



Chicago Dallas Detroit Los Angeles New York San Francisco Washington, DC

September 17, 2012

Paul Pullo
Gene Pullo
Metro Fuel Oil Corp.
500 Kingsland Ave
Brooklyn, NY 11222

Re: Agreement for the Provision of Interim Management Services

Dear Paul and Gene:

This letter, together with the attached Schedule(s), Exhibit and General Terms and Conditions, sets forth the agreement (“Agreement”) between AP Services, LLC, a Michigan limited liability company (“APS”), and Metro Fuel Oil Corp. and certain of its affiliates and subsidiaries (“Metro” or the “Company”) for the engagement of APS to provide certain temporary employees to the Company to assist it in its restructuring as described below.

All defined terms shall have the meanings ascribed to them in this letter and in the attached Schedule(s), Exhibit and General Terms and Conditions.

Generally, the engagement of APS, including any APS employees who serve in Executive Officer positions, shall be under the supervision of the Board of Directors of the Company.

OBJECTIVE AND TASKS

Subject to APS’ internal approval from its Risk Management Committee, confirmation that the Company has a Directors and Officers Liability insurance policy in accordance with section 7 of the General Terms and Conditions below regarding Directors and Officers Liability Insurance coverage, and a copy of the signed Board of Directors’ resolution (or similar document) as official confirmation of the appointment, APS will provide David Johnston to serve as the Company’s Chief Restructuring Officer (“CRO”), and Thomas Studebaker to serve as the Company’s Chief Financial Officer (“CFO”), reporting to the Company’s Board of Directors. Working collaboratively with the senior management team, the Board of Directors and other Company professionals, Messrs. Johnston and Studebaker_ will assist the Company in evaluating and implementing strategic and tactical options through the restructuring process. In addition to the ordinary course duties of a CRO and a CFO, the Temporary Staff (as defined below) roles will include working with the Company and its team to do the following:



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- Assist in developing and implementing cash management strategies, tactics and processes.
- Work with the Company and its team to further identify and implement both short-term and long-term liquidity generating initiatives.
- Provide assistance to management in connection with the Company's development of a rolling 13-week cash receipts and disbursements forecasting tool designed to provide on-time information related to the Company's liquidity, and assist the Company in developing an actual to forecast variance reporting mechanism, including written explanations of key differences.
- Provide assistance to management in connection with the Company's development of a five-year business plan, and such other related forecasts as may be required in connection with the Company's restructuring efforts.
- Assist in communication and/or negotiation with outside constituents including the banks and their advisors.
- Assist the Company with various operational improvements, including customer profitability initiatives and logistical / transportation improvements.
- Assist the Company and its professionals in obtaining and compiling information that is needed to present the Company or one or more business units to prospective lenders, purchasers or investors.
- Assist the Company in preparation for a chapter 11 proceeding, including, without limitation, providing assistance on first day pleadings.
- Assist with the preparation of the statement of financial affairs, schedules and other regular reports required by the Bankruptcy Court.
- Assist the Company in other business and financial aspects of a chapter 11 proceeding, including, but not limited to, development of a Disclosure Statement and Plan of Reorganization.
- Provide assistance in such areas as testimony before the Bankruptcy Court on matters that are within the scope of this engagement and within APS' area of testimonial competencies.
- Assist with such other matters as may be requested that fall within APS' expertise and that are mutually agreeable.



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STAFFING

APS will provide the Company with the individuals set forth on Exhibit A (“Temporary Staff”), subject to the terms and conditions of this Agreement, with the titles, pay rates and other descriptions set forth therein.

The Temporary Staff may be assisted by or replaced by other professionals at various levels, as required, who shall also become Temporary Staff. APS will keep the Company informed as to APS’ staffing and will not add additional Temporary Staff to the assignment without first consulting with the Company to obtain Company concurrence that such additional resources are required and do not duplicate the activities of other employees or professionals.

TIMING AND FEES

APS will commence this engagement on or about September 14, 2012, after receipt of a copy of the Agreement executed by the Company and confirmation of the Company’s compliance with the requirements set forth in the first paragraph of the Objectives and Tasks section above.

The Company shall compensate APS for its services, and reimburse APS for expenses, as set forth on Schedule 1.

* * *



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If these terms meet with your approval, please sign and return the enclosed copy of the Agreement.

We look forward to working with you.

Sincerely yours,

AP SERVICES, LLC

David C. Johnston

Acknowledged and Agreed to:

METRO FUEL OIL CORP.

By:

Its:

Vice-President

Dated:

9/18/12



AP Services, LLC

Exhibit A

**Temporary Staff
Individuals with Executive Officer Positions**

Name	Description	Hourly Rate	Commitment Full¹ or Part² Time
David Johnston	Chief Restructuring Officer	\$815	Part
Thomas Studebaker	Chief Financial Officer	\$620	Full

Additional Temporary Staff

Name	Description	Hourly Rate	Commitment Full¹ or Part² Time
Jon Labovitz	Business Planning	\$505	Full
Michelle Repko	Bankruptcy Admin	\$665	Full
Greg Olson	Bankruptcy Admin	\$405	Part
Barry Folse	Bankruptcy Admin	\$815	Part

The parties agree that Exhibit A can be amended by APS from time to time to add or delete staff, and the Monthly Staffing Reports shall be treated by the parties as such amendments.

¹ Full time is defined as substantially full time.

² Part time is defined as approximately 2-3 days per week, with some weeks more or less depending on the needs and issues facing the Company at that time.



SCHEDULE 1

FEES AND EXPENSES

1. **Fees:** APS' fees will be based on the hours spent by APS personnel at APS' hourly rates, which are:

Managing Directors	\$ 815 - 970
Directors	\$ 620 - 760
Vice Presidents	\$ 455 – 555
Associates	\$ 305 – 405
Analysts	\$ 270 – 300
Paraprofessionals	\$ 205 – 225

APS reviews and revises its billing rates on January 1 of each year.

