#### **CONTRACT FUEL DEALER AGREEMENT**

## GENERAL TERMS AND CONDITIONS

- 1. APPOINTMENT: Dealer has been invited and has elected to participate in Avfuel's Contract Fuel Program (the "Contract Fuel Program") effective as of the date stated in the Summary or the date of the first fueling by Dealer on the Avfuel Contract Fuel Program (the "Effective Date"). Accordingly, Dealer agrees to sell and deliver at its facilities in the Special Terms And Conditions (the "Facilities") to each customer who participates in Avfuel's Contract Fuel Program (a "CFC") aviation fuel and other products and services supplied by the Dealer. A CFC is a person or entity that has executed a Contract Fuel User's Agreement with Avfuel and is included in a listing of purchasers eligible to participate in the Contract Fuel Program 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 Dealer will secure confirmation 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. TERM: The term of this Agreement is beginning on the Effective Date specified and will continue until one Party delivers a Notice to the other Party of its intent to terminate at least thirty (30) days prior to the effective date of termination.

## 3. FUEL SUPPLY:

- 3.1 Subject to agreement between Dealer and Avfuel, aviation fuel supplied hereunder shall be supplied from either an inventory maintained by Avfuel at the Facilities or from the inventory maintained by the Dealer at the Facilities.
- 3.2 If Avfuel maintains an inventory of aviation fuel at the Facilities, then aviation fuel supplied by the Dealer to CFCs will be drawn from Avfuel's inventory. If Avfuel's inventory is held separately in a segregated storage facility, Dealer will withdraw fuel from that facility only to supply authorized CFCs. If Avfuel's inventory is comingled with the inventory of Dealer (and, if applicable, third parties) in unsegregated storage facilities, Dealer will not use or permit others to use Avfuel's inventory to supply parties other than authorized CFCs and to that end Dealer 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). Dealer will measure Avfuel's inventory and reconcile that inventory on an ongoing basis and 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. In such reconciliations (a) 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. and (b) book inventory shall be adjusted to coincide with actual inventory each month. Dealer will maintain Avfuel's inventory level in accordance with Avfuel's guidelines and will specify when ordering fuel whether that fuel is for Dealer's or Avfuel's inventory (which is subject to approval by Avfuel).
- 3.3 If Avfuel does not maintain an inventory of aviation fuel at the Facilities, then aviation fuel supplied to a CFC will be drawn from the Dealer's inventory and Avfuel will account for that aviation fuel as follows: (a) if Avfuel supplies aviation fuel to the Dealer, then Avfuel will issue a credit to the Dealer on the basis described below and (b) if Avfuel does not supply aviation fuel to the Dealer, Avfuel will pay the Dealer for the aviation fuel at the price and on the terms stated in the Special Terms And Conditions or other written agreement between Avfuel and the Dealer. In cases where a credit is issued, if the last load of aviation fuel delivered to the Dealer is within thirty days of the date of supply to the CFC, the credit will be based on the price (including applicable taxes) paid by the Dealer for aviation fuel delivered in that last load but if the last load of aviation fuel delivered to the Dealer is more than thirty days before the date of supply to the CFC, and if the current price that is payable by the Dealer for aviation fuel purchased from Avfuel on the date of supply is less, then Avfuel, at its option, can base the credit on the price applicable as of the date of supply to the CFC.
- 3.4 If aviation fuel supplied by the Dealer to a CFC does not conform to applicable specifications, then Avfuel will be liable for those non-conformities if the fuel is supplied from Avfuel's inventory (unless due to the acts or omissions of the Dealer or its employees or other agents) and the Dealer will be liable for those non-conformities if the fuel is supplied from the Dealer's inventory (unless due to the acts or omissions of the Avfuel or its employees or other agents)

# 4. FUEL SALES/TRANSFER OF TITLE/DELIVERY SERVICES

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- 4.1. All aviation fuel delivered by the Dealer to a CFC will be deemed sold by Avfuel and will be at the prices and terms independently established between Avfuel and the CFC. The charges for all aviation fuel supplied to the CFC will be payable solely to Avfuel. 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 Dealer's receipt of the credit from Avfuel for the vouchers generated from the Dealer's deliveries of fuel to that CFC, the Dealer automatically and irrevocably transfers to Avfuel any lien rights that Dealer has or may have with respect to any equipment or other property owned by the CFC arising from such deliveries of fuel. All charges for all aviation fuel supplied to the CFC will be transmitted to Avfuel electronically by means of point-of-sale equipment approved by Avfuel under procedures established by Avfuel and approved by the Dealer. 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.
- 4.2 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 Dealer's inventory, title to that aviation fuel will be retained by the Dealer 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 Dealer, then the Dealer will be liable to Avfuel for that loss or contamination.
- 4.3 Any services supplied by the Dealer for which charges are imposed in the delivery of aviation fuel to a CFC, including, without limitation any flow fees or into-wing fees, will be "Ancillary Services" governed by Section 6 and will be deemed earned by the Dealer 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 purchaser" provision in Section 5.1, the Dealer may change those fees upon seven (7) days written notice to Avfuel.

