



COUNTY OF HUMBOLDT

AGENDA ITEM NO.
C-22

For the meeting of: April 5, 2016

Date: March 11, 2016

To: Board of Supervisors

From: *TM* Thomas K. Mattson, Public Works Director

SUBJECT: AVIATION FUEL SUPPLY AND BRANDING AGREEMENTS WITH WORLD FUEL SERVICES, INC.

RECOMMENDATION(S): That the Board of Supervisors (4/5 vote required):

1. Approves and authorizes the Chairperson to execute the attached countersigned Fuel Supply Agreement and Branding Schedule, in duplicate, with World Fuel Services, Inc.
2. Directs the Clerk of the Board to retain one original fully executed Fuel Supply Agreement and Branding Schedule with meeting records, and return one original fully executed Fuel Supply Agreement and Branding Schedule to the Land Use Division for further processing.

SOURCE OF FUNDING: Aviation Enterprise Fund

DISCUSSION: World Fuel Services, Inc. (WF) desires to supply aircraft engine fuel to Humboldt County's airports following the decision by Chevron Products Company to terminate and assign its Branded Airport Dealer Supply Contract with County of

EA Prepared by Erin D. Damm, Real Property Agent *ED* CAO Approval *Tracy Wisen*
 REVIEW: Auditor *MBM* County Counsel *JS* Human Resources *HW* Other _____

TYPE OF ITEM:
 Consent
 Departmental
 Public Hearing
 Other _____

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT
 Upon motion of Supervisor _____ Seconded by Supervisor _____
 Ayes _____
 Nays _____
 Abstain _____
 Absent _____

SEE ACTION SUMMARY

PREVIOUS ACTION/REFERRAL:
 Board Order No. _____
 Meeting of: _____

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: _____
 By: _____
Kathy Hayes, Clerk of the Board

Humboldt, effective April 30, 2011. WF has been supplying aircraft engine fuel to the County without a fuel supply agreement in place while Department of Public Works (DPW) staff and WF have worked to reach consensus of the Fuel Supply Agreement and Branding Schedule attached hereto. WF requests an initial one (1) year term commencing upon Board approval of the Agreements. Agreement term options allow for automatic annual renewals for up to ten (10) years from the commencement date.

The supply of aviation fuel to California Redwood Coast - Humboldt County Airport, Garberville Airport and Rohnerville Airport provides a necessary service to commercial air carriers, as well as resident and transient general aviation aircraft operators. DPW is supporting approval and authorization of the Fuel Supply Agreement and Branding Schedule.

FINANCIAL IMPACT: Net revenue from aircraft engine fuel supplied at the County's airports during the 2014/2015 fiscal year was Three Hundred Fifty-four Thousand Two Hundred Fifty-nine Dollars and Twenty Eight Cents (\$354,259.28). The requested action conforms to the Board of Supervisors' Core Goal of encouraging new local enterprise and ensuring proper operation of markets.

OTHER AGENCY INVOLVEMENT: None.

ALTERNATIVES TO STAFF RECOMMENDATIONS: The Board may withhold consent for the Agreements with WF, however this action would render the County's aircraft operations vulnerable to fuel supply interruptions.

ATTACHMENTS:

1. Chevron Products Company Notice Letter
2. World Fuel Services Fuel Supply Agreement, countersigned in duplicate
3. Branding Schedule (Ascent Brand), countersigned in duplicate

AVIATION FUEL SUPPLY AND BRANDING AGREEMENTS WITH
WORLD FUEL SERVICES, INC.

ATTACHMENT 1

CHEVRON PRODUCTS COMPANY NOTICE LETTER



Global Aviation



Keith R. Sawyer
General Manager
General Aviation

Chevron Products Company
(a Chevron U.S.A. Inc. division)
1500 Louisiana Street
Houston, TX 77002
Tel 832-854-5967
Fax 832-854-6011
ksaw@chevron.com

May 4, 2010

VIA CERTIFIED MAIL

Jacquelyn Hulsey
County of Humboldt
1106 2nd Street
Eureka, CA 95501-0531

**FBO(s) located at: [ACV, O16, and FOT]
Notice of Assignment and
Termination Notice**

Dear Dealer:

After review of Chevron's General Aviation portfolio, a decision has been made to change the way we sell Chevron and Texaco aircraft engine fuels. The new business model will sell aircraft engine fuels through a distributor channel in select geographic market areas in the Western and Southern United States. Accordingly, Chevron will be withdrawing from direct marketing at the location indicated above. This decision follows a study of Chevron's general aviation business and will help Chevron adapt to changing market conditions by focusing resources in areas where our business is strongest. More specifically, Chevron is aligning our aviation marketing assets with our manufacturing system to focus in areas where our supply reliability is strongest.

