other ID Number:

"I understand this information is regulated by law."

B. Gulley
Signature

☐ No Record was found with the name and DOB provided.

☒ The following record was found with the name and DOB provided.

Date	Charge
11-14-97	spuding

☐ Continued on Reverse Side

Bonnie Langdon, CAP, Records Spv.
Employee Processing History Title

Date: 03/18/15
[Return to Agenda](#)

AUTHORIZATION FOR CRIMINAL HISTORY INQUIRY

3-17-15

Date

I, the undersigned applicant, or duly authorized signatory for applicant, for a permit authorizing the sale of beer within the City of Morristown, Tennessee, do hereby authorize the City of Morristown, by and through it's agents and representatives and employees, to make inquiry, whether verbal, written, or electronic, of any and all law enforcement agencies or clerks of courts, whether, state, federal or local, concerning my criminal history of any convictions that I have had for any misdemeanor or felony, involving other than minor traffic violations, within the last ten (10) years form the date above.

I, the undersigned, further authorize any and all law enforcement agencies or clerks of courts, whether state, federal or local, or any state, federal, local or national entity storing and providing criminal history data, to release the afore stated information to the City of Morristown.

Residences for Past 10 Years

118 FRANK HARRIS Rd 2yrs
2115 GAP TN 37711

PAST 8 YRS.

1057 Rhett Circle
M-TOWN TN 37814

BRADY PARVIN

Name - Printed

6-14-67

Date of Birth

[REDACTED]

Social Security Number

1057 Rhett Circle

Street Address

M-TOWN TN 37814

City, State and Zip Code

Brady Parvin

Signature

TEIANDRIA DEMASS

Name of Witness - Printed

719 WHITE OAK CIR

Street Address

MORRISTOWN TN 37814

City, State and Zip Code

[Signature]

Signature

Morristown Police Department

ROGER OVERHOLT
Chief of Police



BEER ORDINANCE ASSURANCE

I, the undersigned, acknowledge receipt of a copy of the City of Morristown Beer Ordinance Title 8 Chapter 2.

I understand it is my responsibility to adhere to the guidelines of this ordinance and the applicable laws of the State of Tennessee.

I understand it is my responsibility to ensure that my employees are aware of, and adhere to, all governing ordinances and laws concerning the sale of beer in my establishment.

Business Name & Address: Food City Gas-n-Go #31007
2290 W. Andrew Johnson Hwy.
Morristown, TN. 37814

Brady Parvin
Signature

Brady Parvin
Print Name

3-23-15
Date

LEASE AGREEMENT

Between

BB&J Holdings

A Tennessee General Partnership

Landlord

AND

K-VA-T Food Stores, Inc.

Tenant

1. PREMISES LEASED	1
TERM.....	2
RENTAL	3
CONSTRUCTION OF BUILDING.....	3
COMMENCEMENT OF CONSTRUCTION.....	4
TITLE AND ENJOYMENT	6
USE OF PREMISES	6
RETAIL AND SERVICE STORES ONLY	8
RESTRICTIVE COVENANT	8
REPAIRS BY LANDLORD	9
REPAIRS BY TENANT	10
REMODELING	10
FIXTURES AND EQUIPMENT	11
ASSIGNMENT AND SUBLETTING	11
REORGANIZATION MERGER CONSOLIDATION OR SALE	11
TAXES AND OTHER LIENS.....	12
INSURANCE.....	13
DESTRUCTION OF OR DAMAGE TO PREMISES.....	14
EFFECT OF CONDEMNATION.....	15
UTILITY BILLS	17
REMEDIES OF LANDLORD IN EVENT OF DEFAULT BY TENANT	17
RENEWAL OPTIONS.....	19
SURRENDER OF POSSESSION.....	19
NOTICES AND RENTAL PAYMENTS	19
SIGNS	20
COMMON AREA MAINTENANCE	20
MECHANIC'S LIENS	22
LIABILITY OF TENANT AND LANDLORD.....	23
ATTORNEYS' FEES AND EXPENSES.....	23
SUBORDINATION AND NONDISTURBANCE	23
SELF HELP	24
COMMON AREA.....	24
TITLE AND OWNERSHIP	25
WAIVER.....	25
SUCCESSORS AND ASSIGNS.....	25
HEADINGS	26
APPLICABLE LAW.....	26
INTERPRETATION.....	26
AMENDMENT OR MODIFICATION	26
RECORDING OF LEASE	26
PARTIAL INVALIDITY.....	27
BROKERS	27
RIGHT OF FIRST REFUSAL	27
HAZARDOUS MATERIALS	29
EXHIBIT A.....	35
Exhibit B	37
Exhibit C	38

LEASE AGREEMENT

THIS LEASE AGREEMENT, made and entered into on this 7th day of May, 2013, by and between Don Bunch, Michael J. Bunch and Mavin Reece Moe Jones, hereinafter collectively recognized as BB&J Holdings, a Tennessee general partnership Landlord, hereinafter called "Landlord", and K-VA-T Food Stores, Inc., a Virginia Corporation d/b/a Food City, as Tenant, hereinafter referred to as "Tenant".

WITNESSETH:

PREMISES LEASED

1. That the Landlord has leased and by these presents does grant, demise and lease, exclusively unto Tenant a store building, containing 57,850 square feet more or less (the "Store Building") together with that area identified in Exhibit B reserved for the purpose of Tenant's construction and operation of an automotive fueling center (hereinafter the "Fuel Center" with the Store Building and Fuel Center hereinafter collectively defined as the "Leased Premises") in association with the non-exclusive right to use in common with others the land described in Exhibit "A" attached hereto and made a part hereof and more particularly as shown on the site plan attached hereto as Exhibit "B" ("Site Plan") and made a part hereof located in the County of Hamblen, State of Tennessee.

The Leased Premises are part of a shopping center (the "Shopping Center" or "Center") known as the Masengill Springs Shopping Center in Morristown, Tennessee. All portions of the Shopping Center land, described in Exhibits A and B, not covered by buildings, shall be common area equally available and shared in common by all tenants of the Shopping Center, their employees, agents, customers, and invitees. No building shall be erected or constructed upon the common area other than in those areas so designated, without prior written consent of Tenant, such consent not to be unreasonably withheld. It is understood and agreed that Landlord will prohibit any temporary or mobile vendor from operating in the common area.

Landlord covenants and agrees at all times during the term of this Lease, and any extensions thereof, to provide and maintain a surfaced parking area of sufficient area to provide a minimum ratio of at least five (5) parking spaces for each 1,000 square feet of floor area, including any additional levels in the Shopping Center; and in the event the parking area furnished should at any time be Ten Percent (10%) less than such requirement, other than as the result of an eminent domain proceeding, and such deficiency of parking facilities shall continue for thirty (30) days after written notice thereof is received by Landlord, the Tenant at its option shall have the right to terminate this Lease, provided that the termination of the Lease for such a default may be prevented and the Lease reinstated if the Landlord begins a good faith effort within said thirty (30) days and cures the default within sixty (60) days after the receipt of such notice termination. In the alternative, at the sole option of the Tenant, in the event of a deficiency in excess of Ten Percent (10%) of parking facilities as hereinbefore described, said deficiency not being caused by eminent domain proceedings, the rental payments set forth in Sections 3 and 22 shall be reduced at the option of Tenant by Twenty Percent (20%) for the period of such deficiency.