2. **Success Fee:** In addition to hourly fees, APS will be compensated for its efforts by the payment of a Success Fee. The Company understands and acknowledges that the Success Fee is an integral part of APS' compensation for the engagement.

APS will earn a Success Fee composed of two components: (i) a Transaction Fee of \$450,000 payable upon consummation of a Transaction (as defined below) or confirmation of a Plan of Reorganization (the "Transaction Fee"); and (ii) a Recapitalization Fee based on the refinancing of the Company's debt or equity (the "Recapitalization Fee").

Transaction Fee: For purposes of this Agreement, a "Transaction" shall be defined as and shall be deemed to have been consummated upon the earliest of any of the following events to occur:

- a. The sale, transfer or other disposition (in one transaction or a series of transactions) of all or a substantial portion of the assets or equity of the Company;
- b. The consummation of any material debt refinancing, restructuring or recapitalization of the Company's debt structure;
- c. Any merger, consolidation or similar transaction involving the Company; or
- d. The individuals who constitute the Board of Directors of the Company on the date of this Agreement cease to constitute the majority of the Board of Directors of the Company in conjunction with a sale of all or a substantial portion of the assets of the Company, merger, consolidation, material debt restructuring or confirmation of a Chapter 11 Plan of Reorganization.



Recapitalization Fee: APS will be paid a Recapitalization Fee based on a percentage of the amount of the Company’s debt or equity refinanced, recapitalized or restructured as follows:

- i. one percent (1.00%) of the amount of any new debt raised from the Company’s existing lenders, who are New York Commercial Bank, Valley National Bank, People’s United Bank, and Cathay Bank (“Existing Lenders”); plus
- ii. two and a half percent (2.50%) of the amount of any new debt raised from any entity other than the Existing Lenders; plus
- iii. one percent (1.00%) of the amount of any equity or equity equivalents raised from [REDACTED], or any other third parties sourced by the Company; plus
- iv. two and a half percent (2.50%) of the amount of any equity or equity equivalents raised from any entity other than [REDACTED].

The following table summarizes the calculation of the Success Fee:

Success Fee Components	Rate	Amount of New Debt or Equity (000s)	Amount of Success Fee
Transaction Fee			\$450,000
Recapitalization Fee			
New debt raised from Existing Lenders	1.00%		
New debt raised from new lenders	2.50%		
Equity or Equity Equivalents from [REDACTED] or any other third parties sourced by the Company	1.00%		
Equity or Equity Equivalents (excl. [REDACTED] or any other third parties sourced by the Company)	2.50%		

The Transaction Fee and Recapitalization Fee will be payable at the completion of a Transaction or upon the confirmation of a Plan of Reorganization, subject to Bankruptcy Court approval.

- 3. **Expenses:** In addition to the fees set forth in this Schedule, the Company shall pay directly, or reimburse APS upon receipt of periodic billings, for all reasonable out-of-pocket expenses incurred in connection with this assignment, such as travel, lodging and meals.



4. **Break Fee:** APS does not seek a Break Fee in connection with this engagement.
5. **Retainer:** APS is currently holding a retainer of \$300,000 transferred from AlixPartners, LLP, in connection with an engagement letter between the Company and AlixPartners, LLP dated as of June 29, 2012. The Retainer will also be replenished at the time of the payment of monthly invoices. The Retainer will be applied against Fees and Expenses as set forth in this Schedule and in accordance with Section 2 of the attached General Terms and Conditions.



SCHEDULE 2

DISCLOSURES

For the purpose of the “Disclosed Matters” set forth in this Schedule, and unless otherwise expressly provided herein, the term “AlixPartners” shall mean AlixPartners, LLP together with each of its subsidiaries including, without limitation, AP Services, LLC.

- Funds managed by subsidiaries of CVC Capital Partners SICAV-FIS S.A. (“CVC”), a private equity and investment advisory firm, own a controlling stake in AlixPartners Holdings, LLP (“AP Holdings”), the parent of AlixPartners, LLP, an affiliate of AP Services, LLC (collectively, “AlixPartners”). CVC Credit Partners, L.P. (“CVC Credit Partners”) is a global debt management business and a majority owned subsidiary of CVC.

CVC’s private equity funds (“CVC Funds”) and debt funds (“CVC Credit Partners’ Funds”) are managed independently from each other, with no overlap in membership of the relevant investment committees or boards of entities with responsibility for investment decisions. CVC has in place an internal information barrier between the CVC Funds and the CVC Credit Partners’ Funds. All CVC Credit Partners investment professionals are dedicated to CVC Credit Partners and are not involved in the private equity business. CVC Credit Partners also has separate IT systems and workspaces.

No material nonpublic information about the Debtors has been furnished by AlixPartners to CVC or any CVC managed funds or their portfolio companies, including without limitation, CVC Credit Partners (collectively, the “CVC Entities”) and AlixPartners will continue to abide by its confidentiality obligations to the Debtors. AlixPartners operates independently of the CVC Entities, and does not share employees or officers with the CVC Entities, except that a managing partner of CVC is on the Board of Directors of AlixPartners, LLP and AP Holdings and on the advisory board to CVC Credit Partners. [Certain] other CVC executives, who are not connected with CVC Credit Partners, are also on either the Board of Directors of AlixPartners or the Board of Directors of AP Holdings. AlixPartners and the CVC Entities have separate offices in separate buildings and use separate Internet email addresses. AlixPartners’s financial performance is not directly impacted by the success or failure of the CVC Entities.