Accordingly, Chevron will assign your Contract to The Hiller Group ("Hiller") effective June 1, 2010 at which point Hiller will be your supplier. All terms and conditions in your Contract will be fulfilled until the Termination Date as noted below.

Chevron also hereby notifies you that your Airport Dealer Supply Contract (the "Contract") and all associated agreements currently operative between you and Chevron, will terminate on your next applicable anniversary date (the "Termination Date"). Section 13(b) of the Contract states: "In addition, Chevron may terminate this Contract without cause upon giving Dealer at least 60 days written notice prior to the end of the initial term or at least sixty (60) days written notice prior to the end of any renewal term in which event this Contract will terminate at the end of the current term. In your case, the termination date is 4/30/2011

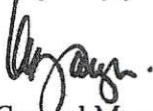
The related agreements between you and Chevron, under which Chevron has authorized the use of Chevron® and Texaco® insignia and to accept and process payment cards for sales under Chevron's card programs, will also terminate on the Termination Date.

With respect to certain optional programs provided by Chevron, please refer to Attachment A, which updates the status of these programs.

This termination notice does not apply to any refuelers you may lease from Chevron. Also, this termination notice does not apply to any loan agreements you may have with Chevron. Your Territory Manager will contact you relative to refueler leases and outstanding loan agreements, if any.

We greatly appreciate your loyalty and contributions as a dealer of Chevron® and Texaco® branded aviation fuels.

Very truly yours,

A handwritten signature in black ink, appearing to read "W. J. ...", is written over the typed name.

General Manager
General Aviation

AVIATION FUEL SUPPLY AND BRANDING AGREEMENTS WITH
WORLD FUEL SERVICES, INC.

ATTACHMENT 2

WORLD FUEL SERVICES FUEL SUPPLY AGREEMENT



FUEL SUPPLY AGREEMENT

THIS FUEL SUPPLY AGREEMENT (this "**Agreement**") is made and entered into this ___ day of ___, 2016 (the "**Effective Date**") by and between **COUNTY OF HUMBOLDT** ("**Customer**"), a political subdivision of the State of California located at 1106 Second Street, Eureka, CA 95501 and including locations at Arcata-Eureka Airport (ACV), in McKinleyville, CA; Garberville Airport (016) in Garberville, CA; and Rohnerville Airport (FOT), Fortuna, CA and **WORLD FUEL SERVICES, INC.** (a Texas corporation on its behalf and on behalf of its Affiliates (**collectively "Seller"**)) located at 9800 N.W. 41st Street, Miami, FL 33178.

WITNESSETH:

WHEREAS, Seller markets and distributes aviation fuels, and Customer is in the business of operating an aviation facility which uses aviation fuels; and

WHEREAS, the parties have agreed that Seller will sell aviation fuels to Customer and Customer will purchase aviation fuels from Seller in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the premises and mutual covenants and undertakings set forth herein, Customer and Seller hereby agree:

1. **Scope.** During the term of this Agreement, Seller agrees to sell to Customer and Customer agrees to purchase from Seller branded and unbranded aviation gasoline, jet fuel, and any other products sold hereunder for its three (3) Fixed Base Operations ("FBOs") named above. Customer represents and warrants that all products and services purchased hereunder will be for the purpose of conducting its business and that no aviation gasoline purchased hereunder shall be used or sold for non-aviation use.

2. **Duration and Renewal.** This Agreement shall be for an initial term of one (1) year beginning on the Effective Date (the "Initial Term"); thereafter, this Agreement shall automatically renew for one or more subsequent annual terms up to a maximum of ten (10) years total unless cancelled by either party providing written notice to the other party of its election to terminate at least ninety (90) days prior to the end of the Initial Term or any annual renewal period.