TERM

2. **TO HAVE AND TO HOLD** the same for a term of twenty (20) years, to begin on the Commencement Date, hereinafter defined. Said term and Tenant's obligation to pay rent shall commence on the earlier of the following dates (the "Commencement Date") (a) the date which is forty-five (45) days after Tenant has been notified in writing by Landlord that the Leased Premises are ready for occupancy, (b) the date on which Tenant shall open the Leased Premises for business. The Term "Ready for Occupancy" shall mean the grounds and building have been completed in all respects in accordance with the plans and specifications, written notice of completion has been delivered to the Tenant and keys have been delivered to the Tenant. However, Tenant shall not be required to commence operations at Leased Premises if Leased Premises is delivered to Tenant later than November 10 of any given calendar year. In this event, all rents and other sums payable hereunder shall abate until the earlier of: (a) the date which Tenant shall open for business or (b) January 31 of the following calendar year. Landlord and

Tenant hereby agree to execute a supplemental Letter of Agreement establishing the final size, rental and Commencement Date, as herein defined, following the occurrence of same.

RENTAL

3. Tenant shall pay to the Landlord annual rental of [REDACTED] per square foot of ground floor area, excluding exterior coolers and non-enclosed areas (the "Annual Guaranteed Rental"). The Annual Guaranteed Rental shall be payable in twelve equal monthly installments to be paid on or before the 10th day of each month in advance to the Landlord or to the duly authorized agent or representative of the Landlord. Rental shall commence on the Commencement Date and shall be payable without demand or deduction except as provided for in this lease. Rental for partial months at the beginning and end of the lease term shall be pro rated.

CONSTRUCTION OF BUILDING

4. It is further mutually agreed between the parties as follows: Landlord, at its sole cost, agrees to construct and prepare the store building, and to construct all utilities serving Tenant's building in accordance with local, state and national building and health codes, and in accordance with plans and specifications to be furnished by the Landlord and approved by Tenant prior to the commencement of any construction. The building plans and specifications are to be attached hereto as "Exhibit C" and incorporated herein by reference. Any change of the building plans and specifications, or site plan, shall require the prior approval of the Landlord as well as the Tenant, and, if applicable, the Landlord's lender. Landlord shall pave and light the parking area in accordance with the Site Plan and Tenant shall have the right to review and approve building placement, floor elevations and building heights on any and all structures placed upon all out-parcels, if any, and Landlord shall comply in all respects with the building plans and specifications set out in Exhibit C.

It is understood and agreed that Landlord shall at its own cost and expense, furnish and install front automatic entrance and exit doors and, dock boards. The Tenant shall provide a heat reclaim unit to,

and certain portions of, the HVAC system as well as certain interior lighting and e-panel as indicated in Exhibit C. It is further agreed that the Tenant will be able to approve the architect and contractor for the previously described Leased Premises. Landlord agrees to deliver to Tenant Certificates of Occupancy, or instruments of such nature, which may be required by law, ordinance or regulation prior to Commencement Date.

COMMENCEMENT OF CONSTRUCTION

5. (a) Landlord shall make a good faith effort to obtain financing as soon as possible and in the event suitable financing is obtained, the Landlord shall commence construction of the Shopping Center within thirty (30) days after the Landlord's loan is funded.

In the event Landlord shall be unable to obtain said financing before July 1, 2013, Tenant shall have the right at its option to, upon thirty (30) days notice to Landlord, secure financing for and construct the Leased Premises with any cost, expense and principal repayment associated with said financing to be offset against future rentals.

(b) Commencement of Construction on the above described building (section 1 hereinabove) shall occur no later than August 1, 2013. If construction is not commenced by this date, Tenant may cancel this Lease at any time prior to Commencement of Construction. At least twenty (20) days prior to the Commencement of Construction, the Landlord shall deliver to the Tenant a construction schedule setting forth in detail the times for completion of the various portions of the work and the date on which construction shall commence. Tenant shall have the right, but not the obligation, to commence construction of the Fuel Center at any time subsequent to the date of this lease. In the event that Tenant proceeds with the construction of the Fuel Center as described previously and Tenant opens Fuel Center more than 90 days prior to the Commencement Date Tenant shall pay to Landlord a rental of Five Hundred Dollars (\$500.00) for each month that the Fuel Center is in operation prior to the Commencement Date (Interim Fuel Center Rental). Said Interim Fuel Center Rental, if any, shall be payable concurrently with the payment of the first installment of the Annual Guaranteed Rental as described in Section 3 hereof.

(c) Landlord shall proceed with diligence to completion thereof, using its best efforts to comply with the construction schedule as delivered to Tenant. For the purposes of this Lease, the words "Commencement of Construction" shall mean the date on which the Landlord, or the mutually agreed upon contractor described previously, starts the actual pouring of foundation footers for the store building as described in Exhibit C. Upon completion of construction, the location of the Leased Premises, Improvements and Common Facilities erected on Shopping Center, including the grading contours of the Shopping Center, shall not differ materially from those depicted on Exhibit B. Promptly after such completion Landlord shall, at its own cost and expense, obtain and deliver to Tenant three copies of an accurate survey of Shopping Center showing the exact location of the above described building, Common Facilities and other stores and buildings thereon; a set of "as built" drawings of the Leased Premises including "as built" drawings of all systems; and a statement showing the discharge of all liens affecting the Leased Premises unless such liens are permitted pursuant to any of the terms of this Lease. The obligations of Landlord to construct Leased Premises shall be a personal non-transferable obligation of the Landlord named in this Lease and shall continue notwithstanding any sale or other transfer of title to Leased Premises or Shopping Center prior to completion of Leased Premises. Upon completion of construction required herein Landlord shall deliver Leased Premises to Tenant in accordance with the provisions of this Lease. It is understood and agreed that in the event Tenant elects to upgrade flooring to polish, colored exposed concrete at an expense not to exceed \$145,000, \$80,000 shall be paid by Landlord and \$65,000 shall be paid by Tenant.

(d) Once construction commences, it must be diligently prosecuted to completion. At any time that Landlord breaches its covenant to diligently prosecute construction, as determined by the architect in charge of the project, Tenant may terminate this Lease. If Landlord's failure to commence and diligently prosecute construction shall be due to strikes, war, material shortages, weather conditions or similar happenings beyond the control of the Landlord, and provided further, that construction is completed with all due diligence commensurate with such delay, such option to terminate shall not arise.

(e) The foregoing rights of termination and cancellation as described in this Section of the Lease Agreement shall not be exclusive of any other rights or remedies of the Tenant for the enforcement of the

obligations of the Landlord under this Lease. If Leased Premises are not delivered to the Tenant within three (3) years from date hereof, this Lease shall automatically terminate. If this Lease is terminated for any reason as permitted in this Section or if this Lease terminates for any reason not the fault of Tenant prior to occupancy by Tenant, Landlord agrees that it will not for a period of three (3) years after such termination, permit, suffer or consent to the use of the Shopping Center or any part thereof as and for a supermarket or for the sale of food or food products intended for off-premises consumption, or any similar operations, and the provisions of this sentence shall survive any such termination and shall have the force and effect of covenants running with the land.

TITLE AND ENJOYMENT

6. Landlord covenants that Tenant, on paying the rental herein provided, and on keeping, observing and performing all the other terms, covenants, and agreements herein contained on the part of Tenant to be kept, observed and performed, shall, during the term hereby granted, and during any renewals hereof, peaceably and quietly have, hold and enjoy the said Leased Premises without any disturbance from the Landlord or any other person claiming through Landlord, or by the holders of the mortgages described in Section 30.