As a component of its conflict checking system, AlixPartners has searched the names of CVC, CVC Credit Partners, the CVC Credit Partners’ Funds, the CVC Funds, each managing partner of CVC and each portfolio company of the CVC Funds (the “CVC Conflict Parties”) against the list of Potential Parties in Interest, and AlixPartners has determined to the best of its knowledge that there are no resulting disclosures other than as noted herein. The term “portfolio company” means any business in which a CVC fund has a direct controlling or minority interest. The term “portfolio company” does not include indirect investments such as businesses owned or investments made by a CVC Funds portfolio company or investments made by the CVC Credit Partners’ Funds. CVC Credit Partners Funds, as well as other CVC



Entities, may in the ordinary course from time to time hold, control and/or manage loans to, or investments in the Debtors and parties in interest in these cases. Further, the CVC Entities may have had, currently have or may in the future have business relationships or connections with the Debtors or other Potential Parties in Interest in matters related to or unrelated to the Debtors or their affiliates or these chapter 11 cases. Furthermore, AlixPartners has provided the list of Debtors to CVC and has performed appropriate checks to determine if any material connections between the CVC Entities and the Debtors exist. AlixPartners will supplement this disclosure if it obtains information regarding any such connection. Other than as specifically noted herein, AlixPartners has not undertaken to determine the existence, nature and/or full scope of any business relationships or connections that the CVC Entities may have with the Potential Parties in Interest, the Debtors and their affiliates or these chapter 11 cases.

Certain of the CVC Credit Partners' Funds act as lenders to AP. Further, AP may have had, currently has or may in the future have other business relationships with, among other entities, portfolio companies or managed funds of CVC in matters unrelated to the Debtors or their affiliates in these chapter 11 cases. Based on, among other things, the business separation between the CVC Funds and the CVC Credit Partners' Funds, the business separation between the CVC Entities and AlixPartners, and the confidentiality obligations referred to above, AlixPartners believes that it does not hold or represent an interest adverse to the estate with respect to the engagement.

- AICPA, an insurance provider to the Debtors, is a vendor to AlixPartners.
- Akerman Senterfitt LLP, a professional in interest in this bankruptcy matter, is a vendor, opposing counsel and professional in interest to current and former AlixPartners clients in matters unrelated to the Debtors.
- American Express, an accounts payable party to the Debtors, is a vendor to AlixPartners as well as a lender, bondholder, creditor and vendor to current and former AlixPartners clients in matters unrelated to the Debtors. American Express is a member of a creditors' committee that was a former AlixPartners client in matters unrelated to the Debtors. American Express is a former AlixPartners client in matters unrelated to the Debtors.
- Cablevision a utility provider to the Debtors is a customer, vendor and director affiliated company to current and former AlixPartners clients in matters unrelated to the Debtors.
- Chubb Group of Insurance ("Chubb"), an insurance provider to the Debtors, is a vendor to AlixPartners and adverse party, lenders insurance provider and executory contract counterparty to current and former AlixPartners clients in matters unrelated to the Debtors. Chubb is a former AlixPartners client in matters unrelated to the Debtors.
- Citi Aadvantage Business Card ("Citi"), an accounts payable party to the Debtors, is affiliated with entities that are creditors, lenders, bondholders, shareholders, adverse parties, professionals in interest and lessors to current and former AlixPartners clients in matters unrelated to the Debtors. An affiliate, Citigroup, is a related party to a current AlixPartners



client in matters unrelated to the Debtors. Citi affiliated entities are current and former AlixPartners client in matters unrelated to the Debtors.

- ConocoPhillips Company, an accounts payable party to the Debtors, is a creditor, executory contract counterparty and adverse party to current and former AlixPartners clients in matters unrelated to the Debtors. In addition, ConocoPhillips Company is a related party to a former AlixPartners client in matters unrelated to the Debtors. An affiliate, Chevron Phillips Chemical Co., is a former AlixPartners client in matters unrelated to the Debtors.
- Empire Blue Cross, an insurance provider to the Debtors, is affiliated with an entity that is a vendor to AlixPartners. An affiliated entity, Blue Cross Blue Shield, is a vendor, creditor and insurance provider to current and former AlixPartners clients in matters unrelated to the Debtors.
- Kirkland & Ellis LLP, a professional in interest in this bankruptcy matter, is counsel, adverse counsel and professional in interest to current and former AlixPartners clients in matters unrelated to the Debtors. Kirkland & Ellis, LLP is a current and former AlixPartners client in matters unrelated to the Debtors. In addition, Kirkland & Ellis, LLP currently provides services to AlixPartners, LLP, in matters unrelated to the Debtors and these chapter 11 cases.
- Liberty Mutual Group (“Liberty”), an insurance provider to the Debtors, is affiliated with entities that are creditors, adverse parties, executory contract counterparties, insurers and lenders to current and former AlixPartners clients in matters unrelated to the Debtors. An affiliate of Liberty is a former AlixPartners client in matters unrelated to the Debtors.
- Loeb & Loeb, a professional in interest in this bankruptcy matter, is a former AlixPartners client in matters unrelated to the Debtors. Loeb & Loeb is a professional in interest, opposing counsel and lessor to current and former AlixPartners clients in matters unrelated to the Debtors.
- MetLife, an insurance provider to the Debtors, is a lender and bondholder to current and former AlixPartners clients in matters unrelated to the Debtors. MetLife is the previous employer of a current AlixPartners employee as well as a vendor to AlixPartners.
- Mintz Levin, a professional in interest in this bankruptcy matter, is a former AlixPartners client in matters unrelated to the Debtors. Mintz Levin is opposing counsel, adverse party and professional in interest to current and former AlixPartners clients in matters unrelated to the Debtors.
- Nixon Peabody LLP, a professional in interest and creditor in this bankruptcy matter, is a professional in interest, litigation party and vendor to current and former AlixPartners clients in matters unrelated to the Debtors. Nixon Peabody LLP is a current and former AlixPartners client in matter unrelated to the Debtors.



