



Service Agreement

General Terms and Conditions

- **General Statement**

The terms and conditions reflected below are applicable to all transactions conducted between MGAS, LLC., Global Aviation Services("MGAS") and its clients.

Client's acceptance and use of a direct account for purchases from MGAS, or use of a credit account extended to client using any other form of payment for account purchases (e.g. advance payment, major credit card) signifies that the client has reviewed and fully accepts and agrees to all the terms and conditions described and referenced in this agreement.

Transactions are defined as purchases by the client of jet fuel from MGAS Global Aviation Services ("MGAS"), or other ancillary and concierge services as may be requested by client.

- **Invoices & Payments**

Invoices are due and payable based on individual client payment terms established in advance with MGAS. Our standard payment terms are Net 15, unless client has been approved and advised in writing by MGAS of different payment terms approved for their account.

All payments to MGAS will be in United States Dollars and made payable at the following remittance addresses as identified on client invoices.

MGAS LLC
Global Aviation Services
Post Office Box 940879
Houston, TX 77094-7879

Reporting a disputed invoice: If a client determines that an invoice has been billed incorrectly, the client must report, in writing, the invoice discrepancy to MGAS, within five (5) days after receipt of the invoice. All disputes must be reported to invoices@mgas.com. Client must provide full details of the invoice item(s) that are being disputed, including invoice number and invoice date.

- **Charges for Jet Fuel and other Services**

All charges to client for jet fuel and other services will be supported by quotes provided to the client and/or based on product pricing lists provided to the client at the time of the service via the MGAS website. Price quotes are based on the delivery date of the service provided by the client and such pricing is subject to change if the fuel delivery request should occur after the quoted delivery date or period to the client.

Prices for products and services rendered by MGAS are subject to modification at any time without prior notice to the client.

Client agrees to accept any additional charges for product or services rendered by MGAS that are received from MGAS suppliers and vendors after the initial charges and invoices have been issued and rendered to the client. MGAS agrees to provide full document support for all such delayed charges from its suppliers and/or vendors relative to the client's products and/or services purchased.

Other applicable charges: If client elects to have non-fuel items charged to their MGAS fuel account as a convenience, client agrees to pay a 13% Administrative Processing Fee to be added to the invoice total for all non-fuel items. Client further agrees to pay for any and all third party charges for services and any additional fees assessed by third party service companies, if applicable. Third Party Provider charges for will be assessed with a 13% Administrative Processing Fee to the client.

- **Delivery and Title of Jet Fuel Product; Risk of Loss**

Delivery of products and/or services shall be performed on behalf of MGAS by its approved suppliers and/or vendors.

All fuel sales transactions by MGAS shall be into-wing and fuel shall be delivered to the client's aircraft by the approved supplier and/or fueling agent of the supplier or direct FBO or fueling agent approved as a vendor for MGAS. Jet fuel shall be delivered into the client's aircraft, intowing and title to the product and any and all risk of loss for the jet fuel delivered shall pass from MGAS to the client once the product has passed through the connecting hoses into the fuel tank of the aircraft.

In the event that a fuel transaction is based on an into-storage delivery transaction, MGAS will order product from its approved supply sources for delivery into the client's specified storage tank delivery point(s). Title to such product delivery and risk of loss for the jet fuel delivered shall pass from MGAS to the client after the jet fuel has passed through the connecting hoses in the specified storage tank at the specified delivery point(s) of the requesting client.

- **Export Control**

Client agrees not to re-export and cannot directly or indirectly release or make available any jet fuel provided to the client from MGAS to any restricted country or entity in a restricted country or any other country that may be designated from time to time by the United States Department of Commerce, or any United States law, rule, regulation or order, or any treaty or for use in servicing equipment owned, controlled or used by such military or police entities. Restricted country refers to the countries listed in country groups Q, S, W, Y, and Z in Section 770 Supplement No. 1 of the Export Administration Regulations of the United States (15 CFR Part 770).

- **Taxes**

Client will be responsible for paying to MGAS all applicable duties, taxes and fees on products and services rendered to the client. Should MGAS' supplier fail to charge all applicable duties, taxes and fees on the initial invoice, client agrees to accept additional charges for duties, taxes, or fees that may be applicable and billed to the client under a separate invoice for the specific, fuel delivery after the initial invoice.

- **Invoice Collection Process**

If client fails to make full payment when due, client acknowledges and agrees that MGAS may, in addition to all other rights and remedies, invoke any and all statutory or equitable lien rights or those of any participating aviation merchants in connection with the enforcement of MGAS' right to payment under this Agreement, and authorizes MGAS to file a lien for the unpaid charges, plus late fees at 19.5% APR from the date of the oldest unpaid charge, aircraft title search fees, filing fees and attorney fees, against any aircraft for which charges were incurred and made to client's account. If the debt thereafter remains unpaid MGAS may institute suit against client to enforce the lien and collect the debt.

If a lien is filed it will be based upon the aircraft lien statute of the State of Texas beginning at Section 70.301 (regardless of where the client resides or does business, or where the aircraft owner resides or does business, or where any of the services were furnished, or where jurisdiction may otherwise be proper and regardless of where the aircraft was at the time such charges were incurred). Venue for enforcement of any lien shall be in the state courts of the Commonwealth of Virginia, USA, regardless of diversity issues or amounts

owed, and by using this card, the Cardholder waives objections to MGAS' choice of law or forum. Service of process by certified mail, return receipt requested, postage prepaid and mailed to client at the address on the application shall be sufficient to confer jurisdiction regardless of where client is geographically located or does business. Client will be liable to MGAS for all costs and expenses of liens and litigation including, but not limited to, late charges, attorney's fees, court and discovery costs and/or other costs incurred by MGAS in enforcing its rights hereunder.

