



Replacement Jet A Refueler Prospectus

May 13, 2024

*Prepared by R. C. Ranstadler and R. L. Morrison
for the Delta County Airport Advisory Board*

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"[T]he 30-year-old service vehicle will suffer a significant mechanical failure within the next 18 months to two years."

Introduction

Purpose & Scope

This report is being provided at the request of the Delta County Airport Advisory Board, in response to the Airport Management's growing concern about the material condition and serviceability of the airport's current Jet A refueler truck. Multiple subject-matter experts and industry representatives have recommended the airport replace the in-service truck as soon as possible. Although it is difficult to predict the remaining service life of the current truck, it is estimated that the 30-year-old vehicle will suffer a significant mechanical failure within the next 18 months to two years.¹

Desired Specifications

Based upon current and anticipated fuel sales and flowage figures, the airport would benefit best from a 3,000 Gallon Jet A refueler with an output of 300 GPM.² The truck would also need to be configured per the following specifications:

- Ford F-750, Triton V-10 gasoline engine, auto transmission; or comparable diesel engine meeting current emission requirements and equipped with cold-weather-start system;
- One (1) underwing hose reel w/ 2" by 50' aviation hose;
- One (1) overwing hose reel w/ 1 ¼" by 50' aviation hose;
- Latest edition filter/separator system;
- ATA-103 and NFPA 407 compliant ("Scully" overfill protection); and
- Low Level Automatic Shutdown (LLAS)

¹ Based upon opinions and recommendations gathered from Airport Operations Staff, the FY23 Annual SkyWest Aviation Fuel Safety Audit, the Delta County Road Commission, neighboring airport managers, Mead & Hunt (Airport Consultant), and a local diesel repair business owner.

² Over the course of FY23, ESC provided approximately 225K gallons of Jet A fuel to multiple commercial and civil aviation customers. The CRJ 200 holds 1,166 gal of Jet A while its replacement, the CRJ 900, holds more than double that amount (2,925 gal).

“DEF has the unfortunate potential of accidentally being confused with aviation fuel additives... and cause aircraft engine failure.”

The following are highly desired options:

- Chock holders
- Storage box
- Back-up camera
- Ticketing system w/printer
- *Prist* additive injector
- In-Service Training
- Extended Warranty

Gas vs. Diesel Engines

Jet A refueler engines are available in both gas or diesel configurations. There are pros and cons to each:

- Diesel engines are generally more expensive to fuel and maintain than gas engines but operate more efficiently and have a longer lifespan.³
- Gasoline engines are easier to start in cold weather and require no special additives.
- The majority of modern diesels (introduced in 2010) require a separate emissions treatment product, known as DEF (Diesel Exhaust Fluid), to reduce the amount of air pollution created during normal use.
- DEF has the unfortunate potential of accidentally being confused with aviation fuel additives that if accidentally mixed with Jet A, can crystalize the fuel and cause aircraft engine failure. Several accidents have occurred as a result of DEF being accidentally mixed in with Jet A over the past few years.⁴
- Although devices and programs have been developed to lessen DEF-related aviation accidents, there still exists potential for problems with DEF in airport ground vehicles.

³ K. J. Jones, “Diesel Engine Pros and Cons,” Motor Trend (September 16, 2020), <https://www.motortrend.com/features/diesel-engine-pros-cons/>

⁴ NATA Working Group, *Aircraft Diesel Exhaust Fluid Contamination* (June 11, 2019), pp. 4-7, https://www.nata.aero/assets/Site_18/files/Safety%201st%20documents/DEF/2019-06-11%20Aircraft%20DEF%20Contamination%20Working%20Group%20Report-FINAL.pdf.

“A majority of the manufacturers and distributors... complained about supply shortages and inflation driving up the cost of the constituent parts needed to manufacture and assemble Jet A refuelers”

Market Conditions

The global Aircraft Refueling Trucks market was valued at \$420.5 million USD in 2022 and is projected to reach \$473.9 million USD by 2029, at a Compound Annual Growth Rate (CAGR) of 1.7% during the forecast period. The influence of COVID-19 and the Russia-Ukraine War were considered while estimating market sizes.⁵

Commercial airports are the largest end-users of aircraft refueling trucks, accounting for around 60% of the total market share. In terms of quantity, the total number of aircraft refueling trucks imported globally in 2020 was 6,000 units, while the total number of exported units was 5,000. The United States was the largest importer of aircraft refueling trucks, followed by China and Japan.

The 1K–5K gallon segment held a significant share of the of the aircraft refueling trucks market. In 2019, SkyMark, Westmor Industries, and BETA Fueling Systems ranked top three of the revenue share in global market. These companies will witness a stable growth in the following five years.⁶

Currently, it appears that Jet A refueler manufacturers are struggling to meet growing demand. A majority of the manufacturers and distributors contacted while researching and compiling information for this report complained about supply shortages and inflation driving up the cost of the constituent parts needed to manufacture and assemble Jet A refuelers. The unit cost of the SkyMark Refueler featured in this report, for example, increased by 6% over the past six months (from \$241,200 to \$257,200).

Common Practices

Listed below are some of the common fueling practices and equipment used by regional and operational peers (see Fig. 1):

⁵ IntelMarket Research, *Aircraft Refueling Trucks Market Size, Share, Price, Trend Segment by Type, Segment by Application Market Report Forecast 2023-2030* (April 23, 2023), <https://www.intelmarketresearch.com/automotive-and-transportation/29/aircraft-refueling-trucks-market>

⁶ Ibid.



Ford Airport (IMT): IMT is serviced by the Fixed-Base Operator (FBO) Kubick Aviation Services (KAS), which handles all the airport's maintenance and fueling needs. IMT has one 25-year-old Garsite 3K gal refueler and one much newer ProFlo 5K gal refueler. KAS owns both trucks and has a fuel branding agreement with Phillips 66 through World Fuel Services.

Marquette Sawyer Regional Airport (MQT): MQT is also serviced by KAS and has a setup very comparable to IMT. MQT has three fuel trucks, including two ProFlo Jet A refuelers (one 3K gal and one 5k gal) and one 100LL refueler. KAS owns all both Jet A trucks and has a fuel branding agreement with Phillips 66 through World Fuel Services.

Gogebic County Airport (IWD): IWD is one of three airports in the region, including ESC and CMX (see below) that do not use an FBO (like ESC all IWD's fuel services are provided directly by county staff). IWD owns two Jet A Refuelers, including an older Garsite 2K gal truck and a newer (2020) ProFlo 5k gal truck. IWD purchased the latter of these new, directly from Titan Aviation Fuels, in 2022. The outright cost of the truck was \$160K and tied to a fuel branding agreement that is still in place at the airport.

Houghton County Memorial Airport (CMX): CMX, like IWD and ESC, utilizes unionized county staff to provide all fuel services. CMX owns a single Jet A fueler – a 2K gal 1990 Chevy. CMX anticipates purchasing a replacement Jet A truck within the next one to two years. CMX has an active fuel branding agreement with Avfuel.

Pellston Regional Airport (PLN): PLN utilizes an FBO for its fuel services, which operates under the Pellston Airport name. PLN has three trucks, including a 100LL refueler. PLN owns one of the Jet A refuelers – a 2000 3K gal Garsite – and leases another – a 2012 3K gal Garsite. The newer of the two is under a lease agreement with Avfuel, which provides PLN Jet A exclusively.

Rhineland–Oneida County Airport (RHI): RHI has an FBO, Rhineland Fueling Service, which handles all of their fueling needs. RHI, however, owns all the equipment. They presently have one 100L truck and one Jet A refueler (a 2005 2K gal ProFlo). RHI just purchased a new 3K gal SkyMark Jet A refueler (price undisclosed) that should be delivered in the next 2-3 weeks. RHI leases their trucks to the FBO, which pays RHI for their use.

Fig 1. Common Practices Overview

Airport	IMT	MQT	IWD	CMX	PLN	RHI
Number of In-Service Jet A Refuelers	2	2	2	1	2	2
Capacity	3000 gal 5000 gal	3000 gal 5000 gal	2000 gal 5000 gal	2000 gal	3000 gal 3000 gal	2000 gal 3000 gal
Year/Model	2000 (est.) Garsite 2020 (est.) ProFlo	2005 (est.) ProFlo 2020 (est.) ProFlo	2000 (est.) Garsite 2020 (est.) ProFlo	1990 Chevy	2000 Garsite 2012 Garsite	2005 ProFlo 2023 SkyMark
FBO	Kubick Aviation Services	Kubick Aviation Services	N/A	N/A	Pellston Airport FBO	Rhineland Fueling Services
Fuel Agreement	Phillips 66 (World Fuel Services)	Phillips 66 (World Fuel Services)	Titan Aviation Fuels	Avfuel	Avfuel	EPIC Fuels

“Most new trucks must be purchased to order and take anywhere from four to eight months to be assembled and delivered.”

