



**AVFUEL CORPORATION
FIXED BASE OPERATOR
AVIATION FUEL SUPPLY AGREEMENT**

Reference Date: September 1, 2025

Effective Date: October 1, 2025

SUMMARY

This Agreement is between Avfuel Corporation and its affiliates and subsidiaries all of which have principal offices at 47 West Ellsworth Road, Ann Arbor, MI 48108 USA, hereinafter referred to, individually or collectively as "Avfuel" and **City of Killeen** having its principal office at (Street address only) **8101 Clear Creek Road, Killeen, TX 76549** hereinafter called "Customer", collectively called "the Parties", and is effective on the Effective Date or, if no Effective Date is specified then on the Reference Date noted above.

THIS IS AN INTEGRATED AGREEMENT CONSISTING OF SEVERAL PARTS, ALL OF WHICH SHALL BE READ TOGETHER AND INTERPRETED AS ONE AGREEMENT. The parts shall include this Summary, the Special Terms and Conditions, and the General Terms and Conditions. In the event of any inconsistencies between the Special Terms and Conditions and the General Terms and Conditions, the Special Terms and Conditions shall govern. Avfuel offers other Programs that it believes are of benefit to Customer. Customer chooses to participate in those Programs that are checked below and agrees that the applicable provisions of the Special and General Terms and Conditions govern those Programs. Additions or deletions to this agreement are governed by the Changes Provision set forth in Section 21 of the General Terms and Conditions. If customer should avail itself of any of the Programs not checked below then Customer specifically agrees to be bound by the Special and General Terms and Conditions that govern those Programs.

Applicable Certificates of Insurance are attached hereto. Insurance Company Name: _____

- ☒ Customer Credit Program
- ☒ Brand Program
- ☒ Equipment Lease Agreement


- ☐ Addenda
- ☒ AVTRIP Program
- ☒ Contract Fuel Dealer Program

CUSTOMER FEIN: 74-6001504

TYPE OF BUSINESS: Government Entity
(i.e. C-corp, S-corp, Partnership, LLC, Sole Proprietorship, or other)

STATE ID NUMBER: _____

STATE OF INCORPORATION: TX

FOR: AVFUEL CORPORATION
By: 
William B. Light
Title: Vice President, Administration

FOR: CITY OF KILLEEN
By: _____
(Signature)
Kent Cagle
(Print Name)
Title: City Manager
(Print Title)

The undersigned hereby guarantee(s) payment and performance of this Agreement by Customer.

By: _____
(Signature) (Print Name) (Social Security Number)

By: _____
(Signature) (Print Name) (Social Security Number)

**FIXED BASE OPERATOR
AVIATION FUEL SUPPLY AGREEMENT**

SPECIAL TERMS AND CONDITIONS

CUSTOMER NAME: City of Killeen

BILLING ADDRESS: SAME
(if different than street address)

DELIVERY ADDRESS: 1. ILE: 1523 Stone Tree Dr Skylark Field, Killeen, TX 76543
(if different than street address) 2. GRK: 8101 South Clear Creek Rd, Killeen, TX 76549

AIRPORT ID (IATA CODE): ILE – Skylark Field
GRK – Killeen Regional Airport

PRODUCT(S): ☒ Jet-A ☐ Jet-A with FSII ☒ Avgas/100LL ☐ Other

PAYMENT TERMS: Net 30 Days

CREDIT LIMIT: \$100,000

EQUIPMENT LEASED:

Description **	Serial Number or VIN	Lease Rate	Replacement Cost (Current)*

*Hazard insurance, **Meters, if so equipped, have NOT been Certified or Calibrated; this is the responsibility of Customer.

CONTRACT FUEL DEALER:

Flight Operation Type (select one): ☒ Corporate Configured Accepted
☐ Non Corporate Ops Only
☐ DC-9 and Larger, Non Corporate Ops Only

Airport Flowage Fee: ☒ YES ☐ NO \$0.055
Storage Fee: ☐ YES ☒ NO

Into-wing Fee Schedule:

Jet Fuel Gallons Uplifted	
Range of Uplifted Gallons	Rate/gallon
1-250	\$0.65
251-99,999	\$0.55

OTHER SPECIAL TERMS AND CONDITIONS:

Incorporation of Proposal: Avfuel hereby incorporates product assurances, services, and incentive offerings contained in the Branded Fuel Supply Proposal to Customer dated July 30, 2025. Elements not listed in this Agreement but included in these proposal documents are incorporated herein by reference. In case of conflicting or contradictory language, the language in the Aviation Fuel Supply Agreement will prevail.

AVIATION FUEL SUPPLY AGREEMENT**GENERAL TERMS AND CONDITIONS**

1. 1. PURCHASE AND SALE: Subject to the terms and conditions contained herein, throughout the entire term of this Agreement, Avfuel agrees to sell and deliver, and Customer agrees to purchase from Avfuel and pay for, the Customer's entire requirements for the following aviation fuel products, including, without limitation: Jet-A, 100LL, SAF, and G100UL, to be handled, stored, used, distributed or sold by Customer or its affiliates at each airport (each an "Airport") listed in the Special Terms and Conditions, including without limitation those Products and Alternative Products that the Customer is presently using that are identified in the Special Terms and Conditions. Customer represents and warrants that all products and services purchased hereunder will be for commercial purposes and Avfuel has relied on this representation in entering into this Agreement. Avfuel has entered this Agreement with the Customer on the expectation and condition that (a) except for Everest Fuel or their successor, the Customer's deliveries of Products and Alternative Products at the Delivery Addresses will be limited to deliveries to end users pursuant to direct sales by the Customer to those end users and deliveries to purchasers listed as Contract Fuel Customers (a "CFC") to facilitate direct sales by Avfuel to those CFCs pursuant to Avfuel's Contract Fuel Program (the "CFD Program"), (b) except for sales pursuant to the CFD Program or Everest Fuel or their successor to purchasers listed as CFCs for brokered resale by those CFCs to end users or resale otherwise brokered through Avfuel, or Everest Fuel or their successor, the Customer will not make any deliveries (or hold inventories) of aviation fuel at the Delivery Addresses pursuant to brokered sales (i.e. sales to end users in which a third party receives a brokerage margin or commission or other fee from the Customer or the end user or sales to third parties who resell the fuel to end users). The Customer acknowledges that these conditions are necessary to preserve Avfuel's continuing investment in developing and maintaining Avfuel's network and that Customer's failure to comply with these conditions will result in Avfuel's exercise of the rights pursuant to Article 11 of the General Terms and Conditions.

2. TERM: — The initial term of this Agreement is (2) years, beginning on the Effective Date specified in the Summary. The City will have the option to extend the contract for up to two (2) additional years, in six (6) month intervals. This option will occur automatically at the end of the previous term unless the City / Contractor serves notice 60 days before contract termination or the end of any extension period. If no notice is given prior to the completion of any renewal, then term shall be automatically renewed for successive thirty (30) day terms until notice is given. The option to extend will not be considered if funding is unavailable or if the contractor's past performance is not within the industry standard.

3. PRICE AND PAYMENT:

3.1. Unless otherwise agreed in writing by the Parties, the price per gallon for Products delivered to Customer shall be as established by Avfuel from time to time in its discretion based upon market and other conditions that it deems pertinent based on the date and time that Avfuel loads the Products into delivery trucks. Prices shall be F.O.B. the Customer's facilities at the Airports (each a "Delivery Address") and shall be exclusive of all taxes, fees, surcharges and other charges.

3.2. Unless otherwise agreed in writing or otherwise required by the state law where the Product is delivered, the standard unit of measurement of quantities of Products purchased and delivered shall be the Net Gallon. The term "Net Gallon" shall mean the volumetric measurement, in U.S. gallons, of a Product actually loaded and measured at the point of shipment, adjusted to the number of U.S. gallons that would have been loaded at a temperature of sixty degrees Fahrenheit (60°F). The conversion ratio shall be from the current American Society for Testing and Materials ("ASTM") IP Petroleum Measurement Tables.

3.3. Unless otherwise agreed in writing by the Parties, Customer agrees to pay in advance by bank wire transfer for all Products purchased hereunder. Failure to pay in advance shall be construed as a credit transaction and shall be subject to the Terms and Conditions of the Customer Credit Program set forth below.