USE OF PREMISES

7. Tenant covenants and agrees to use the Leased Premises as a supermarket and that no exclusive or restrictive use or covenant shall be granted by Landlord which shall restrict or prohibit Tenant, while Premises is operated as a supermarket from selling any items customarily sold at supermarkets and provided further that Tenant shall not be restricted from selling any items which it presently sells in any of its other supermarkets. It is understood and agreed that Tenant shall have the right to place merchandise, or vending machines on, and maintain control over the exterior walls and sidewalk areas that constitute the front of the Leased Premises. It is also understood and agreed that Tenant, at its sole option and expense, shall have the non-exclusive right to construct and operate a

pharmacy, and/or a clinic, with or without an associated physicians assistant or nurse practitioner, within the Leased Premises and the non-exclusive right to construct and operate a Fuel Center at the location so designated on Exhibit B hereof. It is further understood and agreed that Tenant, at its option, may sublease a portion of the Leased Premises, not to exceed eight hundred (800) square feet, to a subtenant rendering banking and/or financial services of any and every nature, including, but not limited to, the installation of an automatic teller machine and/or a night deposit box ("Financial Subtenant") and such use of the Leased Premises shall not constitute a violation of any exclusive or restrictive use granted or to be granted by the Landlord in the Shopping Center.

Tenant covenants and agrees not to use the Leased Premises for any illegal purpose nor in such manner as to violate any applicable and valid law, rule or regulation of any governmental body, and to use the Leased Premises in a careful, safe and proper manner, and not permit waste therein. The parties hereto acknowledge that they have considered, and rejected, express covenants of continuous use, operation and/or occupancy.

If the Leased Premises are vacated by Tenant for any period of one hundred eighty (180) or more consecutive days, then Landlord, as its only remedy, may, at its option either; terminate this Lease upon sixty (60) days prior written notice to Tenant or continue to collect the Annual Guaranteed Rental as provided for in this Lease Agreement. Provided, however, if the Leased Premises are not used for any period of one hundred eighty (180) or more consecutive days by reason of strike, Act of God, or any other cause not within the control of Tenant, then and in that event Landlord may not terminate this Lease.

Said notice shall set forth the date of Termination and Tenant agrees to, and shall have the right to, remove all personal property and trade fixtures and to promptly repair any and all damage to the Leased Premises caused by said removal and to return the Leased Premises in good order and condition, ordinary wear and tear excepted, by said date set forth in said notice so as to give Landlord complete "lock and key" possession on said date.

RETAIL AND SERVICE STORES ONLY

8. Landlord agrees that without the prior written consent of Tenant herein, no theater (motion picture or legitimate), or skating rink, or recreational or entertainment-type activity which results in either parking congestion or a public nuisance in the parking or common area, adjacent to the Leased Premises, and no establishment which sells alcoholic beverages for on-premises consumption shall be permitted to operate within the boundaries of Exhibit "A". It is understood that the above-mentioned tenants who are not engaged in a merchandising type of business, usurp parking area for extended periods, which parking area is so essential to the day-to-day operation of Tenant's business in the Leased Premises. Landlord does not have to obtain prior written consent to permit the operation of a sit-down "Casual Dining" restaurant that serves alcoholic beverages, as an adjunct to its restaurant operations, solely for on-premises consumption, provided, however, that no other terms or conditions of this Agreement are violated thereby.

Landlord further covenants that no massage parlor, store dealing in sexually oriented entertainment, or any place of public or private amusement including, but not limited to, game room, video arcade or pool room will be permitted to lease space within the premises defined in exhibit A.

RESTRICTIVE COVENANT

9. So long as Tenant, its successors or assigns, operates a supermarket upon the Lease Premises during the term of this lease or any renewals thereof, neither Landlord, its successors, assigns, representatives, nor heirs, will lease, rent or occupy, or permit to be occupied, any premises owned or controlled by Landlord which are within one (1) mile of herein Leased Premises, to be used for the sale of grocery, meat, produce, dairy, bakery-deli, seafood, floral or video products, or any of them, unless such premises are presently so occupied. Neither shall Landlord sell or otherwise convey any such premises without imposing thereon a restriction to secure compliance herewith. This covenant shall be effective for the term of the Lease and any renewals thereof. Landlord acknowledges that in the event of breach hereof, Tenant's remedies at law would be inadequate and in such event Tenant shall be entitled to

cancel this lease; or to full and adequate relief by rescission of the Lease which violates this covenant; or to obtain an order enjoining the activities prohibited by this covenant against the third party; or otherwise, at Tenant's option or any other such remedy in law or in equity as might be determined by a court of competent jurisdiction. Landlord shall be released from the provisions of this section of the Lease Agreement in the event, during the term of this Lease or any renewals thereof, the Lease Premises is not used for the sale of grocery, meat, produce, dairy, bakery-deli, seafood or floral products.

REPAIRS BY LANDLORD

10. Landlord covenants that during the term of the Lease and any renewals thereof, Landlord shall keep and maintain, at its sole expense, in good order and repair, replacing where necessary, exterior walls, concrete walks, roof, and structural condition of floors. All repairs, restorations or alterations necessary to comply with the terms of the paragraph shall be completed by Landlord after being advised in writing by Tenant of a need for same. If Landlord after thirty (30) days of receipt of written notice from Tenant to do so shall fail to make repairs or perform the services described in this paragraph or in the event of an emergency where such repairs or services are necessary to reasonably protect the customers, employees, invitees and/or property of Tenant, Tenant shall have the right to make such repairs or cause such services to be performed in its behalf and to deduct from the rent installments then due or thereafter to become due such sums as may be necessary to reimburse Tenant for the money expended or expense incurred therein. Nothing to the contrary withstanding, Landlord and Tenant hereby agree that Tenant may contract for snow and ice removal in the Common Areas, on behalf of the Landlord if Landlord has not removed snow or ice within 12 hours of completion of snowfall and Landlord shall reimburse Tenant for the cost of said snow and ice removal within thirty (30) days after Landlord has received a copy of the paid invoice. Landlord has the right to enter the Leased Premises during normal hours of operation, or at any other reasonable time after having obtained Tenant's consent, to inspect the condition of the Leased Premises and/or make repairs. Landlord shall have no duty to make repairs or replacements caused by the negligence or willful acts or willful omissions of Tenant, its agents, employees or customers and invitees.

REPAIRS BY TENANT

11. Except as provided hereinabove with respect to the specific repair obligations of Landlord, Tenant will, at its own expense, maintain in good order, condition and repair the Leased Premises and every part thereof and any and all appurtenances thereto wherever located, including, without limitation, the exterior and interior portion of all doors, automatic doors, dock boards, windows, plate glass, store front, all plumbing and sewage facilities serving the Leased Premises, including free flow up to the trunk line where Tenant's service lines connect, fixtures, heating, ventilating and air conditioning and electrical systems, sprinkler systems, walls and ceilings, and all installations made by Tenant under the terms of the Lease. Landlord shall assign to Tenant all warranties on the heating, ventilating and/or air conditioning equipment serving the Leased Premises (hereinafter "HVAC Equipment") and Tenant shall be responsible for maintaining and replacing said equipment. Tenant shall keep and maintain the Leased Premises in a clean, sanitary and safe condition and in accordance with all directions, rules and regulations of proper officials of the governmental agencies having jurisdiction, and Tenant shall comply with all requirements of law, by statute, ordinance or otherwise, affecting the Leased Premises and all appurtenances thereto. When vacating the Leased Premises, Tenant will surrender same to Landlord in as good a condition as received, except for ordinary wear and tear, vandalism and damage by fire or other casualty.

REMODELING

12. Tenant shall have the right and privilege to make from time to time any alterations, changes, additions and improvements, at its own expense. Any alterations, changes, additions and improvements shall (i) be done in a good and workmanlike manner, utilizing quality materials, (ii) comply with all applicable codes and ordinances, and (iii) increase or maintain the value of the Leased Premises. However, Tenant shall obtain written approval of Landlord to any such alterations, changes, additions and/or improvements which will affect the structural design of the Leased Premises, and such consent will not be unreasonably withheld or delayed.