Purchasing a Jet A Refueler

Principally, there are two refueler manufacturers that sell trucks directly to airports: SkyMark and ProFlo (Garsite).⁷ Although a handful of other companies do produce and sell trucks, they primarily deal with fuel distributors and Fixed-Base Operators (FBOs). There is presently a greater stock of used trucks available than new trucks. Used truck stock tends to fluctuate quickly, with many used refuelers being bought within weeks, or sometimes even days, after being posted for sale. Most used trucks were built in 2012 or earlier. A majority of new trucks must be purchased to order and take anywhere from four to eight months to be assembled and delivered. Prefabricated new trucks occasionally come up for sale but this is exceedingly rare.

New and used trucks can either be **purchased outright** or **financed over a set term**. The primary advantages of purchasing a truck outright are overall savings and immediate ownership of the vehicle; the purchaser gains instant possession of the truck and does not have to pay added finance charges that would otherwise be incurred if paying off a loan. The disadvantage of purchasing a truck outright is the greater upfront cost of making a lump sum payment, which can potentially stress annual budgets and/or exceed annual outlays.

Financing a Jet A truck, as opposed buying one outright or leasing one, requires the purchaser to secure their own loan rather than dealing directly with the seller/manufacture. This permits the purchaser greater flexibility in shopping around for competitive rates. Financing a vehicle also permits the borrower to accumulate equity over the course of the loan. Most municipally secured loans, however, require a large down payment, short lending terms, and high monthly payments. Moreover, borrowers are often locked into the terms of their loans. It is therefore important to avoid pitfalls, such as expensive balloon payments, when agreeing to the terms of a loan. Some sample scenarios and agreements are provided below.

Purchasing a truck, whether buying outright or securing through a loan, also carries the additional burden of having to absorb all the maintenance and repair costs associated with the

⁷ Taryn Roberts, “ProFlo Industries Acquires Garsite and Progress Tank,” ProFlo (February 29, 2024), <https://tinyurl.com/mr2yckxh>. Global Aviation Services, LLC, doing business as ProFlo Industries, acquired aviation refueling equipment supplier Garsite earlier this year. ProFlo Industries is a subsidiary of PrimeFlight Aviation Services Inc.

“Finding a used Jet A refueler less than 15 years old through an auction or private dealer is very rare.”

truck. Beyond what is covered in the manufacturer’s limited warranty, the owner is completely responsible for all maintenance and repairs of the vehicle. A purchased vehicle remains with the owner during and beyond its service life, which can prove either a benefit or liability depending on the serviceability of the truck and operational plans.

A final pair of options to consider when purchasing a used refueler are buying one through **auctions** or **private dealers**. Finding a used Jet A refueler less than 15 years old through an auction or private dealer is very rare. Many of these deals – especially in the case of auctions – are time sensitive affairs that require the purchaser to compete with other online bidders or buyers. Once purchased, trucks are bought “as is” and the buyer is responsible for transporting the truck from the point of purchase to its final destination. At the time of producing this report, there were no aviation Jet A refuelers available at auction. Several used Jet A refuelers, however, were available for purchase through private sellers (sample listings provided below).

1. **Purchasing from a Manufacturer.** Below are some price points for new and used trucks available for sale directly from manufacturers (quotes enclosed).

a. **SkyMark ‘Standard’ 3000 Gallon Jet A Refueler (Kansas City, KS)**

Ford F-750, Triton V-10 Gasoline Engine

Built to specifications

\$257,200 (Freight Additional)

b. **Garsite RF3KJ-300 3000 Gallon Jet A Refueler (Sugar Land, TX)**

Ford F-750 Chassis, Triton V-10 Gasoline Engine

Built to specifications

\$273,080 (Freight Additional)

c. **ProFlo 2022 3000 Gal Jet A Refueler (Alvada, OH)**

Ford F650/F750 Chassis, Gasoline Engine

Pre-built new

\$242,995 (Freight Additional)

d. **ProFlo 2023 3000 Gal Jet A Refueler (Alvada, OH)**

Freightliner Business Class M2 106, Diesel Engine

Pre-built new

\$239,390 (Freight Additional)



610 S. Adams Street
 Kansas City, KS 66105
 PH 913-653-8100

Friday, April 05, 2024

Includes TCS Electronic Register, Scully System and U/W Single Wrap Hose Reel

Robert Ranstadler
 Delta County Airport
 Aviation Refueling Vehicle
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New SkyMark 'Standard' 3000 Gallon Jet Refueler + List of Available Options

Summary Quote (Below):	Unit Price:	New SkyMark 'Standard Model' 3000 Gallon Jet Refueler
+ Standard Features Included:	Unit Includes:	All Standard Features Referenced in Section #2 Attached
+ List of Available Options:	ADD:	Customer to Select Options (Select Yes or No) See Section #3 Attached



3000 Gallon Jet Refueler on International Chassis



3000 Gallon Jet Refueler on Ford F-750 Chassis

Section #1: Summary Quote: 'Standard Model' 3000 Gallon Jet Refueler + List of Available Options

Item	General Description	Qty.	Unit Price
	Standard Model: SkyMark 3000 Gallon Jet Refueler, #3K-300-J-MRSC-IN-P.		
	Standard Chassis: Ford F-750, Triton V-10 gasoline engine, auto transmission.		
	(*) Optional Diesel Engine: Optional diesel engine is available See Section #3		
	Standard Tank: 3000 gallons, polished aluminum (natural finish), DOT-406.		
	Standard Flow System: 300 GPM flow system w/ Gorman-Rupp centrifugal pump.		
	Standard Configuration Includes (1) underwing hose reel w/ 2" by 50' aviation hose. Includes (1) overwing hose reel w/ 1 1/4" by 50' aviation hose.		
	(*) Optional Dual Overwing: Optional dual overwing fueling is available See Section #3		
	Standard Filtration System: Includes latest edition filter/separator system		
	Customer Selected Options: Customer to select (see options list attached) See Section #3		
1	Sub Total / Unit Price: SkyMark 'Standard' 3000 Gallon Jet Refueler	1	\$ 244,250
	OPTIONS: Customer to Select Options / (Select YES or NO) See Section #3		\$ 12,950
	TOTAL UNIT PRICE: 3000 Gallon Jet Refueler + ADD Selected Options <i>FOB Factory: Inland/Ocean Freight Additional</i>		\$ 257,200