4. TAXES AND OTHER CHARGES:

4.1. Customer shall pay all taxes, assessments, fees and other charges (the "Taxes") which are imposed by any federal, state or local governmental agency or by any airport authority (collectively, the "Taxing Authorities") based upon the delivery, sale, importation, inspection, storage or use of the Products purchased by Customer, excepting Taxes which are imposed upon Avfuel based upon its net income or revenues.

4.2. If the Taxing Authorities collect the Taxes directly from Customer, then Customer shall pay all such Taxes on or before their due dates. If the Taxing Authorities require that Avfuel collect the Taxes from Customer at the time of sale, Avfuel will use its best efforts to include all such Taxes in its invoices to Customer and Customer shall pay all such invoices on or before their due dates. (In its invoices, Avfuel will identify those Taxes as separate items.) If Customer is entitled to an exemption from any Taxes which the Taxing Authorities require to be collected by Avfuel, then, in order to permit Avfuel not to collect those Taxes, Customer shall obtain and provide to Avfuel current and valid exemption certificates relating to those Taxes. If, subsequent to the issuance of any invoice, the Taxing Authorities or Avfuel advise Customer of additional Taxes payable with respect to the Products covered by that invoice, then Customer shall promptly pay such additional Taxes.

4.3. CUSTOMER ACKNOWLEDGES THAT IT REMAINS SOLELY RESPONSIBLE FOR ALL SUCH TAXES, AND WILL INDEMNIFY AVFUEL TO THE EXTENT ALLOWED BY LAW AGAINST ANY LIABILITY FOR SUCH TAXES EVEN IF AVFUEL FAILS FOR ANY REASON TO INCLUDE ANY SUCH TAXES IN ITS INVOICES TO CUSTOMER. HOWEVER, AVFUEL WILL INDEMNIFY CUSTOMER AGAINST ANY LATE CHARGES, PENALTIES OR OTHER CHARGES THAT CUSTOMER INCURS IF AVFUEL'S FAILURE TO INCLUDE ANY TAXES IN ITS INVOICE IS DUE TO GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

4.4. Customer's obligation to indemnify Avfuel to the extent allowed by law shall extend to any Taxes which are assessable against Customer as a result of any subsequent change or reinterpretation of the laws relating to those Taxes or any exemptions from those Taxes and to any Taxes for which an exemption had been claimed but which are subsequently assessed by Taxing Authorities based upon its rejection of the claimed exemption for the Products or Customer.

5. DELIVERY:

5.1. Deliveries shall be made to the Delivery Address(es) listed in the Special Terms and Conditions. Avfuel or its authorized shipping agent ("Shipping Agent") shall be provided access to Customer's storage facilities during normal business hours, or at such other times as may be approved by Customer's authorized representative, for the purpose of unloading the Products. Unless otherwise agreed in writing, the minimum delivery of Jet A or Avgas fuel will be a full standard transport tanker load as determined by the maximum allowable Gross Vehicle Weight between the supply point and the delivery address. Avfuel reserves the right to impose a surcharge for deliveries of less than a full tanker load.

5.2. Delivery shall be into tanks designated by Customer. Such designation shall be construed as a warranty that the designated tanks and containment areas have been inspected and approved by the appropriate regulatory agencies. Customer shall be responsible for all unloading operations including the placement of hoses into the proper storage tanks. Customer shall specifically designate and gauge the available capacity of the tanks into which the Product shall be unloaded, and shall bear all responsibility of spillage or contamination of the Product after it leaves the end of any properly operating hose provided by Avfuel or its Shipping Agent. Access to Customer's tanks shall be furnished in such a manner that Avfuel or its Shipping Agent can safely and conveniently reach Customer's storage facility with the hoses available, and Avfuel or its Shipping Agent may refuse to complete any delivery which Avfuel or the Shipping Agent determines, in its sole discretion, cannot be made safely.

5.3. Customer shall be responsible for all demurrage charges assessed by the Shipping Agent for additional time spent at the Delivery Address(es)_ or any Alternative Location.

5.4. Any claim by Customer of any discrepancy in the quantity of the Product delivered shall be effective only if Avfuel is immediately notified, while Shipping Agent is still present. **GIVEN THE NATURE OF THE PRODUCTS, TIME IS OF THE ESSENCE WITH RESPECT TO SUCH CLAIMS AND NO CLAIM SHALL BE PERMITTED OR EFFECTIVE UNLESS DELIVERED WITHIN THE SPECIFIED PERIOD.**

6. FORCE MAJEURE: Except as provided below, neither Party shall be responsible for any failure to comply with the terms of this Agreement due to causes beyond its reasonable control for the period the effects of such causes continue. These causes shall include but shall not be restricted to: fire, storm, flood, earthquake, explosion, accident, acts of any local, state or federal authority or agency or of a public enemy, war, rebellion, terrorism, insurrection, sabotage, epidemic,

quarantine restrictions, labor disputes, transportation embargoes or delays, acts of God and unavailability of the Product. For purposes of this Agreement, the term "unavailable" shall mean that Avfuel, for any reason whatsoever, including but not limited to government action, reduced or allocated fuel supplies, lack of transportation or the like, is unable to procure and deliver a specific Product on a commercially reasonable basis within two (2) days of the specific time requested by Customer. In that event, and only to the extent of such unavailability, the Parties hereto shall be relieved of their obligations under the applicable provisions of this Agreement. If and as applicable, Avfuel will comply with any governmental statute or regulation mandating the allocation of available supplies of Products. The provisions of this Section shall not apply to the failure of a Party to pay any monetary amounts when due under this Agreement.

7. LIMITED WARRANTY:

7.1. Avfuel warrants that all Products delivered pursuant to this Agreement will, at the time of delivery, conform to the then latest revision of following specifications: Aviation Gasoline will conform to the ASTM Specification D910; and Jet Fuel will conform to the ASTM Specification D1655 and Alternative Products will conform to the then current applicable specifications. Avfuel retains the right to revise the applicable specifications upon written Notice to Customer.

7.2. THE LIMITED WARRANTY STATED ABOVE IS THE ONLY WARRANTY GIVEN BY AVFUEL REGARDING THE PRODUCTS. AVFUEL DISCLAIMS ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE.

7.3. Customer shall sample and test each shipment of Product prior to delivery using industry standard test procedures. If Customer determines or suspects non-conformity then Avfuel must be immediately notified, while the Shipping Agent is still present, and the delivery shall not be completed until either Customer accepts the Product, acknowledging conformity or Avfuel replaces the Product. Customer will permit Avfuel access to Customer's premises and records during normal business hours and upon four (4) hours' telephonic or written Notice to Customer for purposes of investigating any claim of non-conformity. If it is determined that the Product is non-conforming, Avfuel's sole obligation shall be either (1) replacement of the non-conforming Product with conforming Product, or (2) removal of the non-conforming Product and cancellation of the invoice for that Product or refund of the amount paid for that Product, as determined by Avfuel. Avfuel will be reasonably prompt in its actions hereunder. **TIME IS OF THE ESSENCE AND ANY FAILURE TO FOLLOW THE ABOVE PROCEDURE SHALL VOID THE LIMITED WARRANTY.**

8. COMPLIANCE WITH LAWS:

8.1. Each Party shall, at all times and in all respects, comply with all federal, state, county or municipal laws, ordinances, rules and regulations governing its actions in the purchase, storage, handling, use and sale of the Products and all industry standards pertaining thereto, including those that may contain tetraethyl lead or lead alkyl. Further, each of the Parties agree to use its reasonable best efforts to assist the other Party in complying with such laws, ordinances, rules and regulations which the other Party may be required to observe in the performance of its obligations under this Agreement. Each Party reserves the right to terminate those portions of this Agreement governing the purchase of a Product if the other Party violates the provisions of this subsection with respect to that Product. In such event, the remaining provisions of this Agreement shall continue in full force and effect.

8.2. Each Party shall properly instruct its employees, agents and contractors with regard to compliance with all applicable laws, ordinance, rules, regulations and standards governing the use, sale and distribution of the Products that are the subject of this Agreement.

9. INDEPENDENT STATUS: Each Party shall at all times function as an independent contractor and not as a subcontractor, employee or other agent of the other Party. Neither Party shall have the authority to and shall not purport to make any commitments or representations on behalf of the other Party or otherwise to take any actions on behalf of the other Party.