- Oxford Health Plans, an insurance provider to the Debtors, is a former AlixPartners is a former AlixPartners client in matters unrelated to the Debtors.
- Porzio, Bromberg & Newman, a professional in interest in this bankruptcy matter, is a former AlixPartners client in matter unrelated to the Debtors.
- Prudential, an insurance provider to the Debtors, is affiliated with entities that are adverse parties, lenders, vendors, executory contract counterparties and bondholders to current and former AlixPartners clients in matters unrelated to the Debtors. Prudential is a former AlixPartners client in matters unrelated to the Debtors.
- Safety-Kleen Systems, Inc., a creditor to the Debtors, is a former AlixPartners client in matters unrelated to the Debtors.
- Sprint, a utility provider to the Debtors, is a creditor, vendor and executory contract counterparty to current and former AlixPartners clients in matters unrelated to the Debtors. Sprint is a current and former AlixPartners client in matters unrelated to the Debtors.
- United States Life Insurance Company, an insurance provider to the Debtors, is a subsidiary of a former AlixPartners client in matters unrelated to the Debtors.
- The Department of the United States Treasury is an interested party in this bankruptcy matter. AlixPartners has relationships with certain other departments of the United States government, including, without limitation, the Internal Revenue Service (“IRS”), who is a creditor, adverse party, and vendor to current and former AlixPartners clients in matters unrelated to the Debtors. The IRS is the previous employer of current AlixPartners employees. The Department of Justice (“DOJ”), is a current and former client of AlixPartners in matters unrelated to the Debtors. The DOJ has also been an adverse party and customer to current and former AlixPartners clients in matters unrelated to the Debtors. In addition, the United States SEC, the United States Department of Labor, the Federal Deposit Insurance Corporation, Federal Housing Finance Agency and the US Attorneys’ Office are current or former clients of AlixPartners in matters unrelated to the Debtors.
- US Bank National Association (“U.S. Bank”), a trustee for IDA bonds in this bankruptcy matter, and affiliated entities are lenders, creditors, indenture trustees, shareholders and bondholders to current and former AlixPartners clients in matters unrelated to the Debtors. U.S. Bank is a client party to a current AlixPartners client in matters unrelated to the Debtors.
- Verizon, a utility provider to the Debtors, is a former AlixPartners client in matters unrelated to the Debtors. Other Verizon affiliated entities are creditors, executory contract counterparties and vendors to current and former AlixPartners clients in matters unrelated to the Debtors. Verizon is a vendor to AlixPartners.

**AP SERVICES, LLC
GENERAL TERMS AND CONDITIONS**

These General Terms and Conditions ("Terms") are incorporated into the Agreement to which these Terms are attached. In case of conflict between the wording in the letter and/or schedule(s) and these Terms, the wording of the letter and/or schedule(s) shall prevail.

Section 1. Company Responsibilities.

The Company will undertake responsibilities as set forth below:

1. Provide reliable and accurate detailed information, materials, documentation and
2. Make decisions and take future actions, as the Company determines in its sole discretion, on any recommendations made by APS in connection with this Agreement.

APS' delivery of the services and the fees charged are dependent on (i) the Company's timely and effective completion of its responsibilities; and (ii) timely decisions and approvals made by the Company's management. The Company shall be responsible for any delays, additional costs or other deficiencies caused by not completing its responsibilities.

In connection with any Chapter 11 filing, the Company shall apply promptly to the Bankruptcy Court for approval of the Company's retention of APS under the terms of the Agreement. The form of retention application and proposed order shall be reasonably acceptable to APS. APS shall have no obligation to provide any further services if the Company becomes a debtor under the Bankruptcy Code unless APS' retention under the terms of the Agreement is approved by a final order of the Bankruptcy Court reasonably acceptable to APS. The Company shall assist, or cause its counsel to assist, with filing, serving and noticing of papers related to APS' fee and expense matters.

Section 2. Billing, Retainer and Payments.

Billing. APS will submit monthly invoices for services rendered and expenses incurred. Unless explicitly stated in the invoice, all amounts invoiced are not contingent upon or in any way tied to the delivery of any reports or other work product in the future and are not contingent upon the outcome of any case or matter. APS' fees are exclusive of taxes or similar charges, which shall be the responsibility of the Company (other than taxes imposed on APS' income generally).

Retainer. Upon execution of the Agreement, the Company shall promptly pay APS the agreed-upon advance retainer ("Retainer"). Invoices shall be offset against the Retainer. Payments of invoices will be used to replenish the Retainer to the agreed-upon amount. Any unearned portion of the Retainer will be applied against our final invoice or returned to the Company at the end of the engagement

If the Company becomes a debtor under the Bankruptcy Code, due to the ordinary course and unavoidable reconciliation of fees and submission of expenses immediately prior to, and subsequent to, the date of filing, APS may have incurred but not billed fees and

reimbursable expenses which relate to the prepetition period. APS will seek Court approval to apply the Retainer to these amounts.

Payments. All payments to be made to APS shall be due and payable upon receipt of invoice via wire transfer to APS' bank account, as follows:

Receiving Bank:	Deutsche Bank
	ABA #021-001-033
Receiving Account:	AP Services, LLC
	A/C #003-58897
Currency:	USD

Section 3. Relationship of the Parties.

The parties intend that an independent contractor relationship will be created by the Agreement. As an independent contractor, APS will have complete and exclusive charge of the management and operation of its business, including hiring and paying the wages and other compensation of all its employees and agents, and paying all bills, expenses and other charges incurred or payable with respect to the operation of its business. Of course, employees of APS will not be entitled to receive from the Company any vacation pay, sick leave, retirement, pension or social security benefits, workers' compensation, disability, unemployment insurance benefits or any other employee benefits. APS will be responsible for all employment, withholding, income and other taxes incurred in connection with the operation and conduct of its business. Nothing in this Agreement is intended to create, nor shall be deemed or construed to create a fiduciary or agency relationship between APS and the Company or its Board of Directors.

If APS finds it desirable to augment its consulting staff with independent contractors (an "I/C") in this case, (i) APS will file, and require the I/C to file, 2014 affidavits indicating that the I/C has reviewed the list of the interested parties in this case, disclosing the I/C's relationships, if any, with the interested parties and indicating that the I/C is disinterested; (ii) the I/C must remain disinterested during the time that APS is involved in providing services on behalf of the Company; and (iii) the I/C must represent that he/she will not work for the Company or other parties in interest in this case during the time APS is involved in providing services to the Company.

