

CROWLEY
WHOLESALE UNBRANDED AVIATION GASOLINE AGREEMENT
(June 2017)

LIFTING AT THE TERMINAL CONSTITUTES AGREEMENT WITH THE TERMS AND CONDITIONS OF THIS AGREEMENT

1. Quality and Quantity

- (a) "Product" shall mean unbranded aviation gasoline, 100LL sold by Crowley Fuels LLC ("Seller") to a third party ("Buyer"). "Gallon" shall mean a U.S. standard gallon of 231 cubic inches at 60 degrees Fahrenheit. Subject to the terms herein, all volumes shall be sold from the designated delivery location, and shall be billed on a net gallon basis at the truck rack and net gallon at the marine header. Marine volume measurements shall be adjusted to 60 degrees Fahrenheit using the volume correction factors prescribed under ASTM D-1250 and updated from time to time. If meters are used, built-in temperature compensators may be employed.
- (b) Buyer agrees to notify Seller immediately when it is made aware of any quality issues with respect to the Product. Any claims for shortage in quantity or defects in quality of the Product must be made in writing to Seller within five (5) days after delivery and Buyer shall provide Seller with a reasonable opportunity to inspect, take samples, and test the Product that is the subject of the claim; otherwise any such claim shall be deemed to have been waived.
- (c) The quality of the Product shall be the customary production quality being sold by Seller or Seller's supplier at the time and place of delivery. Seller warrants that the Product sold to Buyer will meet the ASTM D-910 specification for aviation gasoline 100LL as updated from time to time. The quality of the Product shall be strictly maintained by Buyer, and shall not be adulterated, commingled, or blended with any other products or substances in any manner. After delivery, Buyer shall, at its sole cost, be responsible for all testing and inspection of Product to ensure the quality of the Product.
- (d) Except to extent of any express guarantee, if any, set forth herein, SELLER MAKES NO WARRANTY OF ANY KIND WHATSOEVER, EXPRESSED OR IMPLIED, AND ALL WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND OTHER WARRANTIES OF WHATEVER KIND ARE HEREBY DISCLAIMED BY SELLER AND EXCLUDED. IN NO EVENT SHALL SELLER BE LIABLE FOR CONSEQUENTIAL, INDIRECT OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION, EXTRA EXPENSE, LOSS OF PROFITS, LOSS OF USE OF PRODUCT, DELAY OR DAMAGES CONSEQUENTIAL UPON LOSS OF USE WHETHER, INCLUDING WITHOUT LIMITATION, RESULTING FROM NEGLIGENCE OR BREACH OF THIS AGREEMENT BY SELLER AND EVEN IF THE POSSIBILITY OF SUCH DAMAGES IS OR WAS FORESEEABLE BY SELLER.
- (e) Buyer represents that it is familiar with the Product and the characteristics thereof, and subject to section 1(d) herein, assumes all risks whatsoever resulting from Buyer's (or its customers) handling, storage, sales, transportation, use, misuse or disposal of the Product, whether used singly or in combination with other substances or in any process, including but not limited to, liability for environmental violations and employee or consumer health or safety, and Buyer shall indemnify, defend and hold harmless Seller from and against any and all liability occurring or arising therefrom. Buyer agrees that all Product shall be clearly identified, correctly labeled, and resold under the proper grade.
- (f) Disclaimer: In the case of partial or total interruption of supply, Seller may allocate deliveries on any basis which in Seller's sole and absolute discretion is fair and reasonable, allowing for such priorities as Seller deems appropriate.

2. Purchase Price and Payment

Buyer agrees to pay Seller the Seller's posted price for the Product in effect at the time loading commences at the Terminal, without deduction, setoffs or counterclaims of any kind. Any claims of Buyer against Seller with respect to the Product shall be considered separately from payment of the purchase price. In the event payment is not made on time, time being of the essence in this regard, Buyer shall pay Seller daily interest on the late payment at the rate of 1.5% per month or at the maximum rate permitted by law. Credit is subject to credit approval by Seller. Unless and until all payments due under this Agreement have been paid to Seller, Seller shall have no obligation to deliver to Buyer, or allow pick by Buyer of, additional Product, unless Buyer pays for said Product C.O.D. in cash or certified funds.