Section #2: Standard Features Included: New SkyMark Jet Refuelers Include the Following Standard Features				
Item	General Description	Unit Price	Feature	
A	Highest Quality Aluminum Tanks: SkyMark's aluminum refueler tanks, <i>the best in the industry</i> , include: <ul style="list-style-type: none"> • 5-Year tank warranty / DOT-406, single compartment, fully baffled. • Sill-mount design with heavy duty outriggers, and mounted on engineered composite sill boards. • Highly polished aluminum, overturn protection, non-slip walkway, 20" manholes w/ self-closing cover. • Rear mounted aluminum ladder with OSHA approved grab handles at top. 	Included	Standard Equip.	
B	Fully Rated 300 GPM Pumping System: Our fully rated pumping systems include the following: <ul style="list-style-type: none"> • Isolated bottom load valve with 2.5" bayonet adaptor, jet level sensor / high level shutoff, w/ pre-check. • Fully rated, aluminum, 300 GPM, 3" Gorman-Rupp centrifugal pump. • Aluminum piping, flanged and Victaulic joints, rated at 150 psi, fully pressure tested. • Fully rated 300 GPM filter, meets current EI regulations (new filters installed at time of shipment). • Pressure control system with venturi, hose end control valve (48psi), in-line primary control valve (40 psi). • One (1) TCS aviation grade aluminum flow meter w/ aluminum internals, rated to 300 GPM. • One (1) TCS aviation model 3000 electronic register. • Underwing Fueling: One (1) Hannay electric rewind single wrap underwing hose reel with aluminum internals, shutoff valve, 2" x 50' aviation grade fueling hose (with Certificate), Carter underwing nozzle w/ HECV. • Overwing Fueling: (1) or (2) Hannay electric rewind overwing hose reel(s) with aluminum internals, shutoff valve, 1 1/4" x 50' aviation grade fueling hose (with Certificate), overwing OPW 295 SAJ nozzle. • Optional Dual Overwing Fueling Available: See option for dual overwing fueling, See Section #3 Attached 	Included	Standard Equip.	
C	Electronic register(s) w/ large number displays: (1) or (2) electronic meter registers w/ built-in digital displays.	Included	Standard Equip.	
D	Simplified, High Visibility, Easy to Operate, Controls: Refuelers include a simplified control system: <ul style="list-style-type: none"> • All functions easily identified on a 'flip down', fully accessible, operating / gauge panel. • Automatically engages pump when deadman is squeezed (underwing) or when overwing nozzle is removed. • Automatically defeats high throttle setting when overwing nozzle is removed (during overwing fueling). • Automatically activates vents & offloading valves when nozzles are removed. • Automatically detects product re-circulation (allowing recirculation while product tank is fully loaded). 	Included	Standard Equip.	
E	Enhanced, Automotive Grade, PLC: Refuelers include a robust programmable logic controller (PLC) to manage all systems, specifically designed for mobile application, with an easy-to-read diagnostic panel.	Included	Standard Equip.	
F	Modular Design and Construction: Refuelers include fully modular cabinetry and brackets, bolt-together design, serviceable & replaceable in the field, powder-coat painted for maximum weather protection.	Included	Standard Equip.	
G	Fully Accessible, 'Flip-Down' Operating Panel: Refuelers include a "flip-down" operator's control panel allowing unencumbered access to gauges & switches. Includes a 4" nozzle pressure gauge w/ test port.	Included	Standard Equip.	
H	SAE Grade Automotive Wiring Harness: Refuelers include fuel-oil resistant, nylon braid wrapped SAE automotive grade wire harnesses with Deutsch plug-n-play connectors (for reduced maintenance).	Included	Standard Equip.	
I	Product Re-circulation Connection: Refuelers include an isolated re-circulation connection for maintenance and inspections (system is capable of recirculating fuel while product tank is full).	Included	Standard Equip.	
P	Filter / separator system w/ water defense: A filter/separator w/ water defense & water detection test switch is included.	Included	Standard Equip.	
J	Master Battery Shutoff Switch: Refuelers include a Master battery shutoff switch.	Included	Standard Equip.	
K	Engine Hour Meter: Refueler includes an engine hour meter.	Included	Standard Equip.	
L	Flashing Beacon: Refueler includes a flashing safety beacon.	Included	Standard Equip.	
M	Back-up alarm: Refueler includes a backup alarm (active when chassis is in reverse).	Included	Standard Equip.	
M	Overfill Protection: Primary Scully high level shutoff (If load rack includes Scully) with Secondary Jet Level Sensor	Included	Standard Equip.	
N	Low Level Automatic Shutdown: Refueler includes an auto low-level shut-off w/ an indicator light.	Included	Standard Equip.	
O	Additional Standard Features: <ul style="list-style-type: none"> * Refuelers meet ATA-103 & NFPA 407 * (2ea) 20lb. fire extinguishers * filter elements to be installed at shipment * shut-off valves at filter inlet & outlet * tanks sumps w/ spring loaded valves * DP gauge, 3-way test valve, drain port * LED light package / LED strobe 	<ul style="list-style-type: none"> * chassis w/ engine hour meter * chassis w/ swing away mirrors * chassis w/ day time running lights * water defense w/ external test switch * low point drains in piping * ladder rack included * cam lock style dust caps 	Included	Standard Equip.



Section #3: List of 'Common Options' Available: Customer To Select YES or NO From Available Options Below					
Item	General Description	Qty.	Unit Price	Options	
'Common Options' Available: Customer to Select YES or NO From Options Below			Customer To Select YES or NO From Below		
Opt. 3	Aluminum chock holder: An aluminum chock block holder with wheel chocks is available.	1	\$ 400	YES	NO
Opt. 4	Aluminum storage box: A 24" x 24" x 24" aluminum storage cabinet / spill kit container is available.	1	\$ 850	YES	NO
Opt. 5	Back-up camera: A back up camera system w/ an in-cab color monitor along is available	1	\$ 1,000	YES	NO
Opt. 6	Wireless data transfer A wireless data transfer kit w/ a cellular modem	0	\$ 1,500	YES	NO
Opt. 7	Ticket Printer: An electric ticket printer is available (select 'slip' or 'roll').	1	\$ 1,200	YES	NO
Opt. 8	Product tank gauging: Electronic contents gauging system integrated into TCS register is available.	0	\$ 2,500	YES	NO
Opt. 9	Product recovery tank: An aluminum product recovery tank w/ built-in nozzle adaptor is available.	0	\$ 2,200	YES	NO
Opt. 10	Fuel / de-fuel system: A fuel/de-fuel system (to work with high level shutoff) is available.	0	\$ 2,500	YES	NO
Opt. 11	Custom painted tank: A custom painted tank available (in lieu of natural finish tank on 'standard')	0	\$ 9,000	YES	NO
Opt. 12	Prist additive injector: A Gammon Viper Prist injector w/ desiccant dryer, pick-up tube, remote panel & bracket for 16 gallon polycarbonate tank with locking lid cover.	1	\$ 8,000	YES	NO
Opt. 13	Additive tank Option: Substitute tank for 5 gallon pail holder mount.	0	\$	YES	NO
Opt. 14	Additive tank Option: Substitute tank for 8 gallon stainless steel reservoir with locking fill opening.	0	\$ 1,400	YES	NO
Opt. 15	Dual overwing fueling (1) add'l overwing hose reel assy + (1) add'l flow meter (for dual overwing) + one additional TCS 3000 meter register.	0	\$ 12,500	YES	NO
Opt. 16	Filter Type: Facet Cat. C	1	\$ -	YES	NO
Opt. 17	Filter Option: Facet Cat. M (243 GPM)	0	\$ 200	YES	NO
Opt. 18	Filter Option: Veleon Cat. C	0	\$ 500	YES	NO
Opt. 19	Filter Option: Veleon Cat. M (300 GPM)	0	\$ 950	YES	NO
Opt. 20	Bonding Reel Interlock: Additional brake set interlock for Bonding Reel Clip stowage	0	\$ 1,000	YES	NO
Opt. 21	Stainless Steel Piping: Stainless Steel piping in lieu of aluminum piping	0	\$ 4,000	YES	NO
Opt. 22	International MV Diesel Engine Chassis: Upgrade to a diesel engine chassis is available / International MV w/ Cummins diesel with A/C.	0	\$ 15,000	YES	NO
Optional Top-of-Tank Fall Protection Alternatives					
Opt. 23	Bi-Line top-of-tank fall protection system: Bi-Line top-of-tank A Bi-Line top-of-tank fall protections system is available (includes dual cables installed on top-of-tank along with 1 safety harness/belt).	0	\$ 3,500	YES	NO
OR					
Opt. 24	StandFast / tank top fall protection system: A top-of-tank fall protection system, consisting of collapsible hand rail, and complete with brake interlock is available	0	\$ 6,000	YES	NO
In-Servicing of New Refuelers at End-User Location					
Opt. 25	In-Service & Training: A factory trained SkyMark technician will be dispatched to your location for in-servicing and comprehensive training (\$895 per day + expenses)	1	\$ 1,500	YES	NO
Opt. 26	Freight/Shipping: Inland freight is additional and is not included in unit pricing.	0	\$ 3,000	YES	NO

Section #4: Pricing Summary and Terms			
1	Sub Total / Unit Price: SkyMark 'Standard' 3000 Gallon Jet Refueler	1	\$ 244,250
OPTIONS Customer to Select Options / (Select YES or NO) See Section #3			\$ 12,950
TOTAL			\$ 257,200
UNIT PRICE: 3000 Gallon Jet Refueler + ADD Selected Options FOB Factory: Inland/Ocean Freight Additional			

Order Confirmation and Payment Terms:

A signed Confirmation of Order is required to secure your order, along with a 30% non-refundable deposit. Balance of payment is due when refueler is completed at SkyMark, and prior to shipment from factory.

Painting & Decals:

Aluminum tank to remain in natural polished finish, chassis cab to remain in factory white. Equipment to be painted with the polyurethane. Safety placards, product decals, and operating decals will be installed.

Quote Validity:

Quote is valid for 90 days.

Freight to Customer:

Unit quoted FOB SkyMark factory. Inland/ocean freight is additional and is not included in the quoted price.

Taxes / Duties:

All taxes and/or duties are additional (if applicable).

Delivery Schedule:

Approximately 210 days after receipt of confirming order and deposit.

In-Service / Training:

For a nominal fee, SkyMark will dispatch a factory-trained technician to place your new refueler into service and provide training (cost of technician is \$895 per day + reimbursement for travel expenses).