APS' standard practice is to charge for an I/C's services at the rate equal to the compensation provided by APS to such I/C.

Section 4. Confidentiality.

APS shall use reasonable efforts to keep confidential all non-public confidential or proprietary information obtained from the Company during the performance of its services hereunder (the "Information"), and neither APS nor its personnel will disclose any Information to any other person or entity. "Information" includes non-public confidential and

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proprietary data, plans, reports, schedules, drawings, accounts, records, calculations, specifications, flow sheets, computer programs, source or object codes, results, models or any work product relating to the business of the Company, its subsidiaries, distributors, affiliates, vendors, customers, employees, contractors and consultants.

The foregoing is not intended to prohibit, nor shall it be construed as prohibiting, APS from making such disclosures of Information that APS reasonably believes is required by law or any regulatory requirement or authority, or to clear client conflicts. APS may make reasonable disclosures of Information to third parties in connection with the performance of APS' obligations and assignments hereunder. In addition, APS will have the right to disclose to any person that it provided services to the Company or its affiliates and a general description of such services, but shall not provide any other information about its involvement with the Company. The obligations of APS under this Section 4 shall survive the end of any engagement between the parties for a period of two (2) years.

The Company acknowledges that all information (written or oral), including advice and Work Product (as defined in Section 5), and the terms of this Agreement, generated by APS in connection with this engagement is intended solely for the benefit and use of the Company (limited to its management and its Board of Directors) in connection with the transactions to which it relates. The Company agrees that no such information shall be used for any other purpose or reproduced, disseminated, quoted or referred to with or without attribution to APS at any time in any manner or for any purpose without APS' prior approval, except as required by law.

Section 5. Intellectual Property.

Upon the Company's payment of all fees and expenses owed under this Agreement, all analyses, final reports, presentation materials, and other work product (other than any Engagement Tools, as defined below) that APS creates or develops specifically for the Company and delivers to the Company as part of this engagement (collectively known as "Work Product") shall be owned by the Company and shall constitute Information as defined above. APS may retain copies of the Work Product and any Information necessary to support the Work Product subject to its confidentiality obligations in this Agreement.

All methodologies, processes, techniques, ideas, concepts, know-how, procedures, software, tools, utilities and other intellectual property that APS has created, acquired or developed or will create, acquire or develop (collectively, "Engagement Tools"), are, and shall be, the sole and exclusive property of APS. The Company shall not acquire any interest in the Engagement Tools other than a limited non-transferable license to use the Engagement Tools to the extent they are contained in the Work Product. The Company acknowledges and agrees that any Engagement Tools provided to the Company are provided "as is" and without any warranty or condition of any kind, express, implied or otherwise, including, implied warranties of merchantability or fitness for a particular purpose.

Section 6. Framework of the Engagement.

The Company acknowledges that it is retaining APS solely to assist and advise the Company as described in the Agreement. This engagement shall not constitute an audit, review or compilation, or any other type of financial statement reporting engagement.

Section 7. Indemnification and Other Matters.

The Company shall indemnify, hold harmless and defend APS and its affiliates and its and their partners, directors, officers, employees and agents (collectively, the "APS Parties") from and against all claims, liabilities, losses, expenses and damages arising out of or in connection with the engagement of APS that is the subject of the Agreement. The Company shall pay damages and expenses, including reasonable legal fees and disbursements of counsel as incurred in advance. The APS Parties may, but are not required to, engage a single firm of separate counsel of their choice in connection with any of the matters to which these indemnification and advancement obligations relate.

If an APS Party is required by applicable law, legal process or government action to produce information or testimony as a witness with respect to this Agreement, the Company shall reimburse APS for any professional time and expenses (including reasonable external and internal legal costs) incurred to respond to the request, except in cases where an APS Party is a party to the proceeding or the subject of the investigation.

In addition to the above indemnification and advancement, APS employees serving as directors or officers of the Company or affiliates will receive the benefit of the most favorable indemnification and advancement provisions provided by the Company to its directors, officers and any equivalently placed employees, whether under the Company's charter or by-laws, by contract or otherwise.

The Company shall specifically include and cover employees and agents serving as directors or officers of the Company or affiliates from time to time with direct coverage under the Company's policy for liability insurance covering its directors, officers and any equivalently placed employees ("D&O insurance"). Prior to APS accepting any officer position, the Company shall, at the request of APS, provide APS a copy of its current D&O policy, a certificate(s) of insurance evidencing the policy is in full force and effect, and a copy of the signed board resolutions and any other documents as APS may reasonably request evidencing the appointment and coverage of the indemnitees. The Company will maintain such D&O insurance coverage for the period through which claims can be made against such persons. The Company disclaims a right to distribution from the D&O insurance coverage with respect to such persons. In the event that the Company is unable to include APS employees and agents under the Company's policy or does not have first dollar coverage acceptable to APS in effect for at least \$5 million (e.g., there are outstanding or threatened claims against officers and directors alleging prior acts that may give rise to a claim), APS may, at its option, attempt to purchase a separate D&O insurance policy that will cover APS employees and

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agents only. The cost of the policy shall be invoiced to the Company as an out-of-pocket expense. If APS is unable or unwilling to purchase such D&O insurance, then APS reserves the right to terminate the Agreement.

Notwithstanding anything to the contrary, the Company's indemnification and advancement obligations in this Section 7 shall be primary to (and without allocation against) any similar indemnification and advancement obligations of APS, its affiliates and insurers to the indemnitees (which shall be secondary), and the Company's D&O insurance coverage for the indemnitees shall be specifically primary to (and without allocation against) any other valid and collectible insurance coverage that may apply to the indemnitees (whether provided by APS or otherwise).

APS is not responsible for any third-party products or services separately procured by the Company. The Company's sole and exclusive rights and remedies with respect to any such third party products or services are against the third-party vendor and not against APS, whether or not APS is instrumental in procuring such third-party product or service.