3. Title and Risk of Loss

For trucks, custody shall pass from Seller to Buyer at the flange where the hoses at the loading rack interconnect with the truck at the Port of Anchorage terminals of Tesoro Logistics Operations LLC and/or its affiliates (the "Terminal"). For marine vessels at Anchorage, custody shall pass from Seller to Buyer from the Seller's flange or hose at the marine header (the "Custody Transfer Points"). Title and all risk of loss, cost, damage and injury shall pass to Buyer at the Custody Transfer Point and Buyer assumes all risks and responsibility for any loss thereafter.

4. Delivery

- (a) "Delivery" occurs at the Custody Transfer Point. Buyer shall provide or arrange delivery for all Product. Buyer shall pick up the Product at the Terminal location during usual business hours. Seller may change the Terminal location by providing Buyer from time to time.
- (b) Buyer warrants that all vehicles entering the Terminal on behalf of Buyer, including but not limited to third party carriers, shall comply with all requirements and standards issued from time to time by the Terminal operator and/or Seller. Buyer further warrants that it shall only send to the Terminal those employees and other representatives, including third party carriers, acting on behalf of and at Buyer's direction (the "Buyer Group") who have been properly instructed as to the characteristics and safe hauling methods required for handling and transporting the Products. Buyer agrees that all Product shall be clearly identified, correctly labeled, and resold under the proper grade. Buyer shall exercise the highest degree of care to avoid any spillage of Product or any injury or harm to persons or property. At all times during Delivery an employee or representative of Buyer shall be in charge, have custody and have control of any vehicle or equipment being used to deliver the Product, and

Seller shall at no time be considered a bailee of or as having care, custody or control of such vehicle or equipment. Buyer shall indemnify, defend, and protect Seller from any and all claims, damages, and disputes arising from the actions or omissions of the Buyer Group.

- (c) Buyer shall be solely responsible to determine whether fuel delivery tanks are clean and empty, and suitable to receive and deliver the Product. Seller shall have no responsibility whatsoever to inspect Buyer's vehicles. If Buyer commingles, mixes, blends, or otherwise adulterates any Product with any other substance or material, or otherwise fails to maintain the quality of the Product in a manner consistent with aviation industry standards as set forth by ASTM D-1250 and ASTM D-910, then (i) Buyer waives the right to make any claim for any Product quality as specified in 1(b) and (ii) Seller may suspend deliveries of the Product or terminate this Agreement immediately upon notice to Buyer.

5. Taxes and Fees

Buyer shall pay all taxes and inspection fees, now or hereafter imposed by federal, state, local or foreign governments, in respect to, associated with, or measured by the Product delivered hereunder or the manufacture, storage, Delivery, receipt, exchange or inspection thereof (collectively, "Taxes"). All such Taxes shall be for the account of the Buyer, who shall reimburse Seller upon receipt of invoice for any such taxes or fees legally required to be paid and paid by Seller in respect of the Product. Buyer is also responsible for providing any tax exemption certificates, where applicable, and for paying all other taxes for which Buyer is liable. Buyer is responsible for all applicable permits and shall pay all applicable fees associated with the purchase and Delivery of the Product, including without limitation any fees or permits associated with Delivery at the marine vessel custody transfer point.

6. Exceptions

No delay or failure by Seller to carry out or to observe any of the terms, provisions or conditions of this Agreement shall be deemed to be a breach of this Agreement if such failure or omission shall be excused by law or if the same shall be caused by or arise out of war, hostilities, acts of the public enemy or of belligerents, sabotage, blockage, revolution, insurrection, riot or disorder, arrest or restraint of princes, rulers or peoples, expropriation, requisition, confiscation or nationalization, embargoes, export or import restrictions or rationing or allocation, whether imposed by law, decree or regulation or by voluntary cooperation of industry at the insistence or request of any governmental authority or person purporting to act under some constitution, decree, law or otherwise, act of God, fire, frost or ice, earthquake, storm, lightning, tide, tidal wave or perils of the sea, accidents of navigation or breakdown or injury of vessels, loss of tanker tonnage due to sinking by belligerents or to governmental taking, whether or not by formal requisition, accidents to or closing of harbors, docks, canals, channels or other assistances to or adjuncts of shipping or navigation, epidemic, quarantine, strikes or combination of workmen, lockouts, or other labor disturbances, explosion, accidents by fire or otherwise to wells, pipes, storage facilities, refineries, installations, machinery or other facilities, unavailability of Product or materials or equipment, or any event, matter or thing wherever occurring and whether or not of the same class or kind as those above set forth, which shall not be reasonably within the control of Seller.