10. RECIPROCAL INDEMNIFICATION: EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, AND TO THE EXTENT TEXAS LAW EACH PARTY (AS SUCH, THE "INDEMNIFYING PARTY") AGREES TO INDEMNIFY TO THE EXTENT ALLOWED BY LAW AND TO HOLD HARMLESS THE OTHER PARTY AND THE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS OF THE OTHER

PARTY (AS SUCH, THE "INDEMNIFIED PARTIES") FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, LOSSES, LIABILITIES, CAUSES OF ACTION, COSTS OR EXPENSES (INCLUDING ATTORNEY'S FEES) OF WHATSOEVER NATURE WHICH ARE ASSERTED AGAINST OR INCURRED BY ANY INDEMNIFIED PARTY AS A RESULT OF THE BREACH BY THE INDEMNIFYING PARTY OF ITS OBLIGATIONS UNDER THIS AGREEMENT OR AS A RESULT OF ANY NEGLIGENCE OR INTENTIONAL MISCONDUCT OF THE INDEMNIFYING PARTY OR OF ANY OFFICERS, DIRECTORS, EMPLOYEES OR AGENTS OF THE INDEMNIFYING PARTY. ANY AMOUNT PAYABLE BY THE INDEMNIFYING PARTY UNDER THIS SECTION 10 SHALL BE DUE WITHIN TEN (10) DAYS AFTER WRITTEN DEMAND AND ANY SUCH AMOUNT WHICH IS NOT PAID WHEN DUE SHALL BEAR INTEREST FROM THE DUE DATE TO THE DATE OF PAYMENT AT THE RATE OF 16% PER ANNUM (OR, IF LESS, AT THE MAXIMUM RATE OF INTEREST PERMITTED UNDER THE LAWS OF THE STATE IN WHICH THE INDEMNIFYING PARTY HAS ITS PRINCIPAL PLACE OF BUSINESS). WITHOUT LIMITING THE GENERALITY OF THE ABOVE PROVISIONS, THE OBLIGATION OF THE INDEMNIFYING PARTY UNDER THIS SECTION 10 SHALL INCLUDE ANY REASONABLE ATTORNEY'S FEES OR OTHER COSTS INCURRED BY THE INDEMNIFIED PARTIES IN ENFORCING THE OBLIGATION OF INDEMNITY UNDER THIS SECTION. EACH PARTY'S OBLIGATION TO INDEMNIFY SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT AND SHALL REMAIN IN FULL FORCE AND EFFECT UNTIL THE LAPSE OF ALL APPLICABLE STATUTES OF LIMITATIONS OR SIMILAR TIME PERIODS WITHIN WHICH AN ACTION FOR INDEMNITY OR CONTRIBUTION MUST BE BROUGHT.

11. BREACH AND TERMINATION:

11.1. Failure of a Party to comply with the provisions of this Agreement shall constitute a breach of the Agreement by the non-complying Party. Except as otherwise permitted under this Agreement, the non-breaching Party shall provide Notice of that breach to the other Party in the manner set forth in Section 16. The Notice shall specify the alleged breach and the period within which the breach must be cured which, except as provided in Section 11.2, shall be at least ten (10) business days. The Party receiving such Notice shall respond thereto in writing within three (3) business days. If the breach is not cured or the dispute resolved within the period specified in the Notice, the Party claiming breach, by further written Notice, at its election, may affirm this Agreement and initiate appropriate legal actions to require the other Party to remedy that breach or may immediately terminate this Agreement. In either instance, the Party claiming the breach may by appropriate legal proceedings seek and secure recovery of any damages resulting from that breach.

11.2. The provisions of Section 11.1 to the contrary notwithstanding, if the breach is of the Customer's obligation to make a payment to Avfuel when due, then Avfuel may declare all amounts owed to it under this Agreement immediately due and payable, and Avfuel, in addition to all other rights hereunder, may suspend its performance or terminate this Agreement forthwith and without giving Customer Notice or the opportunity to cure. Avfuel shall also have the right to offset any amount that Avfuel then or thereafter owes to Customer, to any guarantor of the Customer's obligations under this Agreement or to any affiliate entity that owns, is owned by or is under common ownership with the Customer against any amounts owed by Customer to Avfuel. Customer warrants that it is authorized to make this commitment with respect to amounts owed by Avfuel to such guarantors and affiliate entities. In addition, Avfuel or its agents or employees may, without further Notice and without legal process enter onto any facility of Customer for the purpose of repossessing any item of Equipment or any personal property of any description owned by Avfuel, and Customer shall use its best efforts to assist Avfuel in such repossession. Exercise of the foregoing remedies shall not constitute a waiver of any amount due by Customer hereunder or of any damages accruing by reason of the breach of any of the terms or conditions of this Agreement. Fuels on board repossessed Equipment will become the property of Avfuel, and credited against any amount owed Avfuel by Customer at that day's market price.

11.3. The Party claiming a breach may waive that breach by giving Notice to the other Party in the manner set forth in Section 16 below. The waiver of any breach shall not constitute a waiver of any subsequent breach of the same or any other term or condition. Any failure of either Party to enforce rights or seek remedies arising out of any breach by the other Party shall not prejudice or affect the rights and remedies of that Party in the event of any subsequent breach by the other Party.

11.4. Except as set forth in Section 11.2, any dispute that arises under this Agreement, pursuant to Section 11.1 or otherwise, shall be submitted to a senior officer or other person having the authority to negotiate the resolution of such disputes for each Party. Those persons shall attempt, in good faith, to resolve the dispute, and no action in law or equity shall lie until the process set forth herein shall have run its course. If the dispute involves the payment of money, all undisputed amounts shall be paid when due regardless of whether the undisputed amount is only part of an invoice.

11.5. The exercise of a Party's right to terminate the Agreement or to exercise any other remedy shall not be deemed an election of remedies and shall be without prejudice to the non-breaching Party's rights to exercise any other remedy afforded to it by this Agreement or by law or equity. In any action related to the enforcement or breach of this Agreement, the prevailing Party shall have the right to recover its reasonable attorney's fees and costs actually incurred.

12. INSURANCE:

12.1. Customer shall secure and at its cost shall thereafter maintain in effect during the term of this Agreement the following insurance and furnish Avfuel a Certificate of Insurance evidencing: (1) aviation general liability insurance, including products and completed operations liability, with limits not less than one million dollars (\$1,000,000.00) combined single limit for bodily injury and property damage; and (2) automobile liability insurance with limits not less than one million dollars (\$1,000,000.00) combined single limit for bodily injury and property damage; (3) workers compensation covering all employees of Customer and (4) physical damage coverage covering the value of any leased Equipment. Insurance policies shall be issued by insurance companies acceptable to Avfuel (whose acceptance may not be unreasonably withheld), shall name Avfuel, or its subsidiary, as applicable, as an additional insured and/or loss payee, and shall provide for at least thirty (30) days' written Notice to Avfuel prior to cancellation or modification. Prior to the Effective Date stated in the Summary, and from time to time thereafter as requested by Avfuel, Customer shall furnish Avfuel a Certificate of Insurance evidencing compliance with this Section.

12.2. Customer may, if it chooses, apply for this insurance through Avfuel's subsidiary, Avsurance Corporation.

12.3. Avfuel currently offers to qualifying customers that participate in Avfuel's Brand Program ("Branded Dealers") the opportunity to participate in Avfuel's Excess Aviation Liability Insurance Program. To qualify, a Branded Dealer must maintain as its primary insurance coverage an Airport Liability Policy with premises, products and completed operations coverage of \$1,000,000 (combined single limit) issued by an insurer acceptable to Avfuel. This Program currently allows qualifying Branded Dealers, at no charge, to be designated as additional insured parties under an Excess Aviation Liability Insurance Policy secured by Avfuel, with excess coverage in the amount of \$50,000,000 against claims for bodily injury or property damage resulting from defects in any aviation gasoline and jet fuel that is supplied by Avfuel to the Branded Dealer and resold by the Branded Dealer to end users.

To participate in this Program and secure this excess coverage, the Branded Dealer must complete and submit to Avfuel the required Application and provide to Avfuel a Certificate of Insurance confirming its primary insurance coverage and naming Avfuel as an additional insured. A Branded Dealer becomes an additional insured under Avfuel's Aviation Products Excess Liability insurance coverage on the date that Avfuel delivers Notice to the Branded Dealer that its Application and Certificate of Insurance have been approved by Avfuel and the excess coverage will be applicable to occurrences following that date.

