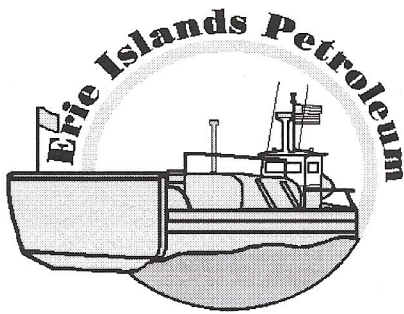




Put-In-Bay, Ohio



Erie Islands Petroleum, Inc.
Gary A. Kowalski
P.O. Box 457
Put-in-Bay, Ohio 43456
October 2, 2013

To our Valued Customers

We are circulating this memo to make you aware of the circumstances surrounding the cost of gasoline, diesel fuels, and heating oils for the winter months on Put-in-Bay.

Crude oil has been fairly stable, hovering to around \$119 per barrel for the yearly average, driving gasoline to over \$3.38 per gallon for the national average; heat oil is fast approaching \$3.75 per gallon for a national average. We have not seen the end of the hurricane season although so far weather has been mild and thus far there has been no interruption in the crude oil supply. We very highly recommend pre-buying as much and as early as you can to ensure your winter fueling needs. Not being able to predict the future, I have heard to expect a cold winter.

On an average, Put-in-Bay requires nearly 60,000 gallons of gasoline and over 70,000 gallons of heating oils and diesel fuels in stock to make the winter. At the current costs of fuels that correlate to needing over \$400,000 to supply the island with the energy needed to get through April 2014. As well as the cost of fuels, the cost of borrowing money is also rising. And to our best calculation in the event that we still have a substantial supply left at the end of the season, the possibility of recouping these great expenses will be impossible.

Now we are forced to ask you, our loyal customers and the consumers and users of these energy needs for help.

We, as island residents are used to "stocking up" for the winter. We are used to counting on ourselves and we are used to looking out for one another.

Erie Islands Petroleum, Inc. as usual and as always will supply everyone we can with his or her energy needs. We will stock up and lay in all the fuels we can afford and our cash flow will sustain; but that WILL FALL SHORT! FUELS WILL BE IN SHORT SUPPLY THIS WINTER WITHOUT YOUR HELP!!

We are asking that everyone consider our pre-pay programs. Last year our gas card program worked very well. We are currently in the process of refining the gas card type program where a pre pay customer can purchase a cash value on a credit type Erie Islands Petroleum, Inc. gas card. That gas card will keep track of the remaining money balances through our credit card terminal.

It will be the customers' responsibility to keep that card and present it to our cashier at the time of sale for proper charging of fuel value to that account.

Simply purchasing more cash value through the credit card terminal can recharge these gas cards. Our current in house accounts for heating oils and business accounts will be run as usual. Personal gas station fuels will need to apply to the gas card program. ***The PreBuy Gas Cards will be accepted from December 15, 2013 through April 15, 2014 at the discounted guaranteed price. After April 15, 2014, you have the option of either using the card at the going price of the day or simply holding it to be used next winter season. Any previous years Gas Cards can also be used at those times at their discounted prices..***

Erie Islands Petroleum, Inc. will for this program, purchase the fuels, store the fuels at either the gas station for gasoline or our storage facility for diesel fuels and heating oils. We will deliver the fuels to you at your request for heating or bulk fuels, and for gasoline we will keep our regular hours at the gas station for your refueling needs.

We very strongly recommend purchasing your winter fuel needs early and as much as you will need. Heating customers already have a good idea how many gallons and of which fuel they will need, but for gas station gasoline consumers, it may be a good idea to start tracking your weekly consumption now. Keep in mind adding in an extra margin of gasoline to account for warming your car, spinning tires in freezing temperatures, and leaving the car running as you do errands. Multiply that gallon amount by 22 weeks, which is a good estimate on how long a hard winter could last. That should give you a close idea on how much gasoline you will need for the winter. Today's price for regular gasoline is \$4.45. Multiply your gallon amount by that for how much you would need for your gas card purchase.

Any non-pre-paid customers cannot be guaranteed an uninterrupted supply. Nor will they be guaranteed a fixed price. As supply depletes, prices will most likely increase. Once, the fuels, excluding the pre bought products, that Erie Islands Petroleum, Inc. has in stock that is available for resale has been depleted, only those individuals and businesses that have a pre paid balance will be dispensed to; by either truck or at the gas station. All pre-bought fuels will be very strictly kept in only pre-bought storage. There will be no mixing or selling pre bought fuels to any non-pre buy customers. Pre-buy customers are most certainly guaranteed that all pre-bought products will be available through the entire winter season.

Please do not misunderstand what we are saying. We fully intend on having a supply of all fuels for the winter months. However, that supply may not be as abundant as in the years past due to the much higher cost of these fuels. By pre-buying you will help to ensure that a more abundant supply will be available in the event of a harsher winter.

Our pre-buy gas card program is now open. Until October 31, 2013 you can pre-buy your fuels at Erie Islands Petroleum, Inc. . Gas station gasoline will be pre-bought through the gas card program. Bulk diesel fuels, bulk gasoline, and heating oils will be as usual on "in house" accounts. There will be no extension on the pre pay program. All pre bought fuels must be ordered and paid by close of day October 31, 2013. This will ensure our best price from our suppliers. Pre bought fuels can start being used as early as December 15, 2013.

Please let the others in your circle know of this change so we can reach the largest consumer group possible. Please call me at 419-341-9656 if you have any questions or concerns.