7. Indemnity

Buyer shall indemnify, defend, and hold harmless Seller, Seller's Product source, the Terminal operator and their officers, directors, employees, and agents from and against any claim and/or liability of any kind whatsoever for any injury to or death of any person, or any damage to or destruction of, loss of or delay in delivery of, any property of any person, or any property of Buyer, arising out of or resulting from (a) breach of this Agreement by Buyer, (b) Buyer's negligence or willful misconduct, and (c) the furnishing of services by Seller pursuant to this Agreement; provided, however, that the foregoing indemnification shall not apply to any such claim or liability resulting from the gross negligence or willful misconduct of Seller, its officers, agents or employees.

8. Pollution Prevention and Responsibility

In the event a spill, escape or discharge of oil or other product occurs during Delivery and causes or threatens to cause pollution damage ("Spill"), Buyer shall promptly take whatever measures are necessary to prevent or mitigate such damage. Seller may, but is not obligated to, undertake any measures that are, in its sole discretion, reasonably necessary to prevent or mitigate the pollution damage. Any and all costs or expenses incurred as a result of any measures so taken shall be at the Buyer's expense. Buyer shall be responsible to indemnify, defend and hold harmless Seller from any and all claims, costs, expenses, clean up costs, fines, losses, penalties, damages or other liability incurred by Seller as a result of the Spill. This duty to indemnify, defend, and hold harmless shall be owed to Seller without regard to the negligence or fault of Seller, except to the extent the negligence or other fault of Seller is a proximate cause of the Spill, in which case Seller shall be responsible only for reasonable costs and expenses attributable to that portion of the Spill.

9. Termination

Seller may terminate this Agreement with respect to a particular Buyer immediately for any of the following reasons: (a) Buyer's failure to comply with any material provision of the Agreement including, but not limited to, Buyer's failure to pay to Seller all sums due; (b) Buyer's bankruptcy or insolvency, Buyer's fraud or criminal conduct related to the operation of Buyer's business, or Buyer's conviction of any felony involving moral turpitude; (c) Buyer's willful adulteration, mislabeling, or misbranding of Product; (d) Buyer's knowing failure to comply with any laws relevant to the operation of Buyer's business; (e) Seller decides to withdraw from marketing of the Product in the area; or (f) any other ground for which termination is otherwise allowed by law or which Seller, in its sole discretion, determines is reasonable under the circumstances.

10. Insurance

- (a) Without in any way limiting Buyer's indemnity obligations under the standard terms and conditions of this Agreement, Buyer shall maintain at Buyer's own expense, including the expense of losses within the deductibles, and during the term of this Agreement the following insurance, at a minimum. Additionally, Buyer shall require that its carriers ("Authorized Carriers") cause its contractors to carry such insurance. Buyer shall be liable to Seller for any failure to do so. Such policies, other than Workers' Compensation Insurance, shall name Seller, Seller's Product Source

and the Terminal Operator as Additional Insureds but only to the extent of the indemnity agreements contained herein. Each policy shall provide that it is primary to and not contributory with any other insurance, including any self-insured retention maintained by Buyer (which shall be excess) and each policy shall provide the full coverage required by this Agreement. If such insurance is written on a claims-made basis, Buyer agrees to maintain the insurance for a period of not less than two (2) years after the completion of this Agreement. All such insurance shall be written with carriers and underwriters acceptable to Seller, and eligible to do business in the state where the terminal is located and having and maintaining an A.M. Best financial strength rating of no less than "A-" and financial size rating no less than "VII." All limits listed below are MINIMUM LIMITS:

- i. Workers' Compensation and Occupational Disease Insurance as prescribed by applicable law;
 - ii. Comprehensive or Commercial General Liability (Bodily Injury and Property Damage) Insurance of not less than \$2,000,000 combined single limit per occurrence, including the following coverage: (i) Contractual Liability Insurance to cover liability assumed under this Agreement, (ii) Product and Completed Operations Liability Insurance and Sudden and Accidental Pollution Liability Insurance;
 - iii. Automobile Liability (Bodily Injury and Property Damage) Insurance of not less than \$2,000,000 combined single limit per occurrence, on all owned, non-owned and hired vehicles. Policy shall be amended to include an endorsement providing pollution liability insurance coverage due to upset and overturn of vehicle. Buyer shall maintain or require its subcontractors and Agreement carriers to maintain any other insurance or surety bonding in amounts that may be required under the laws, ordinances or regulations of any governmental authority, including the Federal Motor Carrier Act of 1980 and all rules and regulations of the Department of Transportation;
 - iv. Employer's Liability Insurance with a minimum limit of \$1,000,000 for each accident, covering injury or death to any employee which may be outside the scope of the worker's compensation statute of the jurisdiction in which the worker's service is performed, and in the aggregate as respects of occupational disease;
 - v. Excess (Umbrella) Liability Insurance with limits not less than \$4,000,000 per occurrence.
 - vi. Property Insurance, with a limit of not less than \$1,000,000, which property insurance shall be first-party property insurance to adequately cover Buyer's owned property; including personal property of others; and
 - vii. Any other insurance or surety bonding that may be required under the laws, ordinances and regulations of any governmental authority, including the Federal Motor Carrier Act of 1980 and all rules and regulations of the Department of Transportation.
- (b) Marine Carriers: Notwithstanding the insurance requirements in subsection (a) above, Buyer shall cause all marine carriers who will access the Terminal and/or receive Product from the Terminal at the marine header on Buyer's behalf to maintain insurance coverage as follows:
- i. Hull and Machinery Insurance to the greater value of the full market value or mortgage value of each vessel and her equipment used in performing services hereunder. Such insurance shall be endorsed to include navigation limits sufficient to cover all work locations and collision and tower's liability with limits not less than \$5,000,000, with the Sistership Clause unamended.
 - ii. Full Protection and Indemnity Insurance provided through any combination of (A) full entry with a Protection and Indemnity Club; and/or (B) policy(ies) with a commercial insurance company(ies) or underwriters syndicate(s) with terms no less broad than those customarily carried by similar marine carriers with a limit of not less than fifty million dollars (\$50,000,000). Such Protection and Indemnity insurance shall include coverage for injury to or death of master, mates, and crew; tower's liability (if not covered under Hull & Machinery); excess collision liability; cargo legal liability; pollution liability; and contractual liability.
- (c) Evidence of all required insurance coverages must be furnished to Seller.
- (d) All such policies must be endorsed with a Waiver of Subrogation endorsement, effectively waiving rights of recovery under subrogation or otherwise, against Seller, Seller's Product Source and the Terminal Operator.
- (e) Purchase of product by Buyer shall constitute acceptance by Buyer of these insurance requirements, unless changes have been agreed by Crowley's Risk Management Department in writing.

11. Miscellaneous

- (a) Buyer agrees and represents to Seller that Buyer, Buyer's customers, jobbers, third party carriers, haulers, agents and other representatives, together with their respective employees and agents shall be in compliance with applicable federal, state and local regulatory authorities including but not limited to the Department of Transportation, OSHA, and EPA.
- (b) Construction: No waiver by either party of any breach of any of the covenants or conditions herein contained to be performed by the other party shall be construed as a waiver of any succeeding breach of the same or any other covenant or condition. This Agreement cannot be modified in any way except in writing signed by the parties.
- (c) Assignment: Buyer shall not assign this Agreement in whole or in part without the prior written consent of Seller.
- (d) Governing Law: This Agreement shall be governed by the laws of the State of Alaska and shall have exclusive venue in Anchorage. The non-prevailing party agrees to pay the prevailing party's legal fees and associated costs.
- (e) Independent Contractor: Nothing contained in this Agreement shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of partnership, joint venture, or any other association between the parties to this Agreement.
- (f) Entire Agreement: These terms and conditions, and any attachments hereto or referred to specifically herein, constitute the entire agreement between the parties with respect to the subject matter hereof and all prior written and oral agreements with respect to the sale of the Product are superseded by and fully integrated into this Agreement. Seller's acceptance of the transaction represented by this Agreement is limited to the terms and conditions hereof. Any written confirmation of this Agreement, or of any oral understanding upon which the sales confirmation is based, containing proposals or terms additional to or different from those set forth herein are not binding on Seller unless Seller expressly agrees to any such proposal or term in writing. Buyer's lifting at the Terminal shall constitute acceptance by Buyer of this Agreement and all of its terms and conditions.
- (g) Trademarks: Buyer may not use any trademarks, trade names or service marks associated with Seller, Product Source, or the Terminal in connection with the Product.