Avfuel reserves the right to discontinue this Program or to require the Customer to pay a charge for participation in this Program. But in that event, Avfuel will deliver Notice to the Branded Dealer at least thirty (30) days prior to the effective date of that discontinuance or cost change so that the Branded Dealer has the ability if it chooses to make alternative arrangements.

13. CUSTOMER CREDIT:

IN THE EVENT THAT AVFUEL CHOOSES TO DELIVER GOODS OR SERVICES THAT HAVE NOT BEEN PAID FOR IN FULL BY WIRE TRANSFER PRIOR TO THE TIME OF THAT DELIVERY, AVFUEL SHALL BE CONSTRUED AS HAVING EXTENDED CREDIT TO CUSTOMER AND THE TERMS AND CONDITIONS IN THIS SECTION

SHALL APPLY.

13.1. Credit terms may not be used during any period in which the Customer is in breach of its obligations under this Agreement. In addition to the provisions of Section 11 of the General Terms and Conditions, for the specific purposes of this Customer Credit Program, the Customer will be in breach if (a) any amount charged to the Customer's account is not paid in accordance with the agreed upon payment terms; (b) if and for so long as the Customer is in breach of any of its obligations under any Agreement with Avfuel or any of its subsidiaries; or (c) if Avfuel determines that there is any misrepresentation or breach of a warranty by the Customer under or with respect to any Agreement with Avfuel. Use of credit is limited to the amount specified in the Special Terms and Conditions of this Agreement. No purchase may be made which would cause the total amount owed under this Agreement to exceed that credit limit.

13.2. Upon termination of this Agreement, Customer shall have no right to credit terms for new purchases, but all obligations incurred prior to the termination, as well as all remedies provided for default or breach, shall survive. If Avfuel, intentionally or unintentionally, permits any purchases on credit after termination, then the terms of this Agreement shall pertain to those charges.

13.3. Subject to the approval by Avfuel at its offices in Michigan, all purchases by Customer for which Avfuel does not receive payment at or prior to the time of delivery to Customer shall be charged as principal to Customer's account. Avfuel may require Customer or Customer's authorized representative, as a condition of delivery or at any time thereafter, to give receipt for all deliveries in writing and to sign sales slips and other documents in Avfuel's opinion necessary to record or substantiate any or all transactions resulting in a charge to Customer's account.

13.4. Avfuel shall invoice Customer for all Products delivered to Customer or to Customer's designees. Invoices shall include the selling price of the Products delivered, taxes, duties, and any other charges as separate line items. Each invoice will be payable in full on or before that due date specified in that invoice.

13.5. Unless otherwise determined by Avfuel in its discretion, all payments received will be applied by Avfuel (subject to collection of remittance if other than cash) first to interest, if any, accrued on Customer's account, then to the unpaid principal balance owed upon such account in direct calendar order of due date.

13.6. Customer agrees to pay to Avfuel upon demand a fee of \$50.00 for each check, draft or other form of remittance that is not honored by the drawee upon due presentment by Avfuel or its agents.

13.7. From time to time, Avfuel may send Customer a statement of Customer's account for Customer's information showing in summary, or in such detail as Avfuel may deem appropriate, current transactions Avfuel posted to Customer's account to date thereof, the amount of interest (if any) which has accrued, and the balance owing thereon; however, the failure of Avfuel to furnish any such statement shall not relieve Customer of the obligation to make payment against invoices when due in accordance with the other terms of this Agreement. Customer agrees to review all statements promptly after receipt, and shall have fifteen (15) days from date of receipt to notify Avfuel in writing of any discrepancies. If no such Notice is given, such statement shall be conclusively presumed correct.

13.8. In the event that any invoice is not paid in full by the due date stated therein, the unpaid amount of the invoice shall bear interest until paid at the lower of 18% per annum or the highest rate which may lawfully be contracted for, charged and received according to applicable law for business purchases at the time of delivery. Notwithstanding anything in this Agreement to the contrary, Customer shall never be obligated to pay and Avfuel shall never be entitled to receive any interest upon any indebtedness incurred by Customer pursuant hereto in excess of the maximum contract rate of interest authorized by applicable law for business purposes, and it is expressly understood and agreed that if Avfuel shall render any charge for the payment of usurious interest, such charge shall be automatically and unconditionally reduced to the maximum non-usurious amount, and the excess, if paid, shall be applied as credit to Customer's account. If such application results in a credit balance in Customer's said account, such balance shall be refunded to Customer or applied to the next due amount in such account as Customer shall direct.

13.9. If, at any time during the term of this Agreement, the financial responsibility of Customer becomes impaired or unsatisfactory to Avfuel, in the sole judgment of Avfuel, Avfuel, effective immediately upon delivery of Notice to Customer, may require the advance cash payment or other security satisfactory to Avfuel for any shipment of fuel and shipment may be withheld until such payment or security is received.

14. CREDIT, CHARGE CARD, AND PAYMENT ACCEPTANCE:

14.1. Customer is participating in Avfuel's Credit, Charge Card, and Payment Acceptance Program (the "Payment Acceptance Program") Accordingly, unless otherwise agreed in writing, Customer must use Avfuel's platform and gateway for all its payment processing needs and Customer shall honor any valid credit or charge card or other non-card based payment modality listed as accepted in the most current Acceptable Card and Payment List ("ACL") issued by Avfuel and published from time to time on its website at Avfuel.com (the "Accepted Cards") for the purchase by the party to which that card/payment method is issued (the "Cardholder") of products and services if the purchase has been specifically approved by Avfuel. To the extent that a non-card payment modality is not listed among the Approved Cards on the ACL, Customer shall be allowed to process such payment outside of Avfuel's gateway until such payment modality is included among the Approved Cards on the ACL.

14.2. Customer shall prepare a voucher for each transaction (a "Card Transaction") with an Accepted Card (a "Voucher") and shall promptly submit that Voucher to Avfuel. The term "Voucher" means an electronically prepared credit card slip or other written record of a credit sale in form acceptable to Avfuel that has been fully completed by Customer and for which Customer is retaining a copy signed a person authorized to use that Accepted Card (an "Authorized User"). Each Voucher must be submitted electronically by means of an approved point of sale machine or point of sale software system (a "POS Device") in accordance with the instructions contained in the then current edition of Avfuel's Manual that can be viewed or downloaded at Avfuel's website at Avfuel.com or according to the approved point of sale software vendors instructions. In all Card Transactions, the Customer is responsible for making sure that the card presented is an Accepted Card and is not expired and that the person signing the Voucher is an Authorized User. In Card Transactions where the Voucher is first prepared manually, the Customer is also responsible to make sure that the Voucher is complete and legible. If imprinted and hand written amounts on a Voucher do not agree the lesser amount shall be presumed to be correct. The Customer shall make a manual imprint of all cards electronically processed but requiring that the card number be entered manually, in order to prove that the card was present at the time of sale. "Promptly" means batches of Vouchers should be submitted (settled) at least once per day and by 11:00 PM Central Time but in no case any less frequently than once every 72 hours. Customer must keep copies of signed Vouchers and summaries for a period of seven (7) years and supply Avfuel with duplicates if requested. Manual Card Transactions are for pre-arranged emergency processing only and are not accepted under most circumstances. Higher discount rates apply for manual Card Transactions and electronic Card Transactions not settled and received daily by 11 pm Central Time.

14.3. Upon receipt from the Customer of a properly prepared and processed Vouchers, Avfuel shall, on its normal schedule, remit to Customer or, as Avfuel may elect, credit Customer's fuel purchase account with Avfuel, in an amount equal to the total face amount of all such Vouchers less such discounts as applicable according to Avfuel's then current Accounts Receivable Discounts Schedule ("ARDS") issued to Customer by Avfuel and subject to adjustments and chargebacks as provided in Section 14.7 below and less any fees for AVTRIP point awards. In addition to any lien rights which Avfuel might otherwise possess as a result of services provided to the Cardholder, upon Customer's receipt of the payment or credit from Avfuel for the Vouchers generated from the Customer's sales to that Cardholder, the Customer automatically and irrevocably transfers to Avfuel any lien rights that Customer has or may have with respect to any property owned by the Cardholder arising from the Card Transaction(s) for which those Vouchers were issued. Avfuel's ARDS is subject to change upon five (5) days prior written Notice.