3. **Pricing.** Unless otherwise agreed in writing by the parties, the price per gallon for products sold hereunder shall be as established by Seller from time to time in its discretion. Prices are exclusive of all Taxes (as defined in Section 10 hereof) additives, freight charges, surcharges and fees. Notwithstanding any written agreement to the contrary, if Seller's cost of supplying fuel or services to Customer increases then, upon written notice to Customer, Seller may adjust its prices at affected delivery locations. Price changes will take effect as of the date of notification.

4. **Product and Product Standard.** The products to be sold hereunder are Jet A Turbine Fuel and 100LL Aviation Gasoline. Jet A Turbine Fuel produced by a refinery in the United States shall meet ASTM D 1655, latest revision, and Jet A Turbine Fuel produced by a refinery in Canada shall meet the requirements of CAN/CGSB-3.23-97. 100LL aviation gasoline produced by a refinery in the United States shall meet ASTM D 910. Seller warrants title to the products delivered hereunder, that it has the right to sell such products and that they are free from liens and adverse claims of every kind. EXCEPT AS SPECIFICALLY SET FORTH IN THIS SECTION, SELLER MAKES NO WARRANTIES OF ANY KIND TO CUSTOMER REGARDING THE PRODUCT SOLD HEREUNDER, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

5. **Credit and Payment Terms.** Payment by Customer shall be made by means of paper check. Different payment method(s) by Customer to Seller may commence upon written agreement for such, given that it is mutually agreed upon and signed by both parties. Seller shall submit to Customer monthly invoices referencing bill of lading and other shipping papers from deliveries, and Customer shall make payment on or before thirty (30) days from the monthly invoice date, ("Due Date"). Payments made after more than ten (10) days following the Due Date shall accrue interest at a rate of one and one-half percent (1.5%) per month, or the maximum rate permitted by applicable law, whichever is less. All amounts more than fifteen (15) days past due shall incur an additional five percent (5%) administrative fee. Any waiver by Seller of interest charges or administrative fees on a particular invoice shall not be construed as a waiver by Seller of its right to impose such charges on other or subsequent deliveries. Seller reserves the right to apply Customer's payments to any outstanding invoices or obligations of Customer, as determined by Seller in its sole discretion, without regard to the aging of any account. Customer shall be liable for all fees and costs, including without limitation attorney's fees, incurred by Seller in connection with any collection activities undertaken by Seller for the non-payment of any amounts due hereunder by Customer. Seller reserves the right to modify or cancel the credit terms provided to Customer at any time, in its sole discretion upon notice to Customer. If Seller selects not to extend or cancels

any credit terms provided to Customer, prior to each delivery of aviation fuel, Customer shall: (a) make a prepayment to Seller; (b) cause to be issued a letter of credit in favor of Seller in a form, in an amount and from a bank that is acceptable to Seller from time to time in its sole discretion, or (c) give other security to Seller in a manner, of a type, in a form and in an amount that is acceptable to Seller. Seller reserves the right, in addition to all other rights and remedies available to it under the law, in equity or otherwise, to suspend further performance of Services, and demand payment of all outstanding balances, if Customer fails to make any payment as herein provided, or if Seller at any time deems itself insecure with regard to the creditworthiness or financial condition of Customer.

6. Force Majeure. Neither party shall be liable for its failure to satisfy its obligations hereunder as a result of any cause beyond its control, including acts of God, acts of federal, state or local government, compliance with requests, regulations or orders of any governmental authority, fire, storm, flood, earthquake, explosion, accidents, acts of the public enemy, terrorism, war, riot, strike, lockout, or unavailability of or delays in delivery of any product which is the subject of this Agreement. If any such *force majeure* interruption occurs with respect to Seller's supply, Seller may substitute another fuel of the same brand, a different brand, or no brand so long as such aviation fuel meets the standards set forth in Section 4 above, and/or the quantities of aviation fuel required to be supplied under this Agreement may be ratably reduced for the period during which such *force majeure* interruption may exist.

7. Title and Risk of Loss. Seller's liability relating to the aviation fuel sold hereunder shall cease and title and risk of loss shall pass to Customer when said product passes the flange between Seller's delivery line and Customer's connection or vehicle.