APS acknowledges that, during the pendency of any Bankruptcy Court approved retention, these indemnification and advancement provisions are subject to modification as may be stated within the Bankruptcy Court's retention order.

Section 8. Governing Law and Arbitration.

The Agreement is governed by and shall be construed in accordance with the laws of the State of New York with respect to contracts made and to be performed entirely therein and without regard to choice of law or principles thereof.

Any controversy or claim arising out of or relating to the Agreement, or the breach thereof, shall be settled by arbitration. Each party shall appoint one non-neutral arbitrator. The two party arbitrators shall select a third arbitrator. If within 30 days after their appointment the two party arbitrators do not select a third arbitrator, the third arbitrator shall be selected by the American Arbitration Association (AAA). The arbitration shall be conducted in Southfield, Michigan under the AAA's Commercial Arbitration Rules, and the arbitrators shall issue a reasoned award. The arbitrators may award costs and attorneys' fees to the prevailing party. Judgment on the award rendered by the arbitrators may be entered in any court having jurisdiction thereof.

Notwithstanding the foregoing, APS may in its sole discretion proceed directly to a court of competent jurisdiction to enforce the terms of this Agreement for any claim (and any subsequent counter claim) against the Company relating to either (i) the non-payment of fees or expenses due under this Agreement, or (ii) the non-performance of obligations under Section 7.

In the event the Company files under Chapter 11, the Company and APS agree that the Bankruptcy Court shall

have exclusive jurisdiction over any and all matters arising under or in connection with this Agreement.

In any court proceeding arising out of this Agreement, the parties hereby waive any right to trial by jury.

Section 9. Termination and Survival.

The Agreement may be terminated at any time by written notice by one party to the other; provided, however, that notwithstanding such termination APS will be entitled to any fees and expenses due under the provisions of the Agreement (for fixed fee engagements, fees will be pro rata based on the amount of time completed), including Success Fee and Break Fee in accordance with Schedule 1. Such payment obligation shall inure to the benefit of any successor or assignee of APS.

Additionally, unless the Agreement is terminated by the Company for Cause (as defined below) or due to circumstances described in the Success Fee provision in the Agreement, APS shall remain entitled to the Success Fee(s) that otherwise would be payable for the greater of 12 months from the date of termination or the period of time that has elapsed from the date of the Agreement to the date of termination. Cause shall mean:

(a) an APS employee acting on behalf of the Company is convicted of a felony, or

(b) it is determined in good faith by the Board of Directors of the Company after 30 days notice and opportunity to cure, that either (i) an APS employee is engaging in misconduct injurious to the Company, or (ii) an APS employee is breaching any of his or her material obligations under this Agreement, or (iii) an APS employee is willfully disobeying a lawful direction of the Board of Directors or senior management of the Company.

Sections 2, 4, 5, 7, 8, 9, 10, 11 and 12 of these Terms, the provisions of Schedule 1 and the obligation to pay accrued fees and expenses shall survive the expiration or termination of the Agreement.

Section 10. Non-Solicitation of Employees

The Company acknowledges and agrees that APS has made a significant monetary investment recruiting, hiring and training its personnel. During the term of this Agreement and for a period of two years after the final invoice is rendered by APS with respect to this engagement (the "Restrictive Period"), the Company and its affiliates agree not to directly or indirectly hire, contract with, or solicit the employment of any of APS' Managing Directors, Directors, or other employees/ contractors.

If during the Restrictive Period the Company or its affiliates directly or indirectly hires or contracts with any of APS' Managing Directors, Directors, or other employees/contractors, the Company agrees to pay to APS as liquidated damages and not as a penalty the sum total of: (i) for a Managing Director, one million U.S. dollars (\$1,000,000 USD); (ii) for a Director, five hundred thousand U.S. dollars (\$500,000 USD); and (iii) for any other employee/contractor, two hundred fifty thousand U.S.

AP SERVICES, LLC
GENERAL TERMS AND CONDITIONS

dollars (\$250,000 USD). The Company acknowledges and agrees that liquidated damages in such amounts are (x) fair, reasonable and necessary under the circumstances to reimburse APS for the costs of recruiting, hiring and training its employees as well as the lost profits and opportunity costs related to such personnel, and to protect the significant investment that APS has made in its Managing Directors, Directors, and other employees/consultants; and (y) appropriate due to the difficulty of calculating the exact amount and value of that investment.

The Company also acknowledges and agrees that money damages alone may not be an adequate remedy for a breach of this provision, and the Company agrees that APS shall have the right to seek a restraining order and/or an injunction for any breach of this non-solicitation provision. If any provision of this section is found to be invalid or unenforceable, then it shall be deemed modified or restricted to the extent and in the manner necessary to render the same valid and enforceable.

Section 11. Limit of Liability.

The APS Parties shall not be liable to the Company, or any party asserting claims on behalf of the Company, except for direct damages found in a final determination to be the direct result of the bad faith, self-dealing or intentional misconduct of APS. The APS Parties shall not be liable for incidental or consequential damages under any circumstances, even if it has been advised of the possibility of such damages. The APS Parties aggregate liability, whether in tort, contract, or otherwise, is limited to the amount of fees paid to APS for services on this engagement (the "Liability Cap"). The Liability Cap is the total limit of the APS Parties' aggregate liability for any and all claims or demands by anyone pursuant to this Agreement, including liability to the Company, to any other parties hereto, and to any others making claims relating to the work performed by APS pursuant to this Agreement. Any such claimants shall allocate any amounts payable by the APS Parties among themselves as appropriate, but if they cannot agree on the allocation it will not affect the enforceability of the Liability Cap. Under no circumstances shall the aggregate of all such allocations or other claims against the APS Parties pursuant to this Agreement exceed the Liability Cap.

APS acknowledges that, during the pendency of any Bankruptcy Court approved retention, the Liability Cap may be subject to modification as may be stated within the Bankruptcy Court's retention order.

Section 12. General.