Respectfully Submitted,

Mike Ellis
 Business Development Officer
 913-653-8112



Global Aviation Services LLC dba Garsite
 3 Sugar Creek Center Blvd
 Sugar Land, TX 77478
 +1 4194366008
 sales@garsite.com

Estimate



ADDRESS

Mr Robert Ranstadler
 Delta County Airport
 3300 Airport Rd
 Escanaba, MI 49829

SHIP TO

Mr Robert Ranstadler
 Delta County Airport
 3300 Airport Rd
 Escanaba, MI 49829

ESTIMATE #	DATE	EXPIRATION DATE
8758	04/05/2024	05/06/2024

SHIP VIA
 Truck Freight

ACTIVITY	QTY	RATE	AMOUNT
RF3KJ-300 New 3,000 Gallon (11,350 Liter) Jet Refueler - New Ford F750 Chassis - Gasoline Engine - Automatic Transmission - Exhaust Modified Per NFPA 407 - Fire Suppression - Master Battery Disconnect Switch, Stack Light for Interlock System, LED Beacon Light - New 3,000 Gallon (11,350 Liter) 304 Stainless Steel Tank Built In Accordance With NFPA 407 and DOT 406 - Bi-Line for Fall Protection - New 300 GPM (1,135LPM) Dispensing System w/One Overwing Reel and One Underwing Reel - 1-1/4" x 50' Overwing Hose w/OPW 295SAJ-0200 Overwing Nozzle - 2" x 50' Underwing Hose w/Underwing Nozzle w/45-PSI HECV, 100-Mesh Strainer, Dust Cap and Swivel Inlet - Hot-Shift PTO Driven Gorman Rupp Pump - Latest Edition Filter Separator Vessel w/Air Eliminator, Pressure Relief, Automatic Water Defense and Spring-Loaded Drains - Latest Edition Cat C Elements Installed - PD Meter w/Veeder Root Mechanical Register Head - Bottom Load System w/Primary and Secondary High-Level Shutoff - Scully Intellicheck3 System w/DuoCept Socket - Stainless Steel Sense and Drain Lines - Pump Pressure Gauge, Nozzle Pressure Gauge, Differential Pressure Gauge, Interlock System, Deadman System, Pressure Control System, Master Disconnect Switch, Emergency Shutoff Systems, Static Grounding Reel, (2) 20Lb Fire Extinguishers - Chassis to Be Factory White, Bare #4 Stainless Steel Tank,	1	229,995.00	229,995.00

ACTIVITY	QTY	RATE	AMOUNT
Steel Components Painted One Color, Customer and NFPA 407 Decal Package Applied			
SingleWrap Upgrade to a Single-Wrap Underwing Reel Mounted Directly Behind the Driver's Cabin	1	2,950.00	2,950.00
2ndOverwing Add Second Overwing Reel w/Dedicated Meter - Includes Interlocked Nozzle Holder, 50' Hose, Overwing Nozzle and Hose Reel Shutoff Valve	1	11,395.00	11,395.00
Electronic Register Upgrade to a TCS3000 Electronic Register Head (Two Required if 2ndOverwing Option is Selected) - Includes Cab-Mounted Epson TMU-295 Electronic Ticket Printer - Two Required if Second Overwing Reel Option is Selected	2	3,400.00	6,800.00
CellularModem Add a TCS Cellular Modem Kit	1	2,275.00	2,275.00
Rear Camera System Add Backup Camera System w/LCD Display in Driver's Cabin	1	925.00	925.00
Defuel Add Defuel Capability	1	2,950.00	2,950.00
ProductRecovery Add a Stainless Steel Product Recovery Tank w/10" Fill Lid, Contents Gauge, Spring-Loaded Drain, Vent, High-Level Shutoff and Light	1	3,275.00	3,275.00
AdditiveInjection Install a TCS Dual Piston Additive Injection System with Stainless Steel Additive Tank	1	11,495.00	11,495.00
Ladder Storage Add Fold Down Ladder Brackets	1	595.00	595.00
ChockBlock Add Chock Block Holder	1	425.00	425.00
Terms: TBD		SUBTOTAL	273,080.00
Estimated Lead Time: TBD at Time of Order		TAX	0.00
		TOTAL	\$273,080.00

Warranty:

- Expressed Manufacturer's Warranty on Chassis
- 2 Year Warranty on SS Product Tank
- 1 Year Warranty on Fueling System Components
- 1 Year Warranty on Workmanship
- 1 Year Warranty on Paint Finish

Accepted By

Accepted Date

2022 FORD F650



USD **\$242,995**

Aircraft Location: [Alvada, Ohio](#)

Seller Information

ProFlo Industries LLC

Contact: Terry Bosserman

Phone: +1 419-664-7003

Alvada, Ohio

+1 419-664-7003

[Video Chat](#)

[Hide Thumbnails](#)

Description

New 3,000 Gallon Jet A Refueler Ford F650/F750 Chassis Gasoline Engine Automatic Transmission Stainless Steel Product Tank 300 GPM Dispensing System w/PTO Driven Pump Facet FWS Vessel w/Water Defense Single-Wrap Underwing Reel and (2) Multi-Wrap Overwing Reels Two TCS Meters w/TCS3000 Electronic Register Heads, Printer and Cellular Modem Gammon Additive Injection System Fuel/Defuel System Product Recovery Tank Scully Intellicheck3 System Fire Suppression and Tank-Top Fall Protection Qty. (3) Available Price Starting at: \$242,995

Specifications

Year	2022	Manufacturer	FORD
Model	F650	Condition	New

[Show As Paragraph](#)

2023 FREIGHTLINER BUSINESS CLASS M2 106

USD **\$239,390**

Aircraft Location: [Alvada, Ohio](#)

Seller Information

ProFlo Industries LLC

Contact: Terry Bosserman

Phone: +1 419-664-7003

Alvada, Ohio

+1 419-664-7003

[Video Chat](#)



[Hide Thumbnails](#)

Description

ProFlo Industries has new 3k Jet refuelers in stock and available for immediate delivery. 3,000 Gallon (11,350 Liter) Jet Refueler Freightliner M2-106 Chassis Diesel Engine Automatic Transmission 3,000 Gallon Stainless Steel Tank 300 GPM (1,135 LPM) Dispensing System 300 GPM FWS with Water Defense and Latest Edition Elements Singlewrap Underwing Reel Multiwrap Overwing Reel Second Multiwrap Overwing Reel (Optional) TCS Meter with TCS3000 Electronic Register Head TCS Cellular Modem (Optional) Defuel System Additive Injection System (Optional) JIG Compliance Package (Optional) Bottom Load with High-Level Shutoff Scully Intellicheck3 System Brake Interlock System, EFSO System, DP Gauge, Brake Interlock System and Deadman System Qty. 2 Available Purchase Prices Starting at USD \$239,390 - Leasing Available Upon Request

Specifications

Year	2023	Manufacturer	FREIGHTLINER
Model	BUSINESS CLASS M2 106	Condition	New

[Show As Paragraph](#)



2. **Purchasing from Private Dealer.** Below are the most applicable current listings (effective April 26, 2024) for used trucks available through [Controller.com](https://www.controller.com):

a. **2002 3000 Gallon Aircraft Refueler (Alberta, Canada)**

International 4900 Chassis, DT466E Diesel Engine

Used | 85K Miles | 5414 Hours

\$123,000

b. **1998 3000 Gallon Jet A Aircraft Refueler (Bowling Green, KY)**

International 4700 Chassis, T444E 7.3L Diesel Engine

Used | Mileage and hours not provided

\$79,500

c. **2005 3000 Gallon Jet A Fuel Truck (Seneca, KS)**

Freightliner Business Class M2 106, Diesel Engine

Used | Mileage and hours not provided

\$115,000

3. **Financing with a Manufacturer.** Manufacturers and commercial dealers typically finance purchases using preferred partners. Some, however, will permit purchasers to secure loans with institutions outside their network. The sample quote below was provided by Wintrust Equipment Finance, which partners with SkyMark Fuelers (see 1a above). A sample credit application is additionally enclosed (please note these are preliminary terms estimated before having reviewed the credit standing of the airport).

a. **Sample Loan Terms for SkyMark 'Standard' 3000 Gallon Jet A Refueler**

Amount Financed: \$257,200

Term: 60 months

Monthly Payment: \$5276.85

2002 INTERNATIONAL 4900



Call for price

Aircraft Location: [Calgary, Alberta, Canada](#)

Seller Information

Eastway Tank

Contact: Neil Greene

Phone: +1 613-863-5822

Ogdensburg, New York

+1 613-863-5822

[Video Chat](#)



[Hide Thumbnails](#)

Description

2002 INTERNATIONAL 4900 Aircraft Refueler Truck VIN: 1HTSDAAR52H407187 85,000 miles
Engine: DT466E Diesel Color: White Hours 5414 Hrs 1986 Remtec 3000 Us Gallon Tank, 2x Fuel Hoses, overwing and Underwing refueling, Neptune Meter, Ramp Master Pumping System Super clean unit

Specifications

Year	2002	Manufacturer	INTERNATIONAL
Model	4900	Serial Number	1HTSDAAR52H407187
Condition	Used		

[Show As Paragraph](#)