8. Inspection and Measurement. Customer's inspection and measurement shall be based on meters or on certified tank truck capacities according to terminal practice. All quantities shall be adjusted to 60 degrees F temperature (unless otherwise specified by State Regulations) in accordance with the latest revised applicable parts of ASTM Designation D: 1250, IP Designation: 200 Petroleum Tables. The term "gallon" shall mean a U.S. gallon of 231 cubic inches. The term "tank truck" shall mean a transport truck with a tank storage capacity of not less than 3,000 gallons.

9. Deliveries. Deliveries shall be made at such times within the usual business hours of Seller as may be required by Customer, provided that reasonable advance notice is given by Customer. Seller shall prepare and furnish the receiving party with copies of bills of lading and other shipping papers. Seller shall not be required to make deliveries into vehicles supplied by Customer unless they are clean and empty immediately prior to delivery and shall not be required to load or deliver quantities less than the full capacity of the vehicle, except as otherwise authorized by Seller from time to time. If deliveries are to be made into Customer's storage facilities, Customer shall provide storage facilities sufficient to enable it to receive such deliveries and shall provide Seller with unimpeded and adequate ingress and egress during normal airport business hours. Customer shall reimburse Seller on demand for any demurrage or other charges incurred by Seller by reason of Customer's failure to unload any delivery vehicle or release the same within the time allowed therefor without demurrage or other charge even though such failure may have arisen from causes beyond the control of Customer. All deliveries of aviation fuels shall be in full bulk transport quantities unless otherwise agreed by Seller.

10. Taxes. All prices are quoted in U.S. Dollars (unless otherwise specified) and exclude all duties, taxes, assessments, fees, and other charges, whether foreign or domestic, including, but not limited to, excise tax, VAT, GST, mineral oil tax, sales tax, use tax or any other tax, license fees, inspection fees, landing fees, airport fees, fees for the privilege of buying, selling or loading aviation fuel, or other charges imposed by any governmental authority or agency or regulatory body, or third party upon, or measured by the gross receipts from or volume sold of any commodity, or on the production, manufacture, transportation, sale, use, delivery or other handling of such commodity, or any component thereof, or on any feature or service related thereto or of any invoice, existing at the time of any sale hereunder (collectively "Taxes"), which shall be added to the applicable price. When permitted, Customer shall assume and be directly responsible to the proper governmental units for any Taxes. When the laws, regulations or ordinances impose upon Seller the obligation to collect or pay such amounts, Customer shall pay to Seller all such amounts for which Seller may be liable. If Customer is entitled to purchase products free of any Tax, Customer shall furnish Seller proper exemption certificates. Customer acknowledges that it remains solely responsible for all Taxes and shall indemnify Seller against any liability for such Taxes even if Seller fails to include any such Taxes in its invoices. Customer's obligations under this section shall extend to any Taxes which are assessable against Customer as a result of any subsequent change in, or in interpretation of, any laws relating to such Taxes.

11. Conduct of Customer's Business. In the performance of this Agreement, Customer is engaged as an independent contractor. Customer shall conduct all operations hereunder in strict compliance with all applicable laws, ordinances and regulations of all governmental authorities, including but not limited to those issued by the Department of Transportation and those relating to the, production, manufacture, transportation, sale, use, delivery or other handling of products purchased hereunder. Customer shall diligently promote the sale of the petroleum products purchased under this Agreement, and shall conduct the operation of Customer's business in such a manner as to promote goodwill toward Seller and its products. Customer agrees to assist in the administration of any promotional programs Seller or its suppliers may establish for its customers.

12. Oil Spills. If a petroleum product spill occurs anywhere in connection with Customer's performance of this Agreement, Customer shall promptly notify Seller and the appropriate governmental authorities and shall take immediate action to clean up the spill and prevent further damage. Customer shall pay and be responsible for all costs, expenses, charges and judgments incurred or imposed in connection with the clean-up operations.

13. Insurance.

(a) Customer shall maintain at Customer's own expense during the term of this Agreement: (i) Workers' Compensation and Employment Liability Insurance as prescribed by applicable law; (ii) Aviation General Liability (bodily injury and property damage) Insurance of not less than \$1,000,000 combined single limit per occurrence, but in the aggregate with respect to Products and Completed Operations Liability and any one offense/aggregate with respect to Personal Injury, and including but not limited to, personal injury, premises-operations, products and completed operations, and contractual Liability; (iii) Business Automobile Liability (bodily injury and property damage) Insurance of not less than \$1,000,000.00 combined single limit per occurrence, on all owned, non-owned and hired vehicles which are used by Customer; and (iv) any other insurance or surety bonding that may be required under the laws, ordinances and regulations of any governmental authority.