Severability. If any portion of the Agreement shall be determined to be invalid or unenforceable, the remainder shall be valid and enforceable to the maximum extent possible.

Entire Agreement. This Agreement, including the letter, the Terms and the schedule(s), contains the entire understanding of the parties relating to the services to be rendered by APS and supersedes any other communications, agreements, understandings, representations, or estimates among the parties (relating to the subject matter hereof) with respect to such services. The Agreement, including the letter, the Terms and the schedule(s), may not be amended or modified in any respect except in a writing signed by the parties. APS is not responsible for performing any services not specifically described herein or in a subsequent writing signed by the parties.

Joint and Several. If there is more than one party to this Agreement, the Company shall cause each other entity which is included in the definition of Company to be jointly and severally liable for the Company's liabilities and obligations set forth in this Agreement.

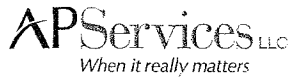
Third-Party Beneficiaries. The indemnitees shall be third-party beneficiaries with respect to Section 7 hereof.

Data Protection. APS acknowledges and the Company agrees that in performing the services APS may from time to time be required to process certain personal data on behalf of the Company. In such cases APS may act as the Company's data processor and APS shall endeavor to (a) act only on reasonable instructions from the Company within the scope of the services of this Agreement; (b) have in place appropriate technical and organizational security measures against unauthorized or unlawful processing of personal data and against accidental loss or destruction of, or damage to, personal data; and (c) comply (to the extent applicable to it and/or the process) with relevant laws or regulations.

Notices. All notices required or permitted to be delivered under the Agreement shall be sent, if to APS, to:

AP Services, LLC
2000 Town Center, Suite 2400
Southfield, MI 48075
Attention: General Counsel

and if to the Company, to the address set forth in the Agreement, to the attention of the Company's General Counsel, or to such other name or address as may be given in writing to the other party. All notices under the Agreement shall be sufficient only if delivered by overnight mail. Any notice shall be deemed to be given only upon actual receipt.



November 13, 2012

Paul Pullo
Gene Pullo
Metro Fuel Oil Corp.
500 Kingsland Ave
Brooklyn, NY 11222

Re: Agreement for the Provision of Interim Management Services – First Amendment

Dear Messrs. Pullo:

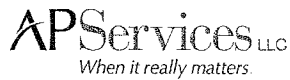
This letter represents the first amendment (the “First Amendment”) to the agreement between AP Services, LLC, a Michigan limited liability company (“APS”) and Metro Fuel Oil Corp. and certain of its debtor affiliates and subsidiaries, as debtors and debtors in possession in the chapter 11 cases (“Chapter 11 Cases”) pending in the United States Bankruptcy Court (“Bankruptcy Court”) for the Eastern District of New York (Jointly Administered under Case No. 12-46922 (ESS)) (collectively, the “Debtors”), dated September 17, 2012 (the “Engagement Letter”). Unless otherwise modified herein, the terms and conditions of the Engagement Letter remain in full force and effect.

Section 2, Success Fee, of Schedule 1 to the Engagement Letter is hereby replaced by the following:

- 2. Success Fee:** In addition to hourly fees, APS will be compensated for its efforts by the payment of a Success Fee. The Debtors understand and acknowledge that the Success Fee is an integral part of APS’ compensation for the engagement.

APS will be eligible to earn a Success Fee composed of two components:

- The first component of the APS Success Fee is a single Transaction Fee in the amount of \$450,000. The Transaction Fee will be payable only after the (i) completion of a Transaction, or a series of related or unrelated Transactions, when the Aggregate Value of such Transaction(s) exceeds \$50,000,000, and (ii) entry of an order of the Bankruptcy Court approving and directing payment of such Transaction Fee.
- The second component of the APS Success Fee is a Recapitalization Fee which will entitle APS to incentive compensation to the extent the Aggregate Value of a Transaction, or a series of related or unrelated Transactions, reaches certain threshold amounts, as defined below:



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- APS shall earn a Recapitalization Fee of 0.75% on the Aggregate Value of a Transaction, or series of Transactions, that exceeds the minimum threshold of \$70,000,000, up to an Aggregate Value for such Transactions, of \$79,999,999. The Recapitalization Fee of 0.75% is to be applied against the total Aggregate Value of a Transaction, or a series of Transactions. The Recapitalization Fee, if earned, would be in addition to the Transaction Fee of \$450,000 noted above.
- APS shall earn a Recapitalization Fee of 1.00% on the Aggregate Value of a Transaction, or a series of Transactions, that exceeds the minimum threshold of \$80,000,000, up to an Aggregate Value for such Transactions in an amount that results in the payment in full of all allowed general unsecured claims (the "Payment in Full Threshold Amount"). The Recapitalization Fee of 1.00% is to be applied against the total Aggregate Value of a Transaction, or a series of Transactions. The Recapitalization Fee, if earned, would be in addition to the Transaction Fee of \$450,000 noted above.
- To the extent that the Aggregate Value of a Transaction, or a series of Transactions, reaches the Payment in Full Threshold Amount, APS shall earn a Recapitalization Fee as follows: (i) one percent (1.00%) of the Aggregate Value of any Transaction or series of Transactions with Sprague, Hess, Buckeye, Global, or any other identified strategic partner sourced by Gene Pullo or Paul Pullo (collectively, "the Pullos"), or (ii) two and a half percent (2.50%) of the Aggregate Value of any Transaction or series of Transactions with any entity other than Sprague, Hess, Buckeye and Global, or any other identified strategic partner sourced by the Pullos. The Recapitalization Fee of either 1.00% or 2.50% is to be applied against the total Aggregate Value of a Transaction, or a series of Transactions. The Recapitalization Fee, if earned, would be in addition to the Transaction Fee of \$450,000 noted above.
- APS shall be limited to earn one Recapitalization Fee. For example, if the Aggregate Value of a Transaction, or series of Transactions, is \$80,000,000, then the Recapitalization Fee shall be \$800,000 (for a total Success Fee of \$1,250,000 when added to the Transaction Fee of \$450,000).