FIXTURES AND EQUIPMENT

13. Tenant may install and operate in and upon the Leased Premises such trade fixtures, equipment, machinery, appliances, and store decor as it shall consider necessary to the conduct of its business on the Leased Premises. Tenant may at any time remove all or any part of such fixtures, equipment, compressor units, machinery and appliances installed on the Leased Premises by Tenant; provided, however, such removal shall be subject to provisions of Section 7 of this Lease, and Tenant shall promptly repair any damage to the Leased Premises which may be caused by such installation or removal.

ASSIGNMENT AND SUBLETTING

14. Any other provision of this Lease Agreement to the contrary notwithstanding, it is mutually agreed that Tenant may transfer and assign this Lease or sublet the Leased Premises, or any part thereof, for use in any legitimate business purpose. In the event of a transfer or assignment, Tenant shall (i) remain liable for the rentals set forth in this Lease and for the obligations of the Tenant hereunder for the remainder of the primary term of this Lease, (ii) neither sublet nor assign the Leased Premises for a use in violation of any applicable law, rule or regulation of any governmental body, nor in violation of any exclusive or restrictive use rights previously granted by Landlord to any other tenant in the center. Tenant shall be entitled to any amounts received from any assignee or subtenant which are in excess of the amounts provided in this Lease, so long as the Tenant remains liable under (i) of this section. Tenant shall give Landlord thirty (30) days notice of its intent to transfer, assign or sublet the Leased Premises.

REORGANIZATION MERGER CONSOLIDATION OR SALE

15. (a) Except as provided in Paragraph (b) of this section, in the event Tenant shall be reorganized, or shall be merged or consolidated with any other corporation, or shall sell substantially all of its assets, any resulting or surviving corporation, or any other person, which shall as a result of such

reorganization, merger, consolidation, or sale succeed to substantially all of the assets of Tenant, and assume all of the liabilities and obligations of Tenant under this Lease Agreement, shall automatically and without the necessity of further assignment become and be the Tenant under this Lease Agreement in accordance with and subject to all the terms, provisions and conditions hereof. In the event of such automatic assignment, Tenant, if it shall not be the corporation surviving such reorganization, merger or consolidation, shall be relieved from all obligations hereunder.

(b) If Tenant shall file a petition in bankruptcy or for a Chapter XI reorganization pursuant to the Bankruptcy Act of the United States, Tenant shall not be able to assign this Lease without prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed.

TAXES AND OTHER LIENS

16. Landlord covenants and agrees to pay each year the annual state, county and city real property taxes levied and assessed against the land and improvements constituting the Shopping Center. Tenant shall be responsible for its pro-rata share, as hereinafter defined, of said real property taxes levied against the Shopping Center. Tenant's pro-rata share shall be based on the ratio of the net square footage the Leased Premises bears to the net square footage of all net leasable space in the Center. If this Lease commences or terminates during the middle of a calendar year, excess taxes will be pro-rated between the parties for such partial year. Tenant agrees to pay Landlord the amount of Tenant's pro-rata share of such taxes within ten (10) days of presentation of a tax bill or copy thereof. In the event the method of taxation applicable to rental property shall be modified, Landlord and Tenant shall equitably apply said revised tax system and shall execute a modification agreement with respect to this paragraph.

Tenant shall have the right at its expense to appeal any and all increases in the real property taxes assessed against the Leased Premises. Landlord agrees to give notice to Tenant of each and every real property tax rate and/or assessed value increase of Tenant's Leased Premises of which Landlord has actual notice, at least thirty (30) days prior to the appeal deadline date.

Tenant shall pay all taxes and license fees imposed upon the trade fixtures, equipment,

machinery, appliances, stock of goods, and all other personal property placed upon the Leased Premises by Tenant.

INSURANCE

17. (a) Property Insurance: Tenant shall carry as all risk coverage at least one hundred percent (100%) of the replacement value of the Store Building naming Landlord as a loss payee as it relates to the Leased Premises. Landlord agrees to carry, as all risk insurance coverage not less than one hundred percent (100%) of the replacement value on the remainder of the shopping center.

If Landlord carries insurance as required by this Lease, Landlord shall not be liable for any damage to Tenant's leasehold interest, or be liable for any damage to, or repair or replacement of, Tenant's fixtures or merchandise caused by fire or other insurable hazards, regardless of the cause thereof, and Tenant hereby releases Landlord of and from all liability for such damages above and beyond the full value of the proceeds from the policy or policies required herein. Landlord, on behalf of Landlord and all parties claiming under Landlord, hereby releases Tenant from any and all claims and liabilities arising from or caused by any hazard covered by fire and extended coverage insurance policies taken out by Landlord on the remainder of the shopping center, regardless of the cause of such casualty.

(b) Liability Insurance: Landlord shall, during the initial term and any renewal term hereof, keep in full force and effect a policy of public liability insurance on the common areas of the shopping center, and/or expansions thereof which are not insured by the respective tenants as their Leased Premises, and in which the limits of public liability are not less than \$1,000,000 per occurrence nor more than \$1,500,000 per occurrence without Tenant's prior written approval. Tenant agrees to pay, as insurance premiums, to Landlord its pro-rata share as defined in Section 16 of this Lease Agreement.

Tenant shall, during the initial term and any renewal term hereof, keep in full force and effect a policy of public liability insurance on the Leased Premises and a policy of public liability insurance on the business operated by Tenant in the Leased Premises, in which the limits of public liability are not less than \$1,000,000 per occurrence. The insurance policies referred to in Subsection (b) shall name Landlord

and Tenant as insureds as their respective interests shall appear, shall contain a clause that the insurer will neither cancel nor change such insurance without first giving thirty (30) day prior written notice to the respective insureds, for example, to Tenant on Landlord's policies and to Landlord on Tenant's policies, and shall contain a waiver of subrogation so long as such is obtainable without an increase in premium.

The policy referred to in Subsection (a) herein shall contain a waiver of subrogation so long as such is obtainable without an increase in premium. Landlord and Tenant further agree to reciprocally provide upon request a certificate insurance evidencing the issuance of said policies referred to in Subsections (a) and (b) herein.

DESTRUCTION OF OR DAMAGE TO PREMISES

18. (a) If the buildings or improvements erected on the Leased Premises shall be destroyed or damaged to the extent of fifty percent (50%) or more of its then replacement value above the foundation, (i) during the first fifteen (15) years of the original term of this Lease, or (ii) thereafter, if the term of this Lease shall have been, or within thirty (30) days after the occurrence of such destruction or damage shall be, renewed or extended by Tenant (as provided in Section 22 hereof) so that the then unexpired term of this Lease shall not be less than five (5) years, then Landlord shall promptly repair such damage and restore or rebuild said Leased Premises so that the improvements on the Leased Premises will be at least equal in square footage and value to the square footage and value as of the date immediately preceding such fire or casualty of the structure on the Leased Premises, and, pending the completion of restoration, or repairs, the monthly rental shall be abated or reduced in proportion to the resulting loss of use of said Leased Premises by Tenant. The full monthly rental shall again be payable on the earlier of (i) thirty (30) days after the Leased Premises have been restored for occupancy by Tenant, or (ii) the date Tenant reopens for business.

(b) If at any time during the original or any extended term of this Lease, the Leased Premises are damaged to an extent less than that described in subparagraph (a) of this section, Landlord shall promptly repair such damage and restore or rebuild said Leased Premises so that the improvements on

the Leased Premises will be at least equal in square footage and value to the square footage and value as of the day immediately preceding such fire or casualty of the structure on the Leased Premises. Pending completion of such restoration and repairs the monthly rental shall be reduced in proportion to the resulting loss of use of said Leased Premises by Tenant, and the full monthly rental shall be reinstated as soon as such restoration and repairs are substantially completed by Landlord such that Tenant is able to resume its business operations.