14.4. Customer acknowledges merchant processing instructions and rules and regulations established by the issuers of the Accepted Cards (the "Issuers") in the Issuers' websites that are included in or referenced in Avfuel's website at Avfuel.com and agrees to abide by these instructions, rules and regulations, as updated from time to time by the Issuers. Furthermore, Customer agrees to comply with all Data Security Standards and Data Security Policies of the Issuers (the "PCI/DSOP Requirements") and certifies to Avfuel that it is and will continue to be compliant with those PCI/DSOP Requirements. Customer shall defend, indemnify and hold harmless Avfuel and its credit card processor from any claims based on Customer's non-compliance with Customer's commitments in this Section including but not limited to penalties, fines, and any costs incurred in responding to any action alleging such non-compliance. Customer understands that failure to be fully compliant with the PCI/DSOP Requirements may result in loss of right to process Card Transaction under the Payment Acceptance Program.

14.5. Customer acknowledges receipt of, and agrees to observe, Avfuel's current instructions for recording and processing Card Transactions that are included in Avfuel's website at Avfuel.com. Avfuel reserves the right to amend any and all instructions in its website and to add new instructions to its website from time to time, and Customer agrees to be bound by all such amendments and new instructions. Avfuel also reserves the right to issue new or revised forms, POS Machines, software

and imprinters from time to time, and to issue instructions regarding their use to be effective upon five (5) days prior written Notice.

14.6. Customer shall be solely liable and responsible for charging and subsequent remittance of all taxes to the proper authorities for all Card Transaction regardless of whether charged to purchaser. Avfuel does not assume any responsibility for the setup, tax rate, reporting or payment of any tax applicable to sales or other transactions resulting in credit card accounts receivable and Customer shall defend, indemnify and hold harmless Avfuel from any such claims. CUSTOMER IS SOLELY RESPONSIBLE FOR KNOWING THE TAXES THAT MUST BE CHARGED FOR EACH CARD TRANSACTION AND FOR PROPER SETUP FOR TAXES IN ANY ELECTRONIC SYSTEM AND THE MAINTENANCE OF THAT ELECTRONIC SYSTEM.

14.7. Without limiting the generality of other provisions of this Agreement or in Avfuel's website at Avfuel.com pertaining to charge backs, it is specifically understood and agreed that Avfuel may decline to accept or, if accepted, may subsequently charge back to Customer any Voucher:

14.7.1. Where any of the required information is omitted or illegible;

14.7.2. That is imprinted or processed with an expired credit card;

14.7.3. Covering a purchase not authorized by the Cardholder or involving fraud or any misuse of a credit card by the purchaser with or without Customer's knowledge;

14.7.4. Covering a transaction that has not been authorized by Avfuel or does not carry a valid authorization code;

14.7.5. Covering a transaction or series of related transactions (constituting in the reasonable opinion of Avfuel a single sale transaction) the aggregate face amount of that exceeds any of the single sale limitations to which the parties hereto may agree;

14.7.6. That becomes the subject of a dispute between Customer and Cardholder, including but not limited to cases where the Customer did not conspicuously post at its facility and print on a work order signed by the Cardholder the Customer's return policy for goods and services.

14.7.7. Where the Authorized User has not received a copy of the Voucher;

14.7.8. For which Customer has received or will receive any payment or reimbursement from any person other than Avfuel;

14.7.9. Where Customer has granted any right of ownership or security interest to any person other than Avfuel unless the invoice is accompanied by a written waiver of such interest;

14.7.10. Presented by Customer to Avfuel more than ten (10) days after the transaction date;

14.7.11. If the Card Transaction occurred or was settled after the date of expiration or termination of this Agreement;

14.7.12. Created by any person other than Customer, or in any transaction other than a Card Transaction in which Customer has sold merchandise or services to a purchaser presenting an Accepted Card for use in payment for that Card Transaction;

14.7.13. That are charged back to Avfuel or rejected for processing by an Issuer or processor for any reason at all; or

14.7.14. That in any other manner does not conform to this Agreement or with Avfuel's or Issuer's instructions for recording and processing Card Transactions in its website at Avfuel.com.

17.7.15 Where Customer has processed a post authorization transaction with no authorization, a fake authorization or an authorization received from anyone other than the company issuing the card

14.8. In the event that a charge back exceeds the credit balance in Customer's fuel purchase account then carried by Avfuel, Customer agrees to pay such excess within three (3) days after notice that such excess is due. Upon reimbursement, title to the Voucher(s) that include such excess and the indebtedness represented thereby (to the extent of such excess) shall pass to Customer. If any funds come into Avfuel's possession for any voucher that has previously been charged back to Customer, Avfuel will promptly credit the full amount thereof to Customer's account. Avfuel's charge back rights and rights of recourse against Customer shall survive the termination of this Agreement.

14.9. Cash advances may not be charged on any Accepted Card and charges for fuel in Vouchers shall only include charges for fuels from stocks delivered by and purchased from Avfuel.

14.10. From time to time, Avfuel will send Customer a Credit Card Remittance Summary for Customer's information showing in such detail as Avfuel may deem appropriate the Card Transactions and amounts that have been credited to Customer's account or paid to Customer during the period since the last report. The failure of Avfuel to furnish a Summary shall not relieve Customer of any obligations under the Payment Acceptance Program. Customer agrees to review all such Summaries promptly after receipt. In any event, Customer shall be solely responsible for making sure that it has received proper payment for each Card Transaction submitted. Customer shall have forty-five (45) days from the date of a Card Transaction to provide Avfuel Notice that the Card Transaction has not been properly accounted for or that payment has not been received. If no such Notice is given, such Card Transaction shall be conclusively presumed to have been settled and closed.

15. ASSIGNMENT: Customer shall not assign its rights or delegate its obligations under this Agreement, in whole or in part, unless with the prior written consent of Avfuel, which consent will not be unreasonably withheld. Any transfer of a controlling interest in Customer shall be deemed an assignment requiring the consent of Avfuel.

16. NOTICES: All notices permitted or required under this Agreement (each a "Notice") shall be in writing. Notices by facsimile or email transmission shall be deemed "delivered" on the date of confirmed transmission, without error, to the fax number or email address designated in the Summary. Notices by mail shall be deemed delivered three (3) business days following the date deposited with the United States Postal Service, certified mail, return receipt requested, postage prepaid, addressed to the Party at the address of the principal office. Notices sent by overnight courier shall be effective on the next business day following deposit with the overnight courier for overnight delivery with the delivery fee prepaid, addressed to the Party at the address of the principal office, and with instructions to obtain the signature of the addressee.

17. PROGRAM PARTICIPATION:

17.1. The provisions of these General Terms and Conditions will apply to the BRAND PROGRAM, AVTRIP PROGRAM, AVSURANCE PRIMARY COMMERCIAL INSURANCE PROGRAM, CONTRACT FUEL PROGRAM, and EQUIPMENT LEASE PROGRAM that are described in the subparts below (each a "Program") except to the extent these provisions are inconsistent with the provisions in the subpart describing that Program.

17.2. If the Customer participates in any Program, whether by formally electing to participate in that Program by selection in the Summary or by informally electing to participate in that Program by taking part in the benefits of that Program, the Customer will be bound by and subject to the provisions in the subpart relating to that Program, as supplemented by the provisions of these General Terms and Conditions.

17.3. Avfuel reserves the unilateral right to amend, suspend, or terminate any Program at any time effective upon written Notice to the Customer. Termination of Customer's participation in any one Program shall not be construed as terminating the Agreement or Customer's participation in another Program.

18. EXCLUSIVE JURISDICTION: Each Party irrevocably and unconditionally agrees that venue and jurisdiction for the resolution of any dispute and the enforcement of any rights in any way arising from or relating to this Agreement shall exclusively be the courts of the state of Texas sitting in Bell County, and any applicable Texas appellate court. This Agreement shall be construed as having been made and entered into in the State of Texas. Each Party submits and consents to personal jurisdiction in Bell County, Texas, and agrees that it is a convenient forum to resolve any such disputes and enforce any such rights, each Party hereby waiving to the fullest extent possible the defense of an inconvenient forum. Each Party agrees that a final judgment in any such action, litigation, or proceeding is conclusive and may be enforced in any jurisdiction anywhere in the world.

19. EXCLUSIVE GOVERNING LAW: This Agreement, and all other matters arising from or relating to this Agreement, are exclusively governed by, and exclusively construed in accordance with, the laws of the State of Texas, without regard to its conflict of laws provisions.

20. SEVERABILITY: In the event that any court of competent jurisdiction shall determine that any provision of this Agreement shall be unenforceable, then that provision shall be deemed to be null and void and the remaining provisions hereof shall remain in full force and effect.