(b) The insurance specified in subsection (a) of this Section 13 shall require the insurer to provide Seller with thirty (30) days' prior written notice of any cancellation or material change in the insurance and shall name Seller as additional insured. The insurance required under clause (i) of subsection (a) above shall contain a waiver of subrogation against Seller and an assignment of statutory lien, if applicable.

(c) The insurance required under subsection (a) above shall provide that it is primary coverage to insurance carried by Seller. The insurance required above shall be issued by insurance companies which are reasonably acceptable to Seller. The insurance companies shall have no recourse against Seller, or any other additional insured, for payment of any premiums or assessments under any policy issued by a mutual insurance company. Customer shall be responsible for all deductibles in all of Customer's insurance policies. Customer shall furnish Seller with certificates for all insurance coverage.

(d) Seller has the right to modify, delete, add to or otherwise change the insurance requirements set forth in sections (a) through (c) inclusive provided that Seller provides Customer with thirty (30) days' notice of such change.

14. Indemnification. Each party shall indemnify, defend and hold the other party and its directors, officers, employees and agents harmless from and against any and all expenses (including attorneys' fees) liabilities and claims of whatsoever kind and nature, including but not limited to, those for damage to property (including property of the parties) or for injury to or death of any person (including a party), directly or indirectly, arising or alleged to arise out of or in any way connected with the willful misconduct, negligent acts or omissions, violation of law, or breach of this Agreement by the indemnifying party. The foregoing indemnity shall not apply to the extent such expense, liability or claims result from the negligent acts or omissions or willful misconduct of the party seeking indemnification.

15. Quality Control. Customer shall maintain the quality of Seller's aviation products and shall comply with any quality control procedures prescribed by Seller and its supplier. In no event shall Customer permit automotive engine fuels or kerosene to be sold as Seller aviation fuels or dispensed through equipment bearing Seller's or its suppliers' insignia. Customer shall immediately report to Seller any accident or incident involving a fueled aircraft. Any claim made by Customer for deficiency in product quality or quantity shall be waived unless made in writing within forty-eight (48) hours after delivery.

16. Confidential Information. Customer shall hold in confidence all manuals, guides, forms, instructions, software programs and other proprietary materials provided by Seller for Customer's use in promoting and selling Seller products, and all technical information, trade secrets and other confidential business information that is disclosed to Customer by Seller (collectively "Confidential Information"). Customer shall not use Confidential Information for any purpose other than developing business for Seller's products and services, and shall not disclose Confidential Information to anyone other than Customer's employees or agents who have a need to know Confidential Information. Customer's obligations under this Section 16 shall survive termination of this Agreement. Nothing in this Section 16 is intended or construed to prevent Customer from complying with the California Public Records Act.

17. Termination.

(a) Seller may, in addition and without prejudice to any of its other rights or remedies hereunder, terminate this Agreement upon giving Customer seven (7) days' prior written notice (or such other period as is specified herein) if any one or more of the following occurs and Customer fails to cure such breach within the applicable notice period: (i) Customer breaches or defaults on any covenant, condition or other provision of this Agreement, the branding schedule attached hereto as Exhibit A, note, security agreement, lease, or any other agreement of the parties; (ii) Customer fails to pay to Seller in a timely manner when due all sums to which Seller is legally entitled (whether or not such sums are owed under this Agreement); (iii) willful adulteration, commingling, mislabeling or misbranding of aviation fuels or other violations by Customer of

trademarks utilized by Seller occur or unlawful, fraudulent or deceptive acts or practices or criminal misconduct by Customer relevant to Customer's performance of this Agreement occur; or (iv) Customer becomes insolvent, files a voluntary petition in bankruptcy, makes an assignment for the benefit of creditors, is adjudicated bankrupt, permits a receiver to be appointed, or permits or suffers a material disposition of its assets. With respect to a breach of subsection 17(a)(ii), in addition to all other rights hereunder, Seller may immediately suspend performance hereunder or terminate this Agreement without giving Customer notice or opportunity to cure.