(c) In the event that Landlord shall fail within a reasonable time, not to exceed sixty (60) days following such damage, to proceed with and within a reasonable time commensurate with the amount of damage, not to exceed eight (8) months following such damage, to complete repairs and restore the Leased Premises, Tenant may, at its option, in either of such events, terminate this Lease by giving to Landlord written notice thereof or, at Tenants sole option, if Landlord after thirty (30) days of receipt of written notice from Tenant to Landlord of Landlord's failure to complete with said restoration and/or repairs, Tenant shall have the right to make such complete repairs in its behalf and to deduct from the rent installments then due or thereafter to become due such sums as may be necessary to reimburse Tenant for the money expended or expense incurred therein.. If Landlord's failure to commence or complete said repairs within the stipulated times shall be due to strikes, war, material shortages, weather conditions or similar happenings beyond the control of the Landlord, and provided further, the repairs are completed with all due diligence commensurate with such delay, such options to terminate or complete repairs shall not arise. Pending the completion of the restoration or repairs as outlined in paragraphs (a) and (b) of this Section, Landlord agrees to make promptly, at its sole expense, all necessary alterations or repairs to restore the remaining Leased Premises to a safe and usable condition.

EFFECT OF CONDEMNATION

19. In the event that during the term of this Lease, or any extension or renewal thereof, more than ten percent (10%) of Tenant's building area is taken by governmental or quasi-governmental authority by exercise of the power of eminent domain, Tenant shall have the right and option to terminate

this Lease. If Tenant elects to terminate this Lease, such termination shall be effected by notice from Tenant to Landlord given not more than thirty (30) days after the date of the vesting of title in such eminent domain proceedings and said notice shall specify a date not more than forty-five (45) days after the date of such notice as the date of termination. Upon the date specified in such notice, this Lease, except of any accrued obligations hereunder, and all right, title and interest of Tenant shall terminate. If Tenant does not elect to terminate this Lease, then the monthly rental payments from the date of acquisition to the end of the original or any extended term shall be reduced in proportion to the resulting loss of use of said Leased Premises by Tenant. In the event that less than ten percent (10%) of Tenant's building area is acquired by such authority by the exercise of the power of eminent domain, then the Landlord may elect: (1) to rebuild the Leased Premises so that the improvements on the Leased Premises will be at least equal in square footage and value to the square footage and value as of the date immediately preceding the eminent domain proceedings, and pending the completion of such restoration, the monthly rental payment shall be reduced in proportion to the resulting loss of use of the said Leased Premises by Tenant, or (2) if the Landlord does not elect to rebuild or restore the Leased Premises, then the monthly rental payments from the date of the acquisition to the end of the original or any extended term hereof shall be reduced in proportion to the resulting loss of use of said Leased Premises by Tenant. In the event of such partial taking and acquisition, Landlord agrees to make promptly, at its own expense, all necessary alterations and repairs which shall be required because of such partial acquisition by eminent domain, to restore the Leased Premises to a safe and usable condition. Plans of alterations and repairs are to be approved by the Tenant.

In the event more than twenty percent (20%) of the parking area servicing the Leased Premises shall be taken as a result of the exercise of the power of eminent domain, and if Landlord shall not, within a reasonable period of time, furnish equivalent parking space subject to approval by the Tenant, Tenant shall have the right and option to terminate this Lease. If Tenant elects to terminate this Lease, such termination shall be effected by notice from Tenant given not more than thirty (30) days after the date of vesting of title in such eminent domain proceedings and said notice shall specify a date not more than forty-five (45) days after the date of such notice as the date of termination. Upon the date specified in

such notice, this Lease, except for any accrued obligation hereunder, and all right, title and interest of Tenant shall terminate.

Tenant shall not be entitled to participate in or receive any part of the damages or award which may be paid to or awarded Landlord by reason of a taking under this Section except where said award shall provide for moving or other reimbursable expenses for Tenant under applicable statutes. Provided, however, and so long as the condemnation award to Landlord shall not be reduced, the rights of the Landlord as set forth herein shall in no way prejudice or interfere with any claim which Tenant may have against the authority exercising the power of eminent domain for damages or otherwise for the taking or destruction of, or interference with, the leasehold investment and/or the interest of Tenant in the Leased Premises.

UTILITY BILLS

20. Tenant shall pay all utility charges made against the Leased Premises including, but not limited to, charges for water, sewer, gas, and electricity, and all other utility charges commencing on the date the improvements are delivered to the Tenant for fixturing, as memorialized by the issuance of a certificate of substantial completion by the Architect in Charge, and continuing during the original and any renewal term of this Lease as the same shall become due. In no event shall Landlord be liable for any interruption or failure in the supply of any utilities to the Leased Premise. The date of installation of walk-in coolers shall not be considered to be the date the improvements are delivered to the Tenant for fixturing.

REMEDIES OF LANDLORD IN EVENT OF DEFAULT BY TENANT

21. A. In the event Tenant shall default in the payment of any monthly rental or other charge herein provided for, and such default shall continue for ten (10) days after Landlord shall have notified Tenant in writing of the existence of such default or in the event of default by Tenant in the observance or performance of any of the other terms, covenants, agreements or conditions contained in this Lease Agreement for a period of thirty (30) days after written notice; then, and in any of said events (said events being sometimes referred to as events of default), Tenant shall be deemed to have breached this Lease

Agreement and Landlord shall have the right at its option either to:

(a) Enter upon and take possession of said Leased Premises without terminating this Lease, and attempt to sublease the same in their entirety for the account of Tenant, holding Tenant liable for the difference in the rent and other amounts actually paid by such sublease in such subletting and the rents and other amounts payable by Tenant hereunder; or

(b) Forthwith cancel and terminate this Lease by notice in writing to Tenant, and if such notice shall be given, all rights of Tenant to the use and occupancy of said Leased Premises shall terminate as of the date set forth in such notice, and Tenant will at once surrender possession of the Leased Premises to Landlord and remove all Tenant's effects therefrom, and Landlord may forthwith re-enter the Leased Premises and repossess such Leased Premises. No termination of this Lease prior to the normal expiration thereof shall affect Landlord's right to collect rent and other charges hereunder for the period prior to termination thereof; or

(c) Landlord may take whatever action at law or in equity may appear necessary or desirable to collect the rent and other amounts then due and thereafter to become due hereunder or to enforce performance and observance of any obligation, agreement or covenant of Tenant under this Agreement, and in connection with such actions, to recover any or all damages to Landlord for Tenant's violation or breach of this Lease.

B. In any case where Landlord gives notice as required to Tenant of an alleged default, including payment of rent, and there is a dispute between the parties as to the default, Landlord will not be entitled to terminate this Lease unless and until Tenant has continued in default at least thirty (30) days after the dispute has been resolved by agreement of the parties or by final adjudication.

In regard to the preceding subsections A and B of this Section, Landlord acknowledges that any and all property including without limitation, machinery, equipment, furniture, fixtures, inventory and all proceeds thereof (the Collateral) which is owned by Tenant's lender or in which Tenant's lender has a security interest, shall not be subject to distress for rent, right to levy, execution or sale for unpaid rent and Landlord subordinates any and all claims which Landlord may have against such collateral to the claims of Tenant's lender.

RENEWAL OPTIONS

22. Landlord hereby grants Tenant the exclusive right and option to renew or extend this Lease for five (5) additional and successive terms of five (5) years each, provided the Leased Premises are occupied and operated by Tenant, its successors or assigns, at the time for each renewal or extension, and upon and subject to the same rentals, terms, conditions and provisions as are herein set forth and provided with respect to the original term. However, should the Leased Premises be destroyed as set forth in the first paragraph of Section 18 hereof and Tenant shall have only one (1) option period remaining to be exercised, Landlord agrees to provide Tenant an additional five (5) year renewal term as set forth herein.

The renewal options will be automatically exercised at the end of each prior term unless the Tenant notifies the Landlord in writing of Tenant's intention not to renew said Lease, and said written notice is delivered or mailed to Landlord at least sixty (60) days prior to the expiration of any term.