1998 INTERNATIONAL 4700



USD **\$79,500**

Aircraft Location: [Bowling Green, Kentucky](#)

Seller Information

Hunter Hanks

Contact: Hunter Hanks

Phone: (270) 799-8337

Bowling Green, Kentucky

(270) 799-8337

[Video Chat](#)



[Hide Thumbnails](#)

Description

1998 International 3000 Gallon Jet A Aircraft Refueler -Diesel Engine(International T444E 7.3L) - Automatic Transmission -Working Continental overwing(1" 60 feet long) & Continental single point(3" 50 feet long) fueling nozzles -Singlepoint F116 nozzle with 100 mesh screen -Excellent running truck, everything is fully functioning

Specifications

Year	1998	Manufacturer	INTERNATIONAL
Model	4700	Serial Number	1HTSCABR8WH548651
Condition	Used		

[Show As Paragraph](#)

2005 FREIGHTLINER BUSINESS CLASS M2 106

USD **\$115,000**

Aircraft Location: [Seneca, Kansas](#)

Seller Information

Heinen Brothers Agra Service

Contact: Scott Heinen

Phone: (785) 336-3788

Seneca, Kansas

(785) 336-3788

[Video Chat](#)



[Hide Thumbnails](#)

Description

Jet A Fuel Truck, 3000 Gallon, Automatic Transmission, Diesel Engine, Governed w/ 65 mph, 476.2 miles

Specifications

Year	2005	Manufacturer	FREIGHTLINER
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Model	BUSINESS CLASS M2 106	Serial Number	1FVACYCS25HU61706
Condition	Used	Inspection Status	Good Condition

Show As Paragraph

Credit Application

Please submit application to: applications@wintrust.com

Customer Information				
Company Name		DBA Name		
Physical Address			Fed Tax ID:	
Website:		Business Start Date: Years under current ownership:		Phone:
Primary Contact		Contact Email		Contact Phone
Type of Pumping Services Provided:				
Annual Revenues				
Owner Information				
Name		Email		Title
Address w/City State & Zip		Phone		% Ownership
Name		Email		Title
Address w/City State & Zip		Phone		SSN
Name		Email		Title
Address w/City State & Zip		Phone		SSN
FlowMark Model				
Type of pumper truck:			Tank Size in Gallons:	
Vehicle Total Cost			FlowMark Salesperson	
Primary Trades References				
Company Name		Contact	Email Address	Phone
Company Name		Contact	Email Address	Phone

APPLICANT'S STATEMENT AND AUTHORIZATION TO RELEASE BANK INFORMATION

Applicant has answered questions in this application fully and truthfully. Applicant provides authorization to Wintrust Specialty Finance, a division of Beverly Bank & Trust Company, N.A. or its assigns to obtain and review his/her personal consumer credit report from a consumer credit reporting agency. This authorization shall extend to obtaining a consumer credit report, and additional consumer credit reports, now and again in the future for the purpose of (i) credit evaluation, assessing financial condition and review, including updating, renewing and/or the extending of such credit and/or (ii) reviewing and/or collecting the resulting account, now and from time to time. This authorization applies to this application, any future applications, any requests by you and/or applicant for credit and any solicitations by us to offer you and/or applicant credit. I/we waive any right or claim they would otherwise have under the Fair Credit Reporting Act in the absence of this continuing consent. In addition to authorizing the review of my / our consumer credit report from any consumer credit reporting agency, the undersigned also authorizes my/our financial institutions and creditors to release credit information required by Wintrust Specialty Finance, a division of Beverly Bank & Trust Company, N.A. I/we affirm our identity as the respective individuals identified in the related application. The undersigned states that all of the statements and information in the application are true & complete. Applicant gives Wintrust Specialty Finance, a division of Beverly Bank & Trust Company, N.A. or its assigns permission to give credit reporting agencies and other creditors information relating to any credit Wintrust Specialty Finance, a division of Beverly Bank & Trust Company, N.A. or its assigns may grant Applicant.

Important Information about Procedures: To help the government fight the funding of terrorism and money laundering activities, Federal Law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account we will ask for your name, date of birth and physical address of the business and, if different, the mailing address. We will also ask for a TIN/EIN (this may be your social security number) and other information that will allow us to identify you such as your non-expired driver's license or other identifying documents.

THIS DOCUMENT MAY BE SIGNED IN COUNTERPARTS AND TRANSMITTED ELECTRONICALLY WITH THE SAME FORCE AND EFFECT AS DELIVERY OF AN ORIGINAL

Signature: _____ Date _____ Signature: _____ Date _____

Signature: _____ Date _____

“The greatest difference between leasing a truck and financing one is that... equity and ownership are not part of the equation.”

Leasing a Jet A Refueler

As is the case with purchasing a refueler, the two principal manufacturers that lease trucks directly to airports are SkyMark and ProFlo (Garsite). Fuel distributors and bulk fuel sellers may also lease trucks to airports and FBOs as part of fuel branding agreements (more information about fuel branding agreements is provided in the next section of this report).

There are many pros and cons to leasing a new or used refueler. The greatest difference between leasing a truck and financing (buying) one is that none of the monthly payments - or only a very small percentage of the monthly payments - go toward paying off the vehicle. The lessee pays a monthly charge strictly for the use of the truck and services; equity and ownership are not part of the equation.

Advantages of leasing a refueler include:

- Low initial cost (no down payment)
- No upfront freight, shipping or delivery fees (these are usually calculated into the monthly payments)
- Flexible terms and extension options (typically, 36, 60, or 84-month terms)
- Quick lead times (delivery of truck usually takes no more than one to three weeks)
- “White Glove” Service (leasing companies can provide maintenance services and training to support operators)
- Option to purchase at the expiration of the term (a residual payment set at a predetermined price or the fair market price of the truck at the time of the purchase)
- Return option (the lessee has the option of returning the truck at the end of the term, which provides flexibility in future planning)

Disadvantages of leasing a vehicle include:

- No equity or ownership of vehicle
- Inflated monthly payments (commission, administration, training & maintenance fees)
- Higher insurance cost (potentially higher when compared to purchasing a vehicle)

A sample Fortbrand lease proposal for the Garsite RF3KJ-300 3000 Gallon Jet A Refueler (MSRP \$273K) mentioned in the previous section (1b, p. 7) is provided on the following page. The proposal includes delivery and training. Payments shown are less applicable taxes. The airport is a tax-exempt entity.



Delta County Airport

Equipment	Lead Time	Current Location	36 Month Term Monthly Payment	60 Month Term Monthly Payment	84 Month Term Monthly Payment
3,000 Gallon Jet Refueler New Garsite RFKJ-300 3000 Gallon Jet Refueler on New Ford F750 Chassis, with Gasoline Engine, Delivered to the Airport, with one day of onsite training and commissioning	3 Weeks ARO	Cocoa, FL	\$5,782	\$4,446	\$3,993

End of Term Options:

- Option to Purchase: At the expiration of the Base Term, Customer may purchase the Equipment for an amount equal to the Fair Market Value + applicable sales taxes.
- Fixed Term Extension Option: At the expiration of the Base Term, Customer may extend the contract, based on the Fair Market Value of the Equipment over the extended period.
- Month to Month Extensions: Customer may extend the Base Term covering the Equipment on a month to month basis at the same monthly payment as noted in the original base term.
- Return Option: At the expiration of the Base Term, Customer may return the equipment.

Other:

- Payments are valid for 30 days and subject to applicable sales and property tax.
- Shipping and commissioning is included in the lease payments.
- Equipment is available on a first come first served basis and subject to prior sale.

“County staff are the exclusive providers of fuel at ESC and fuel sales are the main source of airport revenue.”

Fueling Operations & Fuel Agreements

Fueling Operations

Fueling operations at airports can be conducted by private entities, via an agreement with the airport, or by the airport owner and may be **full service** or **self-service**. ESC presently provides for all its own fuel services. GA customers may purchase 100LL (“Hundred Low Led” or aviation gas) by using a self-service kiosk. County staff provide full Jet A service to all commercial and private customers.

The airport owner may elect to be the exclusive fuel retailer; however, consideration must be given to existing contracts as well as the costs and projected income from fuel sales before making policy decisions. County staff are the exclusive providers of fuel at ESC and fuel sales are the main source of airport revenue.⁸ Of the two fuel types offered in general and commercial aviation, Jet A comprises the vast majority of global and local revenues (please see the next section for more about the airport budget and outlays).