21. ENTIRE AGREEMENT/AMENDMENTS: This Agreement, including all of its parts, sets forth the entire agreement between Avfuel and Customer with respect to the subject matter hereof and there are no other terms or conditions, oral or written, express or implied, relating to or otherwise affecting such subject matter. No term or condition of the Summary or Special Terms and Conditions shall be changed, supplemented, cancelled or waived unless in writing and signed by both Avfuel and Customer. If Avfuel and Customer have, prior to the effective date, been parties to any other agreement relating directly to the sale of Products to Customer (a "Prior Agreement"), such Prior Agreement, except for guarantees, shall be superseded as of the effective date and all rights and obligations between Avfuel and Customer with respect to the supply of Products from and after the effective date shall be governed by the terms of this Agreement. The terms and conditions of such Prior Agreement shall, however, remain in full force and effect with respect to rights and obligations relating to the supply of Products prior to the effective date and nothing contained in this Agreement shall be construed as terminating or otherwise affecting any such rights or obligations.

BRAND PROGRAM:

IF CUSTOMER HAS ELECTED TO PARTICIPATE IN AVFUEL'S BRAND PROGRAM, THE FOLLOWING WILL APPLY.

1. Customer has been invited and has elected to participate in Avfuel's Brand Program. Accordingly, Avfuel hereby licenses Customer as a dealer ("Branded Dealer") to use Avfuel's Brand Names and Trademarks subject to the provisions set forth herein. All trade names, trademarks, service marks, logos and other commercial symbols that Avfuel either owns or has the right to sub-license (the "Intellectual Property") shall be and remain the property of Avfuel. Further all signs, decals, graphic materials and other tangible property supplied by Avfuel which bear or are imprinted with any of the Intellectual Property or are used to imprint or display the same (the "Branded Property") and all replacements thereof shall be and remain the property of Avfuel. Any use of the Intellectual Property or the Branded Property by the Customer otherwise than as expressly authorized by this Agreement is hereby expressly prohibited. Upon termination of Customer's participation in the Brand Program Customer shall, at its expense, de-install and return to Avfuel all salvageable signage and return or destroy all other items that identify Customer as a branded Avfuel dealer.

2. Avfuel agrees to supply to Customer, for Customer's use and possession during the term of this Agreement such signs, decals, and other graphic materials as Avfuel deems necessary in order to identify Customer as an Avfuel Branded Dealer. Unless otherwise agreed in writing, Avfuel will bear all costs of such materials.

3. Customer shall be responsible for obtaining all necessary permits and for installation of all Branded Property including (without limitation) all electrical and other connections, and shall make sure that all installations shall comply with all brand specifications and with all applicable state and local codes, ordinances and governmental regulations (if any). Unless otherwise agreed in writing, the Customer will bear all costs of installation. No signage shall be installed so as to become a fixture upon real property. The use of color schemes and Intellectual Property painted on facilities and equipment owned by Customer or others and used in the conduct of Customer's business, shall comply with particular and displayed specifications. Customer shall be responsible for maintenance and upkeep of Branded Property and Paint-ons, and agrees to keep and maintain the same at all times in a good, clean, safe, operative and first-class condition, neatly painted and displayed. If any of such installation or maintenance is performed by Avfuel, Customer agrees to remit upon demand all costs thereof, including (without limitation) all expenditures for labor, materials and the like. If any Branded Property is damaged, lost or destroyed while in Customer's use, possession or control, or if Customer shall deliver any of such property to anyone not herein expressly authorized to use or possess it, Customer agrees to repair, recover or replace such property forthwith, at Customer's expense.

4. Customer shall keep all Branded Property insured at all times against loss, theft, fire or physical damage, up to the full replacement cost thereof, designating Avfuel as the loss payee. The Customer shall pay when due all personal property taxes and assessments assessed against the Branded Property and shall neither suffer nor permit any lien or encumbrance or any attachment against any of such Branded Property.

5. Customer agrees that it will not use or display any Branded Property or Intellectual Property: (a) in a manner which causes or is calculated to cause confusion among patrons of Customer or the general public as to the type, characteristics, quality, manufacture or sponsorship of any fuel or other product which Customer offers for sale; (b) for the purpose of selling or promoting the sale of aviation fuel other than fuels supplied by Avfuel; or (c) for the purpose of selling or offering for sale any product which has been diluted or adulterated, whether

intentionally or not. Customer further agrees that it will at all times maintain its facilities and conduct its operations in compliance with those standards and procedures established from time to time by Avfuel and applicable to aviation fixed base operators displaying any of the Intellectual Property. Such standards and procedures may include (without limitation) image quality standards for the brand displayed, quality control and refueling procedures for products bearing such brand, and standards for services offered and facilities utilized by Customer in conjunction with such products. Avfuel may, but shall be under no obligation to conduct periodic tests and inspections as it may deem appropriate to evaluate compliance with this Agreement. Copies of all test and inspection reports shall be given to Customer. It is expressly understood that the purpose of any such tests or inspections is to assist Customer in complying with the standards set for a Branded Dealer. By performing such tests or inspections Avfuel assumes no responsibility for Customer's failure to comply with the Standards or for safety hazards, latent or patent, created or maintained by Customer. If Avfuel determines, in its sole discretion, that Customer is or has violated this provision, then Avfuel may suspend or terminate Customer's right to use Avfuel's Brands and or Trademarks.

AVTRIP PROGRAM:

IF CUSTOMER HAS ELECTED TO PARTICIPATE IN AVFUEL'S AVTRIP PROGRAM, THE FOLLOWING WILL APPLY.

1. Customer has been invited and has elected to participate in Avfuel's AVTRIP Program a marketing incentive program intended to reward pilots who choose to purchase fuel and services from participating Avfuel dealers.

2. Customer will:

2.1. Use its best efforts to enroll pilots in the AVTRIP Program;

2.2. Award all participating pilots two AVTRIP Points for each U.S. gallon of fuel purchased from Customer and, at Customer's discretion, a minimum of one point for each U.S. dollar, or part thereof, spent by a participating pilot for parts and services at Customer's facilities;

2.3. Pay to Avfuel, by deduction from amounts due to Customer or in cash if no amounts are due Customer, \$.01 for each AVTRIP point awarded;

2.4. Maintain complete records of all points earned by participating pilots;

2.5. Train its personnel in the operation of the AVTRIP Program, and prominently post written materials relating to AVTRIP in and around its facilities in order to encourage pilot participation in the program; and

2.6. Promptly send all enrollments to Avfuel so that the enrollee can be added to the list of AVTRIP participants. Not less frequently than every two weeks, Customer will send Avfuel copies of all records pertaining to points earned by pilots that have not been previously reported via POS transmission, and remit to Avfuel all sums due hereunder.

3. Avfuel will:

3.1. Act as the administrator of the AVTRIP Program; and

3.2. Include the AVTRIP Program in its local, national and international marketing and advertising efforts as it deems appropriate to encourage pilot participation in the AVTRIP Program.

4. The price charged to any pilot for fuel, parts or service shall not be based on whether a pilot participates in the AVTRIP Program.

5. Avfuel reserves the unilateral right to amend, suspend, or terminate the AVTRIP Program at any time effective upon written notice to the Customer. Avfuel also reserves the right to terminate any individual's participation at any time for misuse of the AVTRIP card, violation of the rules of the program, or inactivity for a period of twelve (12) consecutive months. Customer may withdraw from this Program upon ninety (90) days' Notice to Avfuel. See Section 16 of the General Terms and Conditions regarding Notices. Termination of Customer's participation in this Program shall not be construed as terminating the Agreement or Customer's participation in any other program.

CONTRACT FUEL DEALER PROGRAM:

IF CUSTOMER HAS ELECTED TO PARTICIPATE IN AVFUEL'S CONTRACT FUEL DEALER PROGRAM, THE FOLLOWING WILL APPLY.

1. Customer has been invited and has elected to participate in Avfuel's Contract Fuel Dealer Program (the "CFD Program"). Accordingly, Customer agrees to sell and deliver to clients who participate in Avfuel's Contract Fuel Program (the "CFCs" or a CFC" as the context may require) aviation fuel supplied by Avfuel and other products and services supplied by the Customer. A CFC is a person or entity that has executed a Contract Fuel User's Agreement with Avfuel or that is specifically authorized in writing, in accordance with authorization procedures established from time to time by Avfuel, and is included in a listing of purchasers eligible to purchase aviation fuel and other products and services under the CFD Program. The Customer will secure authorization from Avfuel before completing a sale to a CFC and the failure to obtain such authorization may result in Avfuel's dishonor of the invoice for that sale.