- **CONFESSION OF JUDGMENT**

If client fails or refuses to honor any of its obligations in this Agreement it shall be in default, in which case client appoints Aviation Law Center of Williamsburg, Virginia as its attorney-in-fact for the purpose of confessing judgment against client in favor of MGAS or its assignee, in the Clerk's Office of the Circuit Court of Williamsburg, Virginia for the unpaid balance of client's indebtedness to MGAS, plus post judgment interest at the rate of 2% per month until paid in full, and the actual costs of collection, including filing fees, expenses and attorneys fees.

- **Force Majeure**

MGAS shall have no liability or responsibility to client or any other third party for any failure to perform its obligations under this Agreement due in any way, in whole or in part, to any circumstances beyond its control ("Force Majeure"), which include by way of example but not limitation, acts of God, lack of regulatory agency or airport approval (even after making diligent attempts to obtain and keep the same), seizure under legal or judicial process, sanctions, fuel unavailability, delays caused by mechanical, air traffic control or ground handling problems, quarantine restrictions, fire, adverse weather, airport conditions, strike or lockout or other dispute or labor stoppage, act of the public enemy, war (declared or undeclared), terrorism, blockade, revolution, civil commotion, lightning, fire, storm, flood, earthquake, explosion, governmental restraint, embargo, sudden or unexpected equipment mechanical failure, or inability to obtain or delay in obtaining fuel, equipment or transport.

- **Disclaimer**

MGAS makes no warranty or representation of any kind whatsoever, express or implied, with respect to any jet fuel or services provided to client hereunder. **MGAS EXPRESSLY DISCLAIMS AND HEREBY WAIVES ALL WARRANTIES, GUARANTEES, OBLIGATIONS, LIABILITIES, RIGHTS AND REMEDIES WITH RESPECT TO ALL JET FUEL AND SERVICES, EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE, INCLUDING BUT NOT LIMITED TO (1) AN IMPLIED WARRANTY OR MERCHANTABILITY, (2) ANY IMPLIED WARRANTY ARISING FROM THE COURSE OF PERFORMANCE, COURSE OF DEALING WITH OR USAGE OF TRADE OR (3) ANY IMPLIED WARRANTY OF INTEGRITY OR QUALITY OF PRODUCTS AND SERVICES IN ANY WAY WHATSOEVER.** Unless caused solely by MGAS' gross negligence or intentional

act(s), MGAS shall have no liability to client relative to any claim, loss or damage, of any kind whatsoever, attributable to the jet fuel product or services rendered by MGAS suppliers and its FBOs and fueling agents and third party providers. In no event shall MGAS be liable to client for exemplary or consequential damages of any kind whatsoever, including, but not limited to loss of revenues or profits. It shall be the responsibility of client to make any and all inspections and investigations as client deems necessary to ascertain the integrity and quality of the products and services, including ascertaining the integrity and quality of the jet fuel product delivered into the client's aircraft and/or storage facilities.

- **Indemnity**

Client shall indemnify and hold MGAS harmless from and against all claims, liability, losses, damages, suits, recoveries, judgments, fees and/or expenses (including, without limitation, any attorneys' fees) which may be incurred by MGAS as a result of or in connection with the provision of jet fuel or services to client hereunder.

- **Arbitration**

Any and all disputes, controversies, or claims arising out of or relating to client's purchases of jet fuel, including without limitation, claims based on contract, tort, or statute, shall be determined by arbitration in Houston, Harris County, Texas, before a panel of three (3) court appointed arbitrators. The arbitrators, in rendering their decision and/or award, shall determine the rights and obligations of all parties who are connected with the client's purchase of jet fuel in accordance with the substantive law of Texas as though acting as a court in a civil action in Texas. These proceedings shall otherwise be governed by the provisions of the Federal Arbitration Act.

- **Governing Law**

Except for the enforcement of any lien or a confessed judgment, this agreement shall be governed by the laws of the State of Texas.

- **Amendments to the Agreement**

MGAS reserves the right to amend any and all parts of the terms and conditions outlined in this agreement at any time without any prior notice to clients of MGAS, and such amendment shall be valid as against client when sent to client via telefax or in the regular invoicing process. MGAS will provide its clients with amended terms and conditions as they occur within seven (7) days from the date that the terms and conditions were amended. The modified terms and conditions of this agreement shall apply to all subsequent client transactions provided through MGAS based on the effective date that the terms and conditions were approved for modification by the Board of Managers of MGAS.

- Notices

Any and all notices relative to this agreement shall be provided to either party as follows:

MGAS LLC

Global Aviation Services
2550 Gray Falls Drive
Suite 250
Houston, TX 77077
ATTENTION: Chief Operating Officer

CLIENT

Client's address, telephone and fax numbers shown in the client's original Application for Credit or the most current client address on file with MGAS.

IMPORTANT NOTICE

THIS INSTRUMENT CONTAINS A CONFESSION OF JUDGMENT PROVISION WHICH CONSTITUTES A WAIVER OF IMPORTANT RIGHTS YOU MAY HAVE AS A DEBTOR, AND ALLOWS THE CREDITOR (OBLIGEES) TO OBTAIN A JUDGMENT AGAINST YOU WITHOUT ANY FURTHER NOTICE IN THE EVENT OF YOUR DEFAULT.