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The following table summarizes the calculation of the Success Fee:

Success Fee Components	Rate	Amount of New Debt or Equity (000s)	Amount of Success Fee
Transaction Fee Aggregate Value of \$50,000,000 or greater			\$450,000
Recapitalization Fee			
Aggregate Value of \$70,000,000 up to \$79,999,999	.75%		
Aggregate Value of \$80,000,000 up to Payment in Full Threshold Amount	1.00%		
Aggregate Value reaches Payment in Full Threshold Amount (Sprague, Hess, Buckeye, Global, or other third party sourced by the Pullos)	1.00%		
Aggregate Value reaches Payment in Full Threshold Amount (excl. Sprague, Hess, Buckeye, Global, or any other third parties sourced by the Pullos)	2.50%		

- For purposes of this Amendment, a “Transaction” shall be defined as any of the following events, whether pursuant to confirmation of a Plan of Reorganization or a Plan of Liquidation (collectively, a “Plan”), or a sale under section 363 of the Bankruptcy Code:
- The sale, transfer or other disposition (in one transaction or a series of transactions) of any portion of the assets or equity of the Debtors; any material debt refinancing, recapitalization or restructuring pursuant to a Plan.
- For purposes of this Amendment, for any sale Transaction, “Aggregate Value” shall mean the gross proceeds or other consideration paid to, or received by, any of the Debtors, or any of their equity or debt holders, or other parties in interest in connection with a Transaction or series of related or unrelated Transactions, provided, however, that gross proceeds or other consideration paid or received shall not be counted twice for purposes of calculating Aggregate Value. For example, if a Transaction, or series of Transactions, obtains \$80,000,000 in gross



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proceeds or other consideration and such proceeds are then distributed to creditors under a Plan of Reorganization, the Aggregate Value of the Transaction (or series of Transactions) shall be \$80,000,000, not \$160,000,000. The Debtors and the Committee shall each work in good faith to determine Aggregate Value in the context of a sale Transaction as described above.

- For any Transaction pursuant to a confirmed Plan, "Aggregate Value" shall mean the total value to be distributed to creditors under such Plan, to be determined in good faith by the Debtors and the Committee, provided, however, that in no event shall Aggregate Value be counted twice and otherwise deemed to also include the value of assets, proceeds or other consideration received or held by the Debtors prior to such distribution under a Plan.
- For purposes of this Amendment, all threshold amounts mentioned above will be adjusted to the extent that certain claims or other indebtedness of the Debtors are assumed and/or reinstated, or to the extent such claims are not incorporated in the definition of Aggregate Value in connection with a Plan. In the case of secured claims or indebtedness, if \$10 million of existing secured debt is assumed and/or reinstated, the Transaction Fee threshold would be reduced by \$10 million (from \$50 million to \$40 million), and all Recapitalization Fee thresholds would also be reduced by \$10 million. In the case of assumed or reinstated obligations that, in the absence of such assumption or restatement, would give rise to an unsecured claim, the Transaction Fee and Recapitalization Fee threshold adjustment would be reduced by an amount equal to the percentage distribution the claim would have received had it not been assumed or reinstated. The Debtors and the Committee shall each work in good faith to determine the adjustment, if any, to the Transaction Fee and Recapitalization Fee thresholds based on assumed and/or reinstated claims.
- For purposes of this Amendment, the Payment in Full Threshold Amount will be determined based on the actual amount of allowed general unsecured claims; provided, however, that payment of the Recapitalization Fee based on the Payment in Full Threshold Amount shall be subject to the payment provisions described directly below.
- The Recapitalization Fee is subject to payment in one or more installments as the threshold amounts are reached. The first installment shall be paid at the closing of the Transaction or upon confirmation of a Plan, to the extent certain Recapitalization Fee thresholds defined above have been achieved, or as otherwise agreed, subject to entry of a Bankruptcy Court order approving and directing the payment of such Recapitalization Fee. To the extent that the



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Payment in Full Threshold Amount is triggered at closing of the Transaction or upon confirmation of a Plan, or has not been determined at the closing of the Transaction or upon confirmation of a Plan because the actual amount of filed and/or scheduled general unsecured claims is still being determined, then the remaining portion of the Recapitalization Fee (i.e., the amount potentially due on any amounts over-and-above those paid at closing of the Transaction or upon confirmation of a Plan based on the Payment in Full Threshold Amount) shall be payable as follows: (i) (a) first, fifty percent (50%) of such Recapitalization Fee shall be paid at closing of the Transaction or upon confirmation of a Plan if there is sufficient Aggregate Value to pay all general unsecured claims in full on a consolidated basis, as determined by an agreed-upon estimate of such claims by the Debtors and the Committee, and (b) second, the remaining fifty percent (50%) of such Recapitalization Fee shall be due and payable only once all allowed general unsecured claims have been paid in full; or (ii) as otherwise agreed. If the Aggregate Value has not been determined as of the effective date of a Plan, the Debtors will take appropriate measures to ensure that sufficient monies are available to pay APS the Success Fee such as by (i) placing funds in escrow in an amount sufficient to pay the Success Fee; and/or (ii) assuming the Engagement Letter in connection with any Plan.

- For the avoidance of doubt, APS will not seek an additional fee on sourcing the existing DIP Financing package, although the DIP amount is included in the existing claim amounts, so that APS would benefit from a Transaction that repaid the DIP since the amount of the debt under the DIP would be included in the "Aggregate Value."
- The Recapitalization Fee and the Transaction fee are subject to approval by the Bankruptcy Court on a reasonableness standard pursuant to the Jay Alix Protocol.

* * *



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If these terms meet with your approval, please sign and return the enclosed copy of this First Amendment.

We look forward to our continuing relationship with you.

Sincerely yours,

AP SERVICES, LLC

David C. Johnston

Acknowledged and Agreed to:

METRO FUEL OIL CORPORATION

By: Pat Reh

Its: Pres.

Dated: 11/13/12