Fueling Equipment

Historically, private entities have provided the majority of fuel sales. It has become more difficult in recent years, however, for small airports to support the operations of full-service FBOs (Fixed-Base Operators), which is why some undertake their own fueling operations. Airports that provide their own fueling services may own or lease their equipment. Those utilizing FBOs sometimes lease their equipment to their providers. More often than not, however, FBOs will own and operate their own equipment on behalf of the airport.⁹

Vehicles

Fuel-delivery vehicles are a type of fueling equipment that can be purchased or leased in new or refurbished condition (see preceding sections). The cost of the vehicle increases with the gallon capacity of the vehicle (e.g. a 10K gal refueler will cost significantly more than a 3K gal

⁸ Susan J.H. Zellers et al., *Guidebook for Managing Small Airports*, 2nd ed. (2019), p. 105.

⁹ *Ibid.*, p. 106.

“In addition to supplying airports bulk aviation fuel, many companies also provide services and training related to the aviation fueling industry.”

refueler). Optional features, such as point-of-sale terminals and back-up cameras, can add to the overall cost of a vehicle.

Bulk Fuel Procurement & Jet Fuel Pricing

Refineries distribute jet fuel by pipeline or oceangoing vessel to storage terminals, from which it is further transported by truck, barge, or pipeline to airports. Fuel is distributed from airport storage tanks to aircraft via truck or an underground hydrant system that carries fuel to the airport apron, where hoses span the final distance to the wing of the airplane.¹⁰

The price of jet fuel is linked to the commodities markets principally through ultra-low sulfur diesel (ULSD), a refined product that is similar in consistency and traded on public exchanges. The price of ULSD is highly correlated to the price of jet fuel and therefore is often used as a reference point for supply contracts. In addition to the ULSD market, other factors impacting the price of jet fuel may include inventory levels; transportation costs; refinery dynamics; environmental regulations; surges in regional demand; seasonality; and supply disruptions caused by natural disasters, military conflict, or geopolitical event.¹¹

- At the time of writing this report, the spot price of New York Harbor Ultra-Low Sulfur No. 2 Diesel was \$2.725/gal.¹²
- As of May 8, 2024, the per gallon USD cost of bulk JET A1 was \$2.102.¹³
- The last bulk purchase placed by ESC, to Titan Aviation Fuels, was for 10,500 gal of Jet A at an overall cost of \$33,698.11 (April 30, 2024). The per-gallon cost of this fuel, prior to fees and taxes, was \$2.92. The net cost of this fuel was \$3.21/gal.
- The retail price of Jet A at ESC, including tax, is \$6.26/gal (non-additive) and \$6.36/gal (with additive).

¹⁰ Airlines for America, *Jet Fuel: From Well to Wing* (2018), p. 6, <https://www.airlines.org/wp-content/uploads/2018/01/jet-fuel-1.pdf>.

¹¹ *Ibid*, p. 4.

¹² YCharts, New York Harbor Ultra-Low Sulfur No 2 Diesel Spot Price (1:NYHULSN2), https://ycharts.com/indicators/new_york_harbor_ultra_low_sulfur_no_2_diesel_spot_price.

¹³ Jet-A1-Fuel.com. <https://jet-a1-fuel.com/price/united-states#:~:text=Jet%20A1%20per%20MT%20%28metric%20ton%29%20in%20USD,USD%20%242.102%20cost%20per%20Liter%20in%20USD%20%240.559>.

"[T]he basic premise of a fuel supply agreement is an exclusivity arrangement between the supplier and the airport, the latter of which agrees to only purchase and sell fuel provided by the former."

Major aviation fuel companies include familiar names, such as Exxon Mobile and Shell, as well as some industry-specific companies, including Avfuel, Titan Aviation Fuels, and World Fuel Services. In addition to supplying airports bulk aviation fuel, many companies also provide services and training related to the aviation fueling industry.

Fuel Supply Agreements

Airports may purchase and sell fuel from a variety of suppliers. In addition to the cost of the product, other expenses associated with purchasing of aviation fuel include freight, applicable sales tax, and environmental fees. In some cases, an airport may elect to enter a **fuel supply agreement** with a selected distributor to stabilize fuel costs and take advantage of other benefits, such as reduced equipment costs and training. A sample Aviation Fuel Supply Agreement, provided by Avfuel, is enclosed in this section.

Although they vary in scope and application, the basic premise of a fuel supply agreement is an exclusivity arrangement between the supplier and the airport, the latter of which agrees to only purchase and sell fuel provided by the former. Such agreements usually stipulate that the provider will sell fuel to the airport at a price relative to a set index, which facilitates bulk fuel purchase budgeting and planning. The disadvantage of entering such an agreement is that the airport loses the flexibility and benefit of being able to shop around, from supplier to supplier, to obtain the best possible price of bulk fuel. In reality, however, many most airports rarely purchase bulk fuel from more than one or two major providers. Some potential benefits of entering a fuel supply agreement include:

- Reduced equipment costs, including the leasing or purchasing of new or used refueling trucks at steeply discounted rates
- Reliable supply, in that the fuel seller provides contracted airports preferential service over non-contracted airports
- Training on trucks and industry technology
- Quality assurance and customer support
- Operational efficiency

Fuel Branding Agreements

In addition to fuel supply agreements, fuel suppliers, airports, and/or FBOs may, from time to time, enter into fuel branding agreements with one another. A **fuel branding agreement** is a second type of exclusivity agreement that in addition to setting terms for the purchase and sale

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

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 all aviation fuel products, including, without limitation, SAF, G100UL, and hydrogen based fuel (the "Products") and other aviation electricity and energy products, including, without limitation, aircraft charging services, charging stations, and charging equipment (the "Alternative Products") 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. If, at any time during the term of this Agreement the Customer, or any entity controlled by or in common control with Customer, operates any other facility that sells aviation fuels or Alternative Products at a listed Airport (each a "Supplemental FBO"), then Customer shall or shall cause such other entity to enter into a new AVIATION FUEL SUPPLY AGREEMENT with Avfuel (on the same terms and for the same duration as this Agreement) for the supply of 100% of the requirements of the Supplemental FBO for aviation fuel and, to the extent made available at such location by Avfuel, the supply of 100% of the requirements of the Supplemental FBO for Alternative Products. If Customer requests and Avfuel agrees to deliver to any location not listed in the Special Terms and Conditions (each an "Alternate Location") and, to the extent that the terms of delivery to such Alternate Location is not governed by a separate agreement between Avfuel and Customer, delivery to such Alternate Location shall be governed by the terms of this Agreement; provided, however, that applicable pricing and taxes for each Alternate Location shall be determined by the market price of Products and Alternate Products and applicable taxes at the delivery address of the Alternate Location. 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) 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) the Customer will make deliveries of aviation fuel at the Delivery Addresses to purchasers listed as CFCs only pursuant to the CFD Program and will not make direct sales to those CFCs and (c) except for sales pursuant to the CFD Program to purchasers listed as CFCs for brokered resale by those CFCs to end users or resale otherwise brokered through Avfuel, 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 seven (7) years, beginning on the Effective Date specified in the Summary. The term shall be automatically renewed for successive five (5) year terms until one Party delivers a Notice to the other Party of its intent to terminate at the end of the then current term. Such Notice shall be delivered at least ninety (90) but not more than one hundred twenty (120) days prior to the expiration of the current term.

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 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 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 Alternate 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. For avoidance of doubt, "federal laws" include, without limitation, all applicable export control and international sanctions laws and regulations.

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, EACH PARTY (AS SUCH, THE "INDEMNIFYING PARTY") AGREES TO INDEMNIFY 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

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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.

13.10. For the purpose of securing a payment of all indebtedness of Customer to Avfuel from time to time outstanding (including, without limitation, any amounts due under this Agreement or any other agreement or instrument between Avfuel and the Customer) grants to Avfuel a purchase money security interest in and to all of Customer's inventory of the Products purchased from Avfuel, and all accounts, contract rights and other proceeds from such inventory, whether now owned or hereafter acquired. Customer warrants that the purchase money security interest granted herein is and shall remain superior to any other security interests granted by Customer to any other entity. For so long as this Agreement is in effect, all of Customer's inventory of aviation fuels will be presumed to be Products purchased pursuant to the Agreement and subject to the purchase money security interest granted by this Agreement. Customer hereby authorizes Avfuel to sign and record all financing statements and other instruments which Avfuel may reasonably require in order to create, perfect and continue in force said security interest and first priority lien. Customer authorizes Avfuel to file a true copy of this Agreement in lieu of any financial statement. The rights and obligations of Avfuel and the Customer under and with respect to the security interest and first priority lien created by this Section shall be interpreted in accordance with the Uniform Commercial Code in effect in the state of the Billing Address of the Customer as stated in the Summary.