# 5. ANCILLARY PRODUCTS OR SERVICES.

- 5.1 The into-wing services provided by the Dealer in delivering the aviation fuel to the CFC and any other services or products other than aviation fuel provided to the CFC for which a charges are imposed (the "Ancillary Products & Ancillary Services") will be deemed sold by the Dealer to the CFC. The Dealer's fees for into-wing services will be at a charge equal to the lowest charge imposed by the Dealer to any other purchaser of aviation fuel at the Facilities, less the discount that would be applicable to that charge under Avfuel's Credit and Charge Card 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 Dealer's normally established rates. Such Ancillary Products may include, without limitation, lubricants, spare parts, food and other amenities. Such Ancillary 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 Ancillary Products & Ancillary Services. The Dealer will supply all such other Ancillary Products & Ancillary Services as an independent contractor to the CFC and not as an agent or a subcontractor of Avfuel.
- 5.2 All Ancillary Products & Ancillary Services that are supplied by Dealer 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 Facilities are located. Dealer will be solely liable if such other Ancillary Products & Ancillary Services do not conform to such standards, procedures or requirements.
- 5.3 The charges for all Ancillary Products & Ancillary Services supplied by the Dealer to the CFCs will be payable solely to the Dealer. The Dealer will be responsible for collecting and remitting any taxes imposed thereon by any local, state or federal taxing authority. The Dealer may directly invoice and collect such charges from the CFC. Alternatively, at its option, the Dealer may assign to Dealer's Initials

Avfuel for collection the account receivables from the CFCs for such other products and services supplied by the Dealer ("Ancillaries Receivables"). If the Dealer assigns an Ancillary Receivable to Avfuel, then Avfuel will issue a credit to the Dealer's account for the amount of that Ancillary Receivable and Avfuel will thereafter invoice, collect and retain those charges from the CFC.

#### 6. CFC TICKETS

- 6.1 The Dealer will generate a written record (a "Ticket") of all aviation fuel supplied to a CFC at the Facilities. 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; and type and quantity of fuel products provided, as measured in U.S. gallons. In addition, if the Dealer assigns to Avfuel the Ancillary Receivable for Ancillary Products & Ancillary Services supplied by the Dealer to the CFC, the Dealer will include in the Ticket the type and quantity of such Ancillary Products & Ancillary Services and the charges payable by the CFC for those Ancillary Products & Ancillary Services. Any charges for Ancillary Products & Ancillary Services must be separately stated and clearly identified as fees charged by the Dealer 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. 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 or facsimile within twentyfour (24) hours following the completion of that sale. The original Tickets shall be kept on file by Dealer 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 Dealer 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 Dealer.
- 6.2 The total amount due with respect to each Ticket shall be paid or credited to Dealer's by Avfuel within 10 days following Avfuel's receipt of the Ticket.
- 6.3 All Tickets will be accepted by Avfuel without recourse, subject to the following: (a) the Dealer warrants the validity of all charges included in each Ticket, 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 or the Ancillary Products & Ancillary Services supplied were unsatisfactory may be charged back to Dealer at Avfuel's option; (b) charges to a CFC not previously authorized by Avfuel may be charged back to Dealer 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 Dealer at Avfuel's option.

## 7. COMPLIANCE WITH LAWS:

- 7.1. 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, sale and use of the aviation fuel and all industry standards pertaining thereto and the Dealer 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 provision of Ancillary Products & Ancillary Services. Further, each Party agrees 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.
- 7.2. Each Party shall properly instruct its employees, agents and contractors with regard to compliance with all applicable laws, ordinance, rules, regulations and standards governing this Agreement.
- 8. 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.
- 9. RECIPROCAL INDEMNIFICATION: Except as otherwise provided in this Agreement, each Party (the "Indemnifying Party") agrees to indemnify and to hold harmless the other party and the officers, directors, employees, subcontractors and agents of the other party (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 wrongful act or omission 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 9 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 18% 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 above provisions, the obligation of the Indemnifying Party under this Section 9 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.