Any retaking of possession of the Leased Premises by Landlord and any termination of this Lease during the original term hereof will automatically terminate the above provided for renewal options.

SURRENDER OF POSSESSION

23. Tenant will surrender possession of the Leased Premises to Landlord at the termination of this Lease. Failure by Tenant to surrender the Leased Premises and any holding over by Tenant shall not operate, except by express mutual agreement between the parties hereto, to extend or renew this Lease, and in the absence of such agreement, either party may thereafter terminate such occupancy at the end of any calendar month by first giving to the other party at least thirty (30) days notice in writing of the intention to so terminate.

NOTICES AND RENTAL PAYMENTS

24. Notices required to be given hereunder shall be given in writing by certified mail. Such notices when given by Landlord shall be addressed to: K-VA-T Food Stores, Inc., Attn.: Mr. Steven C.

Smith, 201 Trigg Street, PO. Box 1158, Abingdon, VA 24210. Such notices by Tenant shall be addressed to Landlord at: BB&J Holdings Box 671, Morristown, Tennessee 37815 Attention: Mr. Mike Bunch. Either party may by written notice to the other party change the address to which notices directed to such party shall be mailed. Rental payments shall be made payable to Landlord at the same address as stated above until Landlord notifies Tenant in writing to make rental payments to another party.

Tenant agrees to give any first mortgagee of Landlord by certified mail a copy of any default notice served on Landlord wherein Tenant will have the right to cancel this Lease or off-set rental, if any, provided Tenant has received prior written notice from said mortgagee of its identity and address and a request for the receipt of such notice.

SIGNS

25. Tenant shall have the right to erect identification and other signs as it feels are justified or necessary on, in or above the Leased Premises, the cost and erection of same to be at Tenant's sole expense. The erection of all signs shall be subject to and conform with local governmental laws and ordinances. In addition, Tenant shall have the right at its sole cost to erect an exterior pylon sign at or near the location indicated on Exhibit B with the understanding that Tenant shall allow up to two (2) flood lights, not to exceed 400 watts each, to be wired into the service for Tenant's pylon sign to facilitate any indirectly illuminated Shopping Center sign placed by Landlord in a location to be mutually agreed upon by Landlord and Tenant. It is agreed and understood that the Landlord will prohibit any temporary, portable or moveable signs from being located in, on, or above the Shopping Center, common areas or out parcels.

COMMON AREA MAINTENANCE

26. Landlord shall provide, at its expense, all capital improvements of the common area shown on Exhibit B, including all original landscaping, paving, guttering, striping, etc., and any future capital improvements required for the purposes of traffic, safety, and sanitary controls. Landlord further agrees to replace these improvements when necessary and repave the parking areas when necessary.

For each calendar month during the term of this Lease, Tenant shall pay to the Landlord, as additional rent, its proportionate share of the "Common Area Maintenance" of the shopping center. Installments shall be due and payable upon billing, in arrears, on the tenth (10th) day of each and every calendar month. Said billing shall be for the previous thirty (30) day billing period. Landlord shall submit to Tenant an itemized list of the monthly expenditures for the common area charges, with copies of supporting invoices thereof, and calculate Tenant's pro-rata share of same. Landlord's failure to submit such invoice to Tenant within thirty (30) days from the end of each monthly period will, and herewith does, relieve Tenant from any obligation to reimburse Landlord for such costs. A fee of five percent (5%) shall be added for overhead costs on all common area maintenance expense. This fee shall not be added on liability insurance premiums and real estate taxes.

Tenant's share of such common area maintenance expenses shall be the pro-rata share, as defined in Section 16 of this Lease. The term "Common Area Maintenance" shall mean and include all amounts paid or incurred by Landlord for operating and maintaining the common area facilities of the Center in the manner reasonable and appropriate for the best interest of the Center which are, pursuant to the Internal Revenue Code, a current operating expense, fully deductible in the year in which incurred including, without limitation, all costs and expenses of:

(a) Repairing, cleaning, painting, and securing the common areas of the Center; keeping parking lot striping highly visible at all times. In the event that seal coating shall be required, Tenant shall have the right to approve the product, installer and time of installation;

(b) Removing rubbish, debris, and snow/ice from the common areas of the Center;

(c) Maintenance of landscaping, and lighting facilities, it being understood that an average minimum illumination of 7 foot candles shall be maintained at all times it being understood and agreed that so long as Tenant operates a supermarket on the Leased Premises Tenant shall have the control for said lighting within the Leased Premises. Further, it is understood and agreed that Landlord shall have the obligation to maintain the landscaping of the Center, excluding the area designated as the Food City Maintenance area shown in Exhibit B hereto, and such expense shall not be included in the calculation of Tenant's share of common area maintenance expenses. Tenant shall be obligated, at its sole cost and expense to maintain all Landscaping contained in that area defined as the Food City Maintenance Area shown in Exhibit B hereto;

(d) All utilities used in connection with the operation of the common area facilities;

(e) Repairing and patching potholes in the pavement;

(f) Striping the parking lot in a presentable and readily visible manner.

(g) Providing private security guards and/or security services, as Tenant deems necessary, in all common areas, parking lots and walkways.

It is expressly understood by the parties hereto that Tenant shall not be obligated to participate in the payment for any major expenditures of a capital nature which pertain to the common areas.

MECHANIC'S LIENS

27. If Tenant makes any alterations or improvements in the Leased Premises, Tenant must pay for same when made. Nothing in the Lease shall be construed to authorize Tenant or any person dealing with or under Tenant, to charge the rents of the Leased Premises, or the property of which the Leased Premises form a part, or the interest of Landlord in the estate of the Leased Premises, or any person under and through whom Landlord has acquired its interest in the estate of the Leased Premises, with a mechanic's lien or encumbrance of any kind. Except as provided for herein, under no circumstances shall Tenant be construed to be the agent, employee or representative of Landlord in the making of any such alterations or improvements to the Leased Premises, but, on the contrary, the right or power to charge any lien, claim or encumbrance of any kind against Landlord's rents or the Leased Premises or the land on which the center has erected is denied. If a mechanic's or materialman's lien is threatened by any contractor or supplier, or in the event of the filing of a notice of any such lien, Tenant will promptly pay same or take steps to have the lien discharged of record, by bond or otherwise. If same is not removed within ten (10) days from the date of written notice from Landlord, Landlord shall have the right at Landlord's option of paying the same or any portion thereof and the amounts so paid, including attorneys' fees and expenses incurred in connection therewith and interest at the maximum rate permitted by laws and any sums paid or advanced, shall be deemed to be additional rent due from Tenant to Landlord immediately upon rendition to Tenant of statement therefore.

LIABILITY OF TENANT AND LANDLORD

28. Tenant shall protect, indemnify and save Landlord harmless from and against all and any liability and expense of any kind including reasonable attorney's fees, arising from injuries or damages to person or property in, on or about the Leased Premises arising out of or resulting in any way from any act or negligence of Tenant, its agents, invitees, servants, and employees, in the use of the Leased Premises during the term of this Lease and renewals thereof. It is a condition of this save-harmless and indemnification that Tenant shall receive reasonably prompt notice from Landlord of any claim against Landlord. Landlord agrees to save Tenant harmless from, and indemnify and defend Tenant against any and all claims, injury, loss or damage of whatever nature, to any person or property within the common area of the shopping center caused by or resulting from any act or negligence of Landlord or any employee, contractor, agent, invitee or servant of Landlord. It is a condition of this save-harmless and indemnification that Landlord shall receive reasonably prompt notice from Tenant of any claim against Tenant.