2. Subject to agreement between Customer and Avfuel, Products supplied hereunder shall be supplied from either Avfuel inventory on site or from Customer inventory. If, as a convenience to Customer, Avfuel maintains inventory at Customer's facility then Customer agrees to the following: (a) if Avfuel's inventory is held separately in a segregated storage facility, Customer will withdraw fuel from that facility only to supply authorized CFCs and (b) if Avfuel's inventory is commingled with the inventory of the Customer (and, if applicable, third parties) in unsegregated facilities, Customer will not use or permit others to use Avfuel's inventory to supply parties other than authorized CFCs and to that end Customer shall not at any time make or permit withdrawals from that facility that would reduce the fuel in such facilities below the level of Avfuel's inventory (and, if applicable, the inventories of third parties). Customer shall measure Avfuel's inventory and reconcile that inventory on an ongoing basis. Reconciliation reports, in a form satisfactory to Avfuel, shall be delivered to Avfuel no later than the 5th day following the end of each month. If Avfuel's inventory is commingled in an unsegregated storage facility, gains and losses shall be allocated proportionally to the parties sharing the storage facility based on receipts of fuel during the month and losses shall be limited to no more than 1/4% of total receipts for per annum. Book inventory shall be adjusted to coincide with actual inventory each month. Unless the Products are contaminated by an act or omission of Dealer, Avfuel will be liable if the Products do not conform to specifications. If the Products are supplied from the Customer's inventory, the Customer will be liable if the Products do not conform to specifications. Customer shall maintain Avfuel's inventory level in accordance with Avfuel's guidelines and shall specify when ordering fuel whether that fuel is for Customer's or Avfuel's inventory (which is subject to approval by Avfuel).

3. Under the CFD Program, all aviation fuel delivered by the Customer to a CFC will be deemed sold by Avfuel and will be at the prices and terms independently established between Avfuel and the CFC. If Avfuel maintains an inventory of aviation fuel at the Customer's facilities, then aviation fuel supplied by the Customer to CFCs will be drawn from Avfuel's inventory. If Avfuel does not maintain an inventory of aviation fuel at the Customer's facilities, then aviation fuel supplied to a CFC is drawn from the Customer's inventory and Avfuel will account for that aviation fuel by issuing a credit to the Customer equal to the Customer's cost for that aviation fuel, including applicable taxes, based upon the Customer's cost for the last load of aviation fuel purchased from Avfuel prior to the date of supply to the CFC.

4. The charges for all aviation fuel supplied to the CFC will be payable solely to Avfuel. Avfuel will be responsible for collecting and remitting any taxes imposed thereon by any local, state or federal taxing authority. Avfuel will invoice and collect those charges and taxes from the CFC. Avfuel, as the seller of all aviation fuel supplied to the CFC, will be the holder of and have the sole right to exercise all lien rights under applicable law on the aircraft into which that aviation fuel is supplied. In addition to any lien rights which Avfuel might possess as a result of services provided to a CFC, upon Customer's receipt of the credit from Avfuel for the vouchers generated from the Customer's deliveries of fuel to that CFC, the Customer automatically and irrevocably transfers to Avfuel any lien rights that Customer has or may have with respect to any equipment or other property owned by the CFC arising from such deliveries of fuel.

5. In all sales of aviation fuel drawn from Avfuel's inventory, title to that aviation fuel will be retained by Avfuel until the point in time that the aviation fuel enters into the aircraft of the CFC, at which point in time title will pass to the CFC. In all sales of aviation fuel drawn from Customer's inventory, title to that aviation fuel will be retained by the Customer until the point in time that the aviation fuel enters into the aircraft of the CFC, at which point in time title will pass instantaneously first to Avfuel and then to the CFC. The risk of loss or contamination of aviation fuel will be borne at each point in time by the party who or which holds title to that aviation fuel at that point in time. If, while Avfuel holds title, any aviation fuel is lost or contaminated as a result of the acts or omissions of the Customer, then the Customer will be liable to Avfuel for that loss or contamination.

6. The into-wing services provided by the Customer in delivering the aviation fuel to the CFC and any other services or products other than aviation fuel to the CFC for which a fee is charged will be deemed sold by the Customer to the CFC. The Customer's fees to CFC's for into-wing services will be at a charge equal to the lowest charge imposed by the Customer to any other purchaser of aviation fuel at the FBO, less the discount that would be applicable to that charge under Avfuel's Payment Acceptance Program (in that Avfuel will incur the discount in collecting that charge from the CFC). All other services and products will be supplied at the Customer's normally established rates. Such other products may include, without limitation, lubricants, spare parts, food and other amenities. Such other services may include, without limitation, flowage fees, tie-down services, catering services and similar services that expedite deliveries and facilitate arrangements for the CFC. No cash advances will be permitted as "other products or services". The Customer will supply all such other products or services as an independent contractor to the CFC and not as an agent or a subcontractor of Avfuel.

7. All other products and services that are supplied by Customer to CFCs will be provided in accordance with procedures and quality standards that are commercially reasonable and that comply with all legal requirements in the jurisdiction where the Customer's facilities are located. Customer will be solely liable if such other products and services do not conform to such standards, procedures or requirements.

8. The charges for all other products and services supplied by the Customer to the CFC will be payable solely to the Customer. The Customer will be responsible for collecting and remitting any taxes imposed thereon by any local, state or federal taxing authority. Customer may directly invoice and collect such charges from the CFC. Alternatively, at the Customer's option, Customer may assign to Avfuel for collection the account receivable from the CFC for other products and services supplied by the Customer (a "CFC Receivable"). If the Customer assigns a CFC Receivable to Avfuel, then Avfuel will issue a credit to the Customer's account for the amount of that CFC Receivable and Avfuel will thereafter invoice, collect and retain those charges from the CFC.

9. Any fees for any services supplied by the Customer in the delivery of aviation fuel to a CFC, including, without limitation any flowage fees or into-wing fees, will be earned by the Customer only after it has completed delivery of the entire load of aviation fuel into the aircraft of the CFC and title to that aviation fuel has passed to the CFC. Initial into-wing fees are established in the Special Terms and Conditions and, subject to the "most favored customer" provision in Paragraph 6, Customer may change those fees upon seven (7) days written Notice to Avfuel.

10. Customer will generate an electronic written record (a "Ticket") of all aviation fuel supplied to a CFC at the Customer's facility. Each Ticket will include the following information: the CFC's name; the authorization number; pilot's name; aircraft registration number; flight or ID number provided by the CFC if applicable; transaction date(s); and type and quantity of fuel products provided, as measured in U.S. gallons. In addition, if the Customer assigns to Avfuel the CFC Receivable for other products and services supplied by the Customer to the CFC, the Customer will include in the Ticket the type and quantity of such other products or services and the charges payable by the CFC for such other products or services. Any charges for such other products or services must be separately stated and clearly identified as fees charged by the Customer that are separate from and independent of the amounts charged by Avfuel for aviation fuel. The pilot or other responsible representative of the CFC shall sign and be given a copy of the completed Ticket.

11. The Ticket (or all information required to be shown on the Ticket) for each sale to a CFC shall be delivered to Avfuel by POS Transmission within twenty-four (24) hours following the completion of that sale. The original Tickets shall be kept on file by Customer for a period of five (5) years from the invoice date and will be sent to Avfuel upon request. Avfuel will from time to time provide Customer with instructions for processing these transactions and may provide the forms for doing so. Avfuel reserves the right to change these procedures upon seven (7) days written Notice to Customer.

12. The total amount due with respect to each Ticket shall be paid or credited to Customer's by Avfuel within ten (10) days following Avfuel's receipt of the Ticket.

13. Except as provided herein, all Tickets will be accepted by Avfuel without recourse. The exceptions are: a) Customer warrants the validity of all charges, and any charge that is disputed by the CFC, correctly or incorrectly, on grounds that the charge is invalid or inaccurate or that the aviation fuel, products or services supplied were unsatisfactory, not performed or not delivered may be charged back to Customer at Avfuel's option; b) charges not previously authorized by Avfuel may be charged back to Customer at Avfuel's option; and c) any Ticket that is incomplete, illegible, or is otherwise not prepared in accordance with Avfuel's processing instructions may be charged back to Customer at Avfuel's option.