13.11. THIS PARAGRAPH APPLIES ONLY TO THOSE PERSONS WHOSE SIGNATURES APPEAR AS GUARANTORS ON THE SIGNATURE PAGE OF THIS AGREEMENT. PERSONS SIGNING AS GUARANTORS SHALL BE CONSTRUED AS PERSONAL GUARANTORS REGARDLESS OF ANY OTHER DESIGNATION. In consideration of Avfuel extending credit to Customer and as a substantial inducement to Avfuel to do so, each of the parties signing as Guarantors on the signature page of this Agreement hereby guaranty payment and performance when due of (i) all indebtedness of the Customer that is now existing or hereafter created by the Customer to Avfuel or any subsidiary or affiliate of Avfuel (collectively, the "Avfuel Affiliates"); (ii) all obligations of Customer under each existing and future written or oral agreement between Customer and any Avfuel Affiliate, including, without limitation, the Aviation Fuel Supply Agreement and Customer Credit Agreement, (iii) all obligations of Customer under any and all modifications, extensions, renewals and rearrangements of any of the foregoing and (iv) all legal expenses (including attorney fees) incurred by Avfuel in the enforcement of the Guaranteed Obligations and against that Guarantor(s) under this of Customer under any and all modifications, extensions, renewals and rearrangements of any of the foregoing and (iv) all legal expenses (including attorney fees) incurred by Avfuel in the enforcement of the Guaranteed Obligations and against that Guarantor(s) under this guaranty (collectively, the "Guaranteed Obligations"). If this Guarantee is signed by two or more Guarantors, then the obligations of the Guarantors hereunder are joint and several. Each Guarantor waives any right to any notice of any modification, extension, renewal or rearrangement of any Guaranteed Obligation, any waiver or any release of any Guaranteed Obligation and any exchange, release or substitution of any collateral securing any Guaranteed Obligation. Each Guarantor waives notice of acceptance of this Guarantee, notice of default on the part of Customer under any Guaranteed Obligation and all other notices that the Guarantors may otherwise be entitled to receive. Each Guarantor acknowledges and agrees that no modification, extension, renewal or rearrangement of any Guaranteed Obligation, no waiver, release of any claims with respect to any Guaranteed Obligation and no exchange, release or substitution of any collateral securing or to secure payment or performance of any Guaranteed Obligation shall be construed as a waiver, release or modification of the obligations of the Guarantors under this Guarantee. This Guarantee is of payment and performance and not of collection. Accordingly, in the event of a default by Customer under any Guaranteed Obligation, Avfuel may seek and secure payment or performance directly against any or all of the Guarantors without first seeking payment or performance by Customer or any other Guarantor. This is a continuing Guarantee and shall not be revoked by the death or disability of any Guarantor and shall not be revoked by the death of any individual party or by the dissolution of any corporate party or any other entity that is a party hereto, and shall remain in force until Avfuel receives written notice to extend no further credit to Customer on the security of this Guarantee. Such notice shall not discharge any obligation of any Guarantor as to any then existing indebtedness or obligation of Customer arising out of a transaction that took place prior to the receipt of such notice, regardless of the time for determination, maturity, or performance thereof. Each Guarantor hereby authorizes Avfuel to make such credit investigations necessary to satisfy itself as to the credit worthiness of the Guarantor and agrees upon request to provide periodic

statements of financial condition to Avfuel. This Guarantee shall survive the termination of this Agreement until all amounts due Avfuel under this Agreement have been paid in full.

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.

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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 Michigan sitting in Washtenaw County, and any applicable Michigan appellate court. This 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.

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 Michigan, without

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. Avfuel reserves the right at any time and from time to time to amend these General Terms and Conditions and the Programs. The General Terms and Conditions and the Programs, as amended from time to time, are posted at www.avfuel.com. 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

FBO Aviation Fuel Supply Agreement 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 ¼% 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

FBO Aviation Fuel Supply Agreement

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 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.

“Reduced equipment costs are some of the greatest incentives for airports to enter fuel supply agreements.”

of fuel, also calls upon the customer (airport or FBO) to engage in passive marketing on behalf of the supplier. Trucks and staff, for example, will bear placards or will wear uniforms displaying the company logo. These agreements are generally geared more toward FBOs because they provide companies with the brand recognition necessary to improve market competitiveness. In return, suppliers will offer training, supplies, equipment, and some materials to the airport and/or FBO at little to no cost. A sample Aviation Fuel Branding Agreement, provided by World Fuel Services, is enclosed in this section.

Procuring a Jet A Refueler as Part of a Fuel Agreement

Reduced equipment costs are some of the greatest incentives for airports to enter fuel supply agreements. The largest equipment expenses tied to fueling activities are tied to the procurement, maintenance, and upkeep of fuel storage and distribution equipment. Thus, it is not uncommon for fuel suppliers to loan, lease, or sell such equipment at discounted rates in exchange for fuel exclusivity rights with airports.

The specific details of these agreements can vary widely depending upon the individual needs of the airport. Some abstract Jet A Refueler offers, provided by World Fuel Services are provided below. Please note that these are generic starting points that would be refined and agreed upon in writing as part of a broader fuel service agreement. Nearly every aspect of the below proposals is subject to negotiation, including terms, allowances, and payments.

Sample Fuel Supply Agreement Jet A Refueler Options from World Fuel Services (WFS)

- 7 years, WFS gives ESC a 2004 3K gal truck plus \$10k in initial funding and \$2k per year allowance for truck maintenance.
- 10 years lease to own 2024 truck leased at \$1500 per month. \$2k per year allowance for truck maintenance.
- 10 years lease to own 2015 truck leased at \$1000 per month. \$2k per year allowance for truck maintenance.
- 5 year lease 2015 truck lease at \$1000 per month. \$2k per year allowance for truck maintenance

Payment for leased or loaned equipment may be processed using several methods, all of which are also negotiable. Some airports, for example, will request that a predetermined cost be added to each gallon of bulk fuel they purchase, which is then applied to the equipment lease or loan. Other airports deliver a predetermined percentage of their fuel sales revenue to



the fuel and equipment provider. A final and simpler option is simply to include a set monthly payment as a line item on the regular bulk fuel invoice that the airport already processes every time it purchases fuel.



BRANDING AGREEMENT
(WORLD FUEL BRAND)

THIS BRANDING AGREEMENT (this "Branding Agreement") is made and entered into this 1st day of _____, 2020 (the "Effective Date") by and between _____ a _____ corporation ("Customer") located at _____ and **WORLD FUEL SERVICES, INC.**, a Texas corporation on its behalf and on behalf of its Affiliates (as defined in the FSA) (collectively "Seller") located at 9800 N.W. 41st Street, Miami, FL 33178

During the term of this Branding Agreement, _____ ("Customer") is authorized to and shall offer Company Products for sale under the Company Marks (as defined below) subject to the following terms and conditions:

1. Customer is hereby authorized to sell aviation fuels and other petroleum products supplied by Company pursuant to the Fuel Supply Agreement between Customer and Seller dated _____ ("FSA") at the location or locations listed in the FSA (each a "Location"), under certain brands and signs, and under certain trade names, trademarks, trade dresses, brand names, labels, insignias, symbols and imprints owned by Company or used by Company in its business (collectively "Company Marks") as are specifically authorized by Company from time to time. Such aviation fuels and other petroleum products sold by Seller to Customer, and held for sale by Customer, under Company Marks pursuant to this Branding Agreement and the FSA are hereafter referred to as the "Company Products." Each of the following petroleum products shall be continuously stocked and offered for sale at Customer's Location in such quantities as are necessary to meet the demand therefore: Company's Aviation Gasoline 100LL and Company's Jet A Turbine Fuel.
2. Any and all signs, decals, posters, placards, plates, devices, graphic materials or other form of advertising matter consisting in whole or in part of the name of Company or any Company Marks (collectively, "Branded Materials") will be obtained by Customer, at Seller's expense, only from Company. Any and all rights in Company Marks and Branded Materials are, and shall remain, the property of Company. Any use of Company Marks or Branded Materials other than as specifically set forth herein shall be strictly prohibited. No signs, emblems, graphic materials or other form of advertising for competing products or brands may be displayed at any Location where Company Products are offered without the express written consent of Seller.
3. Customer agrees that it will not use or display any Branded Materials (a) in a manner which causes or is calculated to cause confusion as to the type, characteristics, quality or manufacture of any fuel or other product which Customer offers for sale; or (b) for the purpose of selling or promoting the sale of aviation fuel other than fuels supplied by Seller; or (c) for the purpose of selling or offering for sale any product which has been diluted or adulterated whether intentionally or not. Customer will at all times maintain its facilities and conduct its operations in material compliance with those standards and procedures established from time to time by Company, which standards and procedures have been made available by Seller to Customer, and applicable to aviation fixed based operators displaying any of the Company Marks or Branded Materials. 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. Upon reasonable notice to Customer, Seller may, as it deems appropriate, including through the use of third party contractors, conduct periodic tests or inspections to confirm Customer's material compliance with its obligations hereunder.
4. Seller desires to maintain the quality of Company Products sold hereunder. Accordingly, Customer will not in any manner mix, commingle, adulterate, blend, dilute or otherwise change the composition of any of Company Products purchased from Seller hereunder and resold by Customer under Company Marks unless mutually agreed by both parties pursuant to the co-mingling section of the FSA. If Customer offers for sale products purchased on an unbranded basis, Customer shall refrain from all use of Company Marks on or in connection with the sale of such products. Customer further agrees to protect the identity of Company's products and Company Marks by all reasonable means that would prevent customer confusion or misinformation, including, but not limited to, material compliance with any guidelines issued by Seller and/or Company to prevent such confusion.
5. Customer shall accept and honor for payment all credit, debit cards and other payment methods designated by Company, which list of approved cards may be modified by Company from time to time in its sole discretion. All transactions shall be processed: (a) on point-of sale devices and web enabled processing solutions or platform that are designated and approved by Company; and (b) by a card processor designated and approved by Company. Customer shall follow all procedures and requirements for card acceptance and transaction processing as may be established by Seller or Company from time to time.