ATTORNEYS' FEES AND EXPENSES

29. In the event either party shall be required to employ legal counsel for the enforcement of any of the terms of this Lease, whether such employment shall require institution of suit or other legal services required to secure compliance on the part of the alleged party, the non-prevailing party shall be responsible for and shall promptly pay to the prevailing party all reasonable attorneys' fees and expenses incurred as a result of such employment, or any employment regarding the defense of same.

SUBORDINATION AND NONDISTURBANCE

30. Tenant hereby subordinates all of its right, title and interest in and under this Lease to the lien of any first mortgage, or the lien resulting from any other method of financing or refinancing, now or hereafter in force against the real estate and/or buildings of which the Leased Premises are a part or against any buildings hereafter placed upon said real estate of which the Leased Premises are a part. It

is a condition, however, to the subordination provisions of this paragraph that Landlord shall procure from its mortgagee an agreement in writing, which shall be delivered to Tenant, providing, in substance, that so long as Tenant, or its successors or assigns, shall faithfully discharge the obligations on its part to be kept and performed under the terms of this Lease, its tenancy will not be disturbed, or its lease affected by any default under such mortgage, or mortgages, and the rights of Tenant hereunder shall expressly survive and shall not be cut-off, and this Lease shall in all respects continue in full force and effect.

SELF HELP

31. If either party defaults in the performance of any obligation imposed on such party by this Lease Agreement and does not cure such default within thirty (30) days after written notice (unless otherwise specified elsewhere in this Lease) from the other party specifying the default (or does not within said period commence and diligently proceed to cure such default), the other party, without waiver of or prejudice to any other right or remedy it may have, shall have the right at any time thereafter to cure such default for the account of the defaulting party, and the defaulting party shall reimburse the other party for any amount paid and any expense or contractual liability so incurred upon this invoice.

Notwithstanding the terms and provisions of this Section, in the event of emergencies, or where necessary to prevent injury to persons or damage to property, either party may cure a default by the other before the expiration of the waiting period but after giving oral or written notice to the other party.

COMMON AREA

32. At any time that Tenant determines in its sole discretion that the Common Area is not being adequately maintained or the cost of maintenance is excessive, or for any other reason, Tenant shall have the right to assume from Landlord the responsibility to maintain the Common Area. If Tenant assumes the responsibility to maintain the Common Area, the Landlord shall pay to Tenant all amounts expended by Tenant for maintenance except Tenant's pro-rata part as hereinbefore provided. Tenant shall be entitled to reimbursement as aforesaid within thirty days after delivering to Landlord an invoice for the cost of maintenance of said Common Area. If Tenant assumes the responsibility for maintenance of

the Common Area, said maintenance must be done so as to keep the Common Area in a reasonably acceptable condition.

TITLE AND OWNERSHIP

33. Landlord represents and covenants that (a) it has either good title to or a valid leasehold interest in the land and building of which the premises form a part, (b) it has full right and authority to execute this lease for the term and upon the conditions herein contained, (c) there are no restrictive covenants, zoning or other ordinances or regulations prohibiting the Tenant's use of the premises for the purpose for which the same are hereby leased, and (d) Tenant, or its successors or assigns, upon performing all of its obligations hereunder, shall peacefully and quietly have, hold and enjoy the premises for the term of this lease.

WAIVER

34. Failure of either party to insist upon the strict performance by the other of any term, condition or covenant to be performed pursuant to the terms of this Lease or to exercise any option, right, power or remedy of either party contained in this Lease shall not be deemed nor construed as a waiver of such performance or relinquishment of such right now or subsequent hereto.

SUCCESSORS AND ASSIGNS

35. Each and every covenant, term, condition and obligation contained in this Lease shall apply to, be binding upon, and inure to the benefit or detriment of the respective legal representatives, successors and assigns of Landlord and Tenant. Whenever reference to the parties hereto is made in this Lease, such reference shall be deemed to include the legal representatives, successors and assigns of Landlord and Tenant as if in each case expressed. The term "Person" when used in this Lease shall mean any individual, corporation, partnership, firm, trust, joint venture, business association, syndicate, government or governmental organization or any other entity.

HEADINGS

36. The headings to the various sections of this Lease have been inserted for purposes of reference only and shall not limit or define the express terms and provisions of this Lease.

APPLICABLE LAW

37. This Lease shall be construed under and enforced in accordance with the laws of the State of in which the Leased Premises is located.

INTERPRETATION

38. Landlord and Tenant hereby agree that in the event that a judicial interpretation of any of the terms or provisions of this Lease Agreement is required, that it is their desire that the court shall not construe the language against any party hereto on the basis, or for the reason, that one party or the other was responsible for the drafting of this Lease Agreement.

AMENDMENT OR MODIFICATION

39. Tenant acknowledges and agrees that Landlord has not relied upon any statements, representations, agreements or warranties, except as expressed herein, that this Lease contains the entire agreement of the parties, and that no amendment or modification of this Lease shall be valid or binding unless expressed in writing and executed by the parties in writing hereto in the same manner as the execution of this Lease. It is further understood and agreed that no covenant, condition or provision shall be interpreted or implied beyond the letter of this agreement including, but not limited to, covenants of use, occupancy or purpose.

RECORDING OF LEASE

40. Neither party hereto, or any third party contemplated by any paragraph herein, including, but

not limited to, any mortgage holder, creditor, assignee, transferee, etc. shall record a copy of this lease, or permit a copy to be recorded. If some recordation is hereafter requested, a short form or memorandum of this Lease shall be prepared by Tenant, at Tenant's expense, and may be recorded by the party requesting such recordation at said requesting party's sole cost and expense.

PARTIAL INVALIDITY

41. If any provision of this Lease Agreement or the application thereof to any person or circumstance shall to any extent be held invalid, then the remainder of this Lease Agreement or the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby, and each provision of this Lease shall be valid and enforced to the fullest extent permitted by law.

BROKERS

42. Landlord and Tenant hereby agree that in connection with this Lease that neither have dealt with any broker or other person or entity entitled to any brokerage commission, fee, or other compensation. Each party shall indemnify, defend, protect and hold harmless the other, their agents and legal representatives, against any fee, lien, commission, or other compensation due to any person, firm or corporation claiming to have acted in said parties' behalf.

RIGHT OF FIRST REFUSAL

43. (a) In the event that Landlord shall receive a Bona Fide Offer to purchase the Leased Premises at any time and from time to time on or after the date hereof and during the Term of this Lease or any renewals thereof from any person or entity, Landlord shall so notify Tenant pursuant to Section 24 of this Lease together with a true and correct copy of said Bona Fide Offer. For the purposes hereof, a "Bona Fide Offer" shall be deemed to be one made by a person or entity that is not related or affiliated with Landlord which Landlord intends to accept (subject to the terms of this Section). In submitting the

Bona Fide Offer to Tenant, Landlord shall provide all terms relating to the Bona Fide Offer, but the Landlord may segregate the price and terms of the offer for the Leased Premises from the price and other terms connected to any additional property or properties that such person or entity is offering to Purchase from Landlord. Tenant may, at Tenant's option and within fifteen (15) days after the receipt of Landlord's notice of said Bona Fide Offer and receipt of a copy thereof, offer to purchase the Leased Premises at the price and upon the terms and conditions as are contained in said Bona Fide Offer, in which event, Landlord shall sell the Leased Premises to Tenant, or an affiliated company of Tenant, upon said terms and conditions and said price; furthermore, in such event, Landlord shall convey the Leased Premises to Tenant by warranty deed. Notwithstanding the foregoing, the price that Tenant shall pay for the Leased Premises shall be reduced by an amount equal to broker's fees or commissions that would have been payable by Landlord if the Leased Premises were sold pursuant to the Bona Fide Offer. Landlord shall provide Tenant evidence of the amount of broker's fees or commissions payable in connection with any such Bona Fide offer. Landlord covenants that it shall accept no Bona Fide Offer or make any conveyance of the Leased Premises until it has complied with the terms of this Section. Any conveyance of the Leased Premises made in the absence of full satisfaction of this Section shall be void. Tenant may enforce this Section, without limitation, by injunction, specific performance or other equitable relief.