## 10. INSURANCE:

- 10.1. Prior to the Effective Date the Dealer shall submit proof that it holds the following insurance and furnish Avfuel a Certificate of Însurance evidencing: (a) 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 (b) automobile liability insurance with limits not less than one million dollars (\$1,000,000.00) combined single limit for bodily injury and property damage; (c) workers compensation covering all employees of Dealer. 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. The Dealer shall maintain such policies in full force and effect throughout the term of this Agreement. The Dealer may, if it chooses, apply for this insurance through Avfuel's subsidiary, Avsurance Corporation.
- 10.2. Avfuel currently maintains an excess aviation products liability policy under which its qualified customers may be named as additional insureds. For so long as Avfuel elects to continue to maintain that insurance and permit customers to be additional insureds, upon the written request of the Dealer and to the extent that the Dealer qualifies for such coverage, the Dealer shall be added as an additional insured under that policy upon payment by the Dealer of any additional premium required by Avfuel's insurer for such coverage. If Avfuel no longer offers this product liability insurance program, or the product liability insurance is no longer free to the Dealer, Avfuel will notify Dealer with thirty (30) days' written notice of this change or Avfuel's intent to terminate the product liability insurance program.
- 11. CONDITION TO PARTICIPATION. Avfuel has invited the Dealer to participate as a dealer in the Contract Fuel Program on the expectation and condition that (a) the Dealer's deliveries of aviation fuel at the Facilities will be limited to deliveries to end users of that fuel pursuant to direct sales by the Dealer to those end users and deliveries to purchasers listed as CFCs to facilitate direct sales by Avfuel to those CFCs pursuant to Contract Fuel Program, (b) the Dealer will make deliveries of aviation fuel at the Facilities to purchasers listed as CFCs only pursuant to the Contract Fuel Program and will not make direct sales to those CFCs and (c) except for sales pursuant to the Contract Fuel Program to purchasers listed as CFCs for brokered resale by those CFCs to end users, the Dealer will not make any deliveries of aviation fuel at the Facilities 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 Dealer or the end user or sales to third parties who resell the fuel to end users). . The Dealer acknowledges that these conditions are necessary to preserve Avfuel's continuing investment in developing and maintaining the network of participating fixed base operators and participating end users for the Contract Fuel Program and that Dealer's failure to comply with this condition will result in Avfuel's exercise of the right pursuant to Section 13 to discontinue the Dealer's participation in the Contract Fuel Program.
- 12. PROGRAM MODIFICATIONS. Avfuel reserves the unilateral right to amend, suspend, or terminate the Contract Fuel Program at any time effective upon written notice to the Dealer. Dealer may withdraw from the Contract Fuel Program at any time upon 60 days Notice to Avfuel.

#### 13. BREACH AND TERMINATION:

13.1. 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 breaching Party in the manner set forth in Section 15. The Notice shall specify the alleged breach and the period within which the breach must be cured which shall be at least ten (10) business days. The Party receiving such Notice shall respond thereto in writing within three (3) business

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- 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.
- 13.2. The Party claiming a breach may waive that breach by giving Notice to the other party in the manner set forth in Section 15. 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.
- 13.3 Any dispute that arises under this Agreement, pursuant to Section 13.1 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.
- 13.4. The exercise of a Party's right to terminate the Agreement as aforesaid or to seek any other remedy shall not be deemed an election of remedies and shall be without prejudice to the terminating Party's rights to seek 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.
- 14. ASSIGNMENT: The Dealer 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 the Dealer shall be deemed an assignment requiring the consent of Avfuel.
- **15. NOTICES:** All notices permitted or required under this Agreement shall be in writing. Notices by facsimile shall be deemed "delivered" on the date of confirmed transmission, without error, to the fax number 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.
- 16. 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 the CFU Agreement shall exclusively be the courts of the state of Michigan sitting in Washtenaw County, and any applicable Michigan appellate court. The CFU Agreement shall be construed as having been made and entered into in the State of Michigan. Each Party submits and consents to personal jurisdiction in Washtenaw County, Michigan, 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.
- 17. EXCLUSIVE GOVERNING LAW: The CFU Agreement, and all other matters arising from or relating to the CFU Agreement, are exclusively governed by, and exclusively construed in accordance with, the laws of the State of Michigan, without regard to its conflict of laws provisions.
- 18. 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.
- 19. ENTIRE AGREEMENT TERMS: This Agreement sets forth the entire agreement between Avfuel and the Dealer 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. Avfuel reserves the unilateral right to amend, suspend, or terminate this Agreement at any time effective upon written notice to the Dealer. If Avfuel and the Dealer have, prior to the effective date, been parties to any other agreement relating directly to the sale of aviation fuel Dealer under the Contract Fuel Program (a "Prior Agreement"), such Prior Agreement, except shall be superseded as of the Effective Date and all rights and obligations between Avfuel and Dealer with respect to the supply of aviation fuel under the Contract Fuel Program 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 aviation fuel prior to the Effective Date and nothing contained in this Agreement shall be construed as terminating or otherwise affecting any such rights or obligations.