EQUIPMENT LEASE PROGRAM:

IF CUSTOMER HAS ELECTED TO PARTICIPATE IN AVFUEL'S EQUIPMENT LEASING PROGRAM, THE FOLLOWING WILL APPLY.

1. Customer has elected to participate in Avfuel's Equipment Lease Program. Accordingly, Avfuel, either for its own account or through one of its subsidiaries, agrees to deliver and lease the equipment identified in the Special Terms and Conditions (the "Equipment") at the lease rates shown in the Special Terms and Conditions to Customer for its sole use. All additional equipment or replacement equipment delivered to Customer but not listed in the Special Terms and Conditions shall also constitute Equipment subject to the provisions of this Section. For example, Customer may lease POS equipment from Avfuel at the then current lease price. Customer hereby agrees to pay Avfuel in advance the monthly lease payments prorated for any partial month. Avfuel may increase the rent during the term of the Lease upon 30 days written Notice. Customer shall be permitted to notify Avfuel within the first 15 days of that Notice period of its intention to terminate the lease effective on the date that the increase goes into effect. If Avfuel rescinds the rate increase, the lease shall continue in effect at the then current rates. If it does not rescind the increase, the lease shall expire on the date the increase goes into effect. Unless otherwise agreed, the term of the lease of each item of Equipment (a "Lease") shall correspond to the term of this Agreement.

2. Avfuel will advance the costs for the transport of the Equipment from the Avfuel facility to the Customer's facility and the responsibility for those costs will be as follows: (a) if the initial term of the Lease is less than five (5) years, at the time of delivery of the Equipment Avfuel will invoice the Customer for those advanced costs and the Customer will pay that invoice within twenty (20) days; (b) if the initial term of the Lease is five (5) years or more but is terminated before the end of the first five (5) years of that initial term as a result of the default by the Customer (truck lease being terminated for any reason other than a Default by Avfuel), then at the time of that termination, Avfuel will invoice the Customer for those advanced costs and the Customer will pay that invoice within twenty (20) days; and (c) if the initial term of the Lease is at least five (5) years and is not terminated before the end of that initial term, then Avfuel will bear those advanced costs without any right of reimbursement from the Customer.

3. Customer shall inspect the Equipment and shall make written notes as to any defects that are observed. A copy of all such notes shall be faxed or emailed to Avfuel within forty-eight (48) hours after the Equipment is delivered to the Customer. The failure to make and deliver those notes within that period will constitute the Customer's acknowledgement that there were no defects in the Equipment at the time delivered to the Customer.

4. Avfuel warrants that it has all necessary rights to lease said Equipment to Customer. Further, the parties agree that as between themselves, Avfuel has title to the Equipment and Customer shall keep the Equipment free of liens and shall not do or permit anything to be done that will prejudice the title of Avfuel, or its rights in the Equipment. Each item of Equipment shall bear a legend denoting it as the property of Avfuel and Customer shall not remove or deface that legend under any circumstances. Customer also agrees and understands that Avfuel may file such evidence of its ownership of the equipment as may be necessary in the state where the equipment is located.

5. AVFUEL MAKES NO WARRANTY, EXPRESS OR IMPLIED, REGARDING DEFECTS IN MATERIAL, WORKMANSHIP, DESIGN, CAPACITY, MERCHANTABILITY OR FITNESS OF THE EQUIPMENT FOR ANY PURPOSE, OR WHICH EXTEND BEYOND THE DESCRIPTION OF THE EQUIPMENT THAT APPEARS IN THE SPECIAL TERMS AND CONDITIONS.

6. Any of the Equipment that is used to store or transport Products shall be used solely for storing or transporting Products supplied to Customer under this Agreement.

7. The Equipment is not licensed or titled for use on public roads. The Equipment shall not be moved from the facility to which it was delivered nor operated on any public road without the prior written consent of Avfuel.

8. Customer will comply with all laws, ordinances and regulations applicable to the possession, operation or use of the Equipment and will demonstrate compliance upon request.

9. The maintenance obligations with regard to the Equipment are as follows.

9.1. Except as set forth in Section 9.2 below, Customer will maintain the Equipment in as good a condition as it was on the day of delivery, normal wear and tear excepted. Customer shall, at its sole expense, provide all preventative maintenance (including

but not limited to lubrication, oil and filter changes, etc.), repairs, and replacement parts as are necessary to preserve the Equipment in good operating condition and in compliance and in conformity with all laws, rules, regulation, and industry standards which are applicable to the operation of the Equipment. Customer shall also be responsible for all meter calibration and certification (meters are not calibrated or certified when delivered) and all tire maintenance, repair, and replacement. **CHANGING A TIRE ON A REFUELER TRUCK IS VERY DANGEROUS AND MUST NOT BE ATTEMPTED BY UNTRAINED PERSONNEL. CUSTOMER AGREES THAT IT WILL PERMIT TIRES TO BE CHANGED ONLY BY AN OUTSIDE CONTRACTOR WHO IS PROFESSIONALLY TRAINED TO DO SUCH WORK.** Customer shall keep complete and accurate maintenance records and Avfuel is entitled to inspect the Equipment and the maintenance records at any time during regular business hours. At Avfuel's option, any item of repair or maintenance that would be the responsibility of Customer may be performed by Avfuel and billed back to Customer as additional rent. Customer shall not make any alterations or modifications to the Equipment of any kind including but not limited to painting, mounting of radios or antennas, applying decals or lettering without the prior express written consent of Avfuel.

9.2. Avfuel shall be responsible for the following refueler truck repairs when, in its opinion, repair is necessary: overhauls or replacement of the engine, transmission, differential, or belly valve. Avfuel shall be permitted access to the Equipment at any reasonable time in order to perform the repairs and modifications, which are its obligation hereunder. Repairs and maintenance to be performed by Avfuel shall be completed within a reasonable time after it learns of the need for such repairs. Avfuel assumes no responsibility for loss of use or any other items of ancillary damage, which may be caused by, or result to Customer by reason of the fact that the Equipment becomes inoperable. If any such repair or maintenance is required as the result of intentional conduct, negligence, or failure to perform repair or maintenance on the part of Customer or any of Customer's agents or employees, Customer shall be liable for all costs associated with performing such repairs and/or maintenance.

10. Customer shall be responsible for all Federal, State, and local taxes, fees, etc. that are assessed on the use or value of the Leased Equipment, including but not limited to, personal property, sales, and use taxes.

11. Customer shall secure insurance against any damage to or loss of the Equipment with coverage equal to the actual cash value of the Equipment and with the limitation of that coverage not less than the amount specified for that Equipment in the Special Terms and Conditions. Insurance policies shall be issued by insurance companies acceptable to Avfuel (which acceptance may not be unreasonably withheld), shall name Avfuel, or its subsidiary as loss payee, and shall provide for at least thirty (30) days' written Notice to Avfuel prior to cancellation or modification. Customer shall maintain such policies in full force and effect for the equipment for so long as Customer continues to lease that Equipment.

12. IN ADDITION TO THE INDEMNIFICATION OBLIGATIONS CONTAINED IN SECTION 10 OF THE GENERAL TERMS AND CONDITIONS, CUSTOMER AGREES TO INDEMNIFY TO THE EXTENT ALLOWED BY LAW AND HOLD AVFUEL AND/OR THE OWNER OF THE EQUIPMENT HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, LIABILITIES, LOSSES, EXPENSES (INCLUDING ATTORNEY'S FEES), OBLIGATIONS AND CAUSES OF ACTION FOR INJURY TO OR DEATH OF ANY AND ALL PERSONS, OR FOR DAMAGE TO OR DESTRUCTION OF ANY OR ALL PROPERTY ARISING OUT OF OR RESULTING FROM THE CONDITION, EXISTENCE, USE OR MAINTENANCE OF THE EQUIPMENT.

13. Upon termination of any Lease, at any time and for any reason, Customer shall (a) return the Equipment to Avfuel in as good condition as when Customer received it, normal wear and tear excepted, (a) pay for any necessary repair and replacement of any damages or missing Equipment, and (c) pay all costs for the transport of the Equipment from the Customer's facility to Avfuel's facility. If Customer breaches any of these commitments, Avfuel may advance those costs and invoice the Customer for those costs and the Customer will pay that invoice within twenty (20) days.