(b) Tenant's election not to exercise its Right of First Refusal shall not prejudice Tenant's rights hereunder as to any subsequent Bona Fide Offer. The terms and conditions contained in this Section shall be binding upon the heirs, successors and assigns of Landlord.

(c) If Tenant elects not to exercise its Rights of First Refusal with respect to any Bona Fide Offer, Tenant shall, upon request of Landlord, execute and deliver written instruments in recordable form to evidence and establish as a matter for public record Tenant's election not to exercise such Right of First Refusal.

(d) Notwithstanding anything herein to the contrary, any conveyance by Landlord to an entity affiliated with Landlord shall not be subject to Tenant's Right of First Refusal. In the event of any such

conveyance by Landlord to and affiliated entity, Landlord shall send Tenant written notice thereof together with a copy of the deed of conveyance.

(e) Notwithstanding anything herein to the contrary, any conveyance pursuant to a foreclosure or a deed in lieu of foreclosure of Landlord's first mortgage shall not be subject to Tenant's right of First Refusal.

HAZARDOUS MATERIALS



44. In addition to all other provisions of this Lease Agreement Tenant, at its sole cost and expense, shall comply with all laws, statutes, ordinances, rules and regulations of any governmental authority having jurisdiction concerning the construction and operation of a Fuel Center and any environmental matters, including, but not limited to, any discharge into the air, waterways, sewers, soil or ground water of any regulated substance or "pollutant" as defined by said governmental authority. Tenant shall indemnify and hold harmless Landlord from all costs, fines or assessments, including Landlord's reasonable attorney's fees for which Landlord may become liable and which result from the Tenant's use of the demised premises. Tenant shall be responsible for any and all costs which may be assessed by any such governmental authority for compliance, remediation, repair, closure or any other reasons and are related to or caused by Tenant's construction of and/or operation of a Fuel Center or Tenant's other use of the demised premises. Tenant's responsibility shall be for costs incurred or to be incurred on the demised premises or off site property which may have been affected by Tenant's Fuel Center or Tenant's other use of the demised premises. Tenant shall also indemnify and hold Landlord harmless against any claims by any third parties for any and all costs, resulting from damages to real or personal property which are incurred as the result of Tenant's operation of a Fuel Center or Tenant's other use of the demised premises. Tenant acknowledges that the Landlord has made no representations regarding the suitability of the land or any subsurface conditions at the demised premises where the Tenant intends to place its Fuel Center and Tenant accepts full responsibility to determine that the land and subsurface conditions are suitable for its intended installation. At the termination of the lease or in the event the Tenant ceases operating a Fuel Center for a continuous period of one hundred eighty (180) days prior to

the termination of the lease, Tenant shall remove any tanks, pipes or any other equipment placed above or below ground for the purpose of operating its petroleum fuel facility and shall reasonably restore the demised premises to the condition which existed prior to the installation of said facility. Tenant's obligations incurred by the provisions of this paragraph shall not be limited to acts of commission or omission of Tenant but shall include such acts of customers, representatives, employees, vendor's, agents, invitees or anyone else directly or indirectly associated with Tenant or Tenant's operation of its Fuel Center or Tenant's other use of the demised premises.

CONDITION PRECEDENT

45. The obligations of both Landlord and Tenant herein are subject to the passage of infrastructure financing (TIF) by the respective authorized governing bodies of Morristown and Hamblen County Tennessee.

CONCURRENT DEVELOPMENT

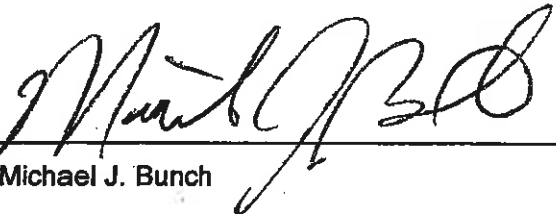
46. It is understood and agreed that concurrently with the development of the Store Building, Landlord shall construct a minimum of six thousand five hundred square feet of shop space as shown on Exhibit B adjacent to the Store Building to "vanilla box condition and use commercially reasonable efforts to lease same. Failure to develop said shop space to vanilla box condition shall entitle Tenant to reduce the Annual Minimum Guaranteed Rental ten percent (10%) until such time as said shop space has been finished to vanilla box condition. This provision may be waived in the event that Landlord can provided Tenant with proof of an executed lease agreement (Adjacent Tenant) for said shop space provided that said shop space shall be finished and occupied by Adjacent Tenant no later than six (6) months following the Commencement Date.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed and their respective seals to be affixed hereto by person thereunto duly authorized, as of the date first above written.

LANDLORD: BB&J Holdings, a Tennessee general partnership



Don Bunch



Michael J. Bunch



Mavin Reece Moe Jones

TENANT: K-VA-T FOOD STORES, INC.



Steven C. Smith
President and CEO

LANDLORD: BB&J Holdings, a Tennessee general partnership

STATE OF Tennessee

COUNTY OF Hamblen

Before me, the undersigned authority, a Notary Public in and for the County and State aforesaid, personally appeared Don Bunch, with whom I am personally acquainted, (or proved to me on the basis of satisfactory evidence), and who upon oath acknowledged that he executed the foregoing instrument for the purposes therein contained.

WITNESS my hand and seal at office in Morristown, Tennessee

this 17th day of May, 2013.

Reigh Anne Harkin

NOTARY PUBLIC

My commission expires 8/23/15

STATE OF Tennessee

COUNTY OF Hamblen

Before me, the undersigned authority, a Notary Public in and for the County and State aforesaid, personally appeared Michael J. Bunch, with whom I am personally acquainted, (or proved to me on the basis of satisfactory evidence), and who upon oath acknowledged that he executed the foregoing instrument for the purposes therein contained.

WITNESS my hand and seal at office in Morristown, Tennessee

this 17th day of May, 2013.

Reigh Anne Harkin

NOTARY PUBLIC

My commission expires 8/23/15

LANDLORD: BB&J Holdings, a Tennessee general partnership

STATE OF Tennessee

COUNTY OF Hamblen

Before me, the undersigned authority, a Notary Public in and for the County and State aforesaid, personally appeared Mavin Reece Moe Jones, with whom I am personally acquainted, (or proved to me on the basis of satisfactory evidence), and who upon oath acknowledged that he executed the foregoing instrument for the purposes therein contained.

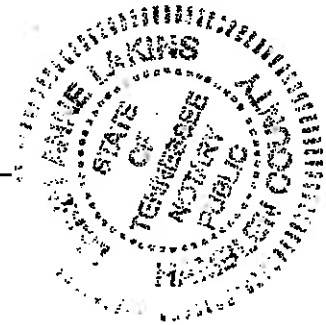
WITNESS my hand and seal at office in Morristown Tennessee

this 7th day of May, 2013.

Leigh Anne Lakin

NOTARY PUBLIC

My commission expires 8/23/15



TENANT: K-VA-T FOOD STORES, INC.

COMMONWEALTH OF Virginia
COUNTY OF Washington

Before me, the undersigned authority, a Notary Public in and for the County and State aforesaid, personally appeared Steven C. Smith, with whom I am personally acquainted, (or proved to me on the basis of satisfactory evidence), and who upon oath acknowledged himself to be the President and CEO of K-VA-T Food Stores, Inc., being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation as its President and CEO.

WITNESS my hand and seal at office in Abingdon, Virginia
this 2nd day of May, 2013.

Gayle Lawson
NOTARY PUBLIC

My commission expires 2-28-14