Thank you
Gary A. Kowalski



Put-In-Bay, Ohio

2013/2014 PRE PAID GASOLINE AGREEMENT AND INVOICE

I, _____, WISH TO PURCHASE GASOLINE FOR THE 2013/2014 WINTER SEASON.
I AM ENCLOSING A CHECK FOR THE AMOUNT OF \$ _____ MADE PAYABLE TO **ERIE
ISLANDS PETROLEUM, INC.**

IT IS MY UNDERSTANDING THAT **ERIE ISLANDS PETROLEUM, INC.** WILL TRANSPORT MY
GASOLINE TO PUT-IN-BAY, STORE IT EXCLUSIVELY FOR ME, AND HAVE APPROPRIATE HOURS AT
THE GAS STATION FOR WHICH I CAN FUEL MY VEHICLES.

SIGNATURE-PURCHASER

GARY KOWALSKI-PRESIDENT
ERIE ISLANDS PETROLEUM, INC.

**Use this contract for the purchase of your prepaid
winter gasoline for your vehicles**

PRE PAID GASOLINE CARD REGULATIONS

- 1) Gas Card **MUST** be presented at the time of sale. **NO GAS CARD...EQUALS YOU MUST PAY CASH
AT NON PREPAID PRICE**
- 2) We cannot keep your Gas Card on premises. You are responsible for the safety and security of your card.
- 3) Gas Cards are only for the purchase of pre-paid gasoline. Gift Cards are available for other pre-paid
purchases.
- 4) We cannot reimburse for lost or stolen cards. Lost or stolen cards can be de-activated if you keep your card
number and we can verify its value and deactivation. New cards can then be activated but with a 10% of the
card's value clerical fee and at the highest price per gallon of issued gas cards.
- 5) Gas Cards can be used for pre-paid gasoline between the 15th of December and the 15th of April at the
guaranteed discounted price. Gas Cards can still be used throughout the remainder of the year, but at the going
price of the day.
- 6) We reserve the right, in emergency situations, to temporarily suspend this program.



Put-In-Bay, Ohio

2013/2014 RESIDENTIAL HOME FUEL OIL AGREEMENT AND INVOICE

I, _____, WISH TO PURCHASE FUEL OIL FOR THE 2013/2014 HEATING SEASON. I AM
ENCLOSING A CHECK FOR THE AMOUNT OF

\$_____ MADE PAYABLE TO **ERIE ISLANDS PETROLEUM, INC.**

THIS CHECK IS TO PURCHASE _____ GALLONS OF (#1 HEAT OIL): (#2 HEAT OIL): (#2
HEAT OIL SUPREME): (K-1 KEROSENE); COSTS
PER GALLON ARE AS FOLLOWS:

K-1 KEROSENE -- \$ _____
#1 HEAT OIL ---- \$ _____
#2 PREMIUM OIL-- \$ _____
#2 HEAT OIL ---- -- \$ _____

TO COMPUTE THE COST OF YOUR PRE-PAID FUEL OIL
GALLONS _____

COST PER GALLON _____

SUBTOTAL _____ (GALLONS X COST)

SALES TAX _____ (6.75% OF SUBTOTAL)

TOTAL _____ (SUBTOTAL + SALES TAX)

IT IS MY UNDERSTANDING THAT **ERIE ISLANDS PETROLEUM, INC.** WILL TRANSPORT MY FUEL OIL
TO PUT-IN-BAY, STORE IT EXCLUSIVELY FOR ME,
AND DELIVER IT TO MY HOME ANY TIME I WISH.

SIGNATURE-PURCHASER

GARY KOWALSKI-PRESIDENT
ERIE ISLANDS PETROLEUM, INC.

****PLEASE SIGN AND RETURN ONE COPY WITH YOUR CHECK WHEN PLACING YOUR ORDER.
ALSO PLEASE NOTE THAT *THESE PRICES ARE IN EFFECT THROUGHOUT THE DAY QUOTED.*
AFTER THAT DATE THE PRICES WILL FLUCTUATE WITH THE CORRESPONDING INCREASES ON
THE MAINLAND. THANK-YOU!**

Use This Contract ONLY if you heat and with Fuel Oil



Put-In-Bay, Ohio

2013/2014 BULK COMMERCIAL FUELS AGREEMENT AND INVOICE

I, _____, WISH TO PURCHASE FUEL OIL FOR THE 2013/2014 WINTER SEASON. I AM
ENCLOSING A CHECK FOR THE AMOUNT OF

\$ _____ MADE PAYABLE TO **ERIE ISLANDS PETROLEUM, INC.**

THIS CHECK IS TO PURCHASE _____ GALLONS OF On Road Diesel): (#2 Off Road Diesel): #2
Premium Off Road Diesel): (Gasoline); COSTS PER GALLON ARE AS FOLLOWS:

	(gallons)	(price per gallon)
On Road Diesel _____		\$ _____
#2 Off Road Diesel _____		\$ _____
#2 Premium Off Road Diesel _____		\$ _____
Gasoline _____		\$ _____

To COMPUTE TOTAL OF PRE-PAID FUEL (gallons X Price per gallon)

On Road Diesel _____	\$ _____	(plus)
Off Road Diesel _____	\$ _____	(plus)
Premium Off Road Diesel _____	\$ _____	(plus)
Gasoline _____	\$ _____	(plus)
TOTAL _____		(total)

IT IS MY UNDERSTANDING THAT **ERIE ISLANDS PETROLEUM, INC.** WILL TRANSPORT MY FUEL TO
PUT-IN-BAY, STORE IT EXCLUSIVELY FOR ME, AND DELIVER IT TO MY STORAGE TANK ANY TIME I
WISH.

SIGNATURE-PURCHASER

GARY KOWALSKI-PRESIDENT
ERIE ISLANDS PETROLEUM, INC.

**Use this Contract ONLY for the purchase of fuels if
you have a COMMERCIAL ACCOUNT.**