6. Customer may be eligible to enroll in the Company's FBO/Dealers Excess Products Liability Insurance Program (the "Program"). To enroll, Customer shall be required to meet eligibility requirements established by Company from time to time. Upon request, Seller will provide Customer with the necessary documentation to apply for enrollment; provided, however, that Customer's eligibility and enrollment in the Program shall be in the sole discretion of Company. The Program does not include coverage for Completed Operations.
7. Upon termination of this Branding Agreement, or in any event upon demand by Company, Customer shall immediately discontinue the posting, mounting, display or other use of Company Marks or Branded Materials. In addition, Customer, at its own expense, shall uninstall and return to Company all salvageable signage and shall promptly return to Seller (or destroy) any and all Branding Material or other items that display Company Marks and shall obliterate the appearance of Company Marks from any of Customer's real or personal property.
8. Company reserves the right at any time to change its product line and specifications, trade dress, trade names, and trademarks or to change or withdraw any services offered in connection with any products such as, but not limited to, credit card acceptance. In the event of such change, Company shall be relieved of all obligation to sell such discontinued products or to offer such discontinued products, trade dress, trade name, trademark or services to Seller and Customer; and, if Company shall market any other brand or product in lieu of the discontinued items, this Branding Agreement shall embrace such new brands or products. Neither Company nor Seller shall be liable to Customer by reason of any such changes. Company shall give Customer reasonable prior notice of any such change or revision.
9. This Branding Agreement shall have the same term as the FSA and shall terminate only when the FSA, expires or is earlier terminated, unless earlier terminated by Seller upon notice to Customer: (a) if Customer fails to comply with the requirements of this Branding Agreement; or (b) if a new Branding Agreement is substituted for this Branding Agreement pursuant to the terms of the FSA. The parties agree to execute and deliver a replacement branding agreement in substantially the same form (unless a new supplier requires a different form) if Seller determines to substitute aviation fuel of a different brand so long as such aviation fuel meets the requirements and standards set forth in Section 4 of the FSA.
10. Customer may not assign or transfer any right to use Company Marks or Branded Materials without Company's prior approval.
11. The term "Company" as used in this Branding Agreement refers World Fuel Services, Inc. in its capacity as owner or custodian of the brands, marks, and other intellectual property which is the subject matter of this Branding Agreement. The term "Seller" as used in this Branding Agreement refers to World Fuel Services, Inc. or one of its Affiliates (as defined in the FSA) in its capacity as "Seller" under the FSA.
12. This Branding Agreement is hereby incorporated by reference in and made part of the FSA for all purposes.

IN WITNESS WHEREOF, the parties have executed this Agreement which is made effective as of the date first above written.

WORLD FUEL SERVICES, INC.

[CUSTOMER]

By: _____

By: _____

Steve Drzymalla
SVP, Business Aviation

Printed Name and Title



The Airport Budget

All the preceding sections of this prospectus were designed to offer the reader context and background concerning the procurement of a Jet A refueler. This section was crafted to offer stakeholders and decisionmakers the financial knowledge necessary to make a sound fiduciary decision about purchasing or leasing a new or used refueler, including considering the potential of executing a fuel supply or fuel branding agreement.

Summary of Practices, Costs and Potential Expenses

Below is a summary of costs and expenses tied to the purchasing or leasing of a Jet A Refueler, as well as those related to entering into a fuel agreement, previously covered in earlier sections:

- Fuel truck costs are driven by three factors: (1) the Jet A capacity of the truck (greater capacity equates to increased cost); (2) the age of the truck (older is cheaper); and truck engine (diesel is more expensive than gas).
- A study of some of ESC's regional peers concluded that: (1) a majority of airports maintain and use multiple fuel trucks; and (2) the average model year of in-service trucks is 2012.
- All six of the studied airports have some form of a fuel agreement with the majority of these airports leasing or purchasing their Jet A Refuelers as part of said agreements.
- The average cost of a new 3K gal Jet A Refueler is \$253,166.25.
- The average cost of a used 3K gal Jet A Refueler is \$105,833.33.
- Used refuelers are more plentiful than new ones but are more difficult to obtain due to high turnover and rapid sales.
- The majority of used Jet A Refuelers are bought while the majority of new vehicles are leased.
- A typical monthly payment for financing a new refueler for 60 months, with minimal down payment is about \$5276.85.
- A typical lease payment for a comparable refueler and term would be about \$4,446/month.
- Lease payments for comparable Jet A Refuelers with comparable terms, under a fuel supply or branding agreement, would be from \$0 to \$1500/month.

“It is difficult to capture and convey financial data for a “typical” month at the airport... [but] the airport operating ledger usually bears a positive balance at the end of the month.”

Airport Resources and Revenue

The airport currently has \$ 1,235,170 in unassigned funds. **Unassigned funds** can be used or spent in the upcoming budget year or for unexpected costs that arise during the year. The county and airport prefer to maintain fund balance reserves to create a strong fiscal position. During the budget process, the fund balance is rarely used to offset operational costs (meaning, county and airport staff prefer to keep current revenues and expenditures to net to zero or a surplus). Occasionally, however, it is necessary to use the fund balance to pay for larger ticketed items *that cannot be funded through operational revenue* [emphasis added].¹⁴

It is difficult to capture and convey financial data for a “typical” month at the airport, due to the sporadic inflow and outflow of federal and state grant dollars. Nonetheless, the airport operating ledger usually bears a positive balance at the end of the month. Consider, for example, the below figures from earlier this year:

Activity for Month Ending in February 29, 2024 ¹⁵	
Total Revenues (less federal and state grants)	\$183,371*
Total Expenditures (less capital outlays and matched funds)	\$156,523
Net of Revenues & Expenditures (less noted above)	\$26,848

**Note that approximately half (\$94,555) of the above total revenues derive from combined fuel sales (Jet A and 100LL), which increase by 15%-20% during spring and summer months.*

Based upon the above data, the airport would comfortably be able to absorb a truck payment up to \$2000 per month. Thus, one could devise a credible argument that airport leadership should avoid using unassigned funds, in favor of operational revenue, to purchase and/or finance a replacement Jet A Refueler.

¹⁴ Inputs and guidance provided by Delta County Administrator Ashleigh Young via email correspondence dated May 1, 2024.

¹⁵ Revenue and Expenditures Report for Delta County, Period Ending 02/29/2024 (retrieved May 9, 2024).



Conclusion & Recommendations

Airport Management expended approximately 60 staff-hours researching and producing this prospectus. Based upon the data collected, as well as the inputs and feedback provided by industry experts and regional peers, Airport Management recommends the following courses of action (with the most preferable alternatives being listed first):

1. The airport draft and submit to Delta County an RFP for a fuel service or fuel branding agreement that includes the leasing of a used Jet A Refueler. This will keep costs low while also affording the airport the flexibility of making future decisions related to the outright purchasing of a Jet A Refueler or contracting with an FBO. Moreover, the turnaround time for receiving a used truck is comparably shorter than to that of a new truck and staff will also be provided training and support to improve efficiency.
2. Identical plan to the above course of action, with the single difference that the airport instead requests a new Jet A refueler as opposed to a used one. This will result in increased reliability at a slightly increased cost. The airport could additionally request a "lease to own" option at the end of a predesignated term.
3. Identical plan as outline in #1 except that the airport would request a plan involving the outright purchase of used Jet A Refueler as opposed to leasing one, which would eliminate monthly payments and reduce overall costs.

A final factor to consider is the fate of the current refueler. Once a replacement truck is secured, a decision will have to be made as to whether the airport will want to retain or part ways with the old refueler. There are numerous benefits and drawbacks to either of these options, which exceed the scope of this report but can be addressed at a future date.

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 Delta County Airport

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 Delta County Airport