(b) If Seller continues to accept orders from Customer following the expiration of the term of this Agreement, such sales shall be upon all of the terms and conditions hereof except that the relationship of the parties may be terminated at will.

(c) In the event this Agreement is terminated, all other agreements and instruments between the parties shall also terminate, and all amounts owing under any note or other document shall become due and payable. In addition, upon termination of this Agreement, any and all indemnity obligations, parties' rights upon breach, all collateral and security interests in favor of Seller, obligations arising upon termination (such as discontinuing the use of the trademarks and tradenames of Seller's supplier), confidentiality provisions, and any other terms of this Agreement which by their nature should survive termination shall all survive.

(d) No termination of this Agreement, even if on account of Seller's default, shall excuse Customer from paying any unpaid amounts owing for aviation fuel previously delivered hereunder, or from paying other outstanding amounts due Seller under this Agreement. The remedies provided in this Agreement are cumulative and not exclusive of any other remedies provided by law. **HOWEVER, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR SPECIAL, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, OR EXEMPLARY DAMAGES.**

18. Miscellaneous.

(a) Notices. Any notice, approval, request, authorization, direction or other communication under this Agreement shall be given in writing and shall be deemed to have been delivered and given for all purposes (i) on the delivery date if delivered personally to the party to whom the same is directed; (ii) one (1) business day after deposit with a commercial overnight carrier, with written verification of receipt, or (iii) five (5) business days after the mailing date, whether or not actually received, if sent by U.S. mail, return receipt requested, postage and charges prepaid, or any other means of rapid delivery for which a receipt is available, in each case to the following address below or at such other address or facsimile number as either party may designate to the other by written notice:

If to Seller:

World Fuel Services, Inc.
9800 NW 41st Street, Ste 400
Miami, Florida 33178
Attn: General Counsel's Office
Fax: (305) 351-4497

If to Customer:

County of Humboldt
1106 Second Street
Eureka, California 95501
Attn: Airports Manager
Fax: (707) 445-7409

(b) Entire Agreement. This Agreement, the attached branding agreement, all security agreements, notes, leases, and all other related documents of the parties constitute the entire agreement between the parties. 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 above. No other promises, agreements or warranties additional to this Agreement, the branding agreement, or other documents listed above shall be deemed a part hereof, nor shall any alteration or amendment of this Agreement or the branding agreement be effective without the express written agreement of both parties. Provided however, this Agreement may be modified only by written amendment executed by authorized signers of both parties. Either party may request amendment to this Agreement as per Section 18(a).

(c) Assignment; Waiver. This Agreement may not be assigned by Customer, either voluntarily, involuntarily, or by operation of law, without the prior written consent of Seller, which consent shall not be unreasonably withheld. Fuel and/or services may be provided by an Affiliate of Seller. As used herein, an "Affiliate" of Seller is any corporation, partnership, joint venture or other entity in which World Fuel Services Corporation, a Florida corporation, owns, directly or indirectly, an equity interest of fifty percent (50%) or more. In any transaction hereunder, the Affiliate issuing the invoice to Customer shall be deemed the seller ("Seller") of the fuel and/or services. The waiver by either party of the breach of any provision hereof shall not constitute a waiver of any subsequent or continuing breach of such provision or provisions.

(d) Governing Law, Disputes. This Agreement shall be construed in accordance with the laws of the State of California. Any dispute arising hereunder or relating to this Agreement shall be litigated in the State of California and venue shall lie in the County of Humboldt unless transferred by court order pursuant to Code of Civil Procedure Sections 394 and

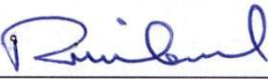
395. Customer and Seller hereby waive any and all right to trial by jury in any action or proceeding relating to this Agreement or any documents relating to this Agreement, or any transaction arising herefrom or connected hereto. Customer and Seller each represents to the other that this waiver is knowingly, willingly and voluntarily given.

(e) Attorneys' Fees. In the event of any lawsuit between Seller and Customer arising out of or relating to the transactions or relationship contemplated by this Agreement, the substantially prevailing party shall be entitled to recover its reasonable costs including its reasonable attorneys' fees.

19. Humboldt County Nuclear Free Ordinance Compliance. Seller certifies by its signature below that Seller is not a nuclear weapons contractor, in that Seller is not knowingly or intentionally engaged in the research, development, production, or testing of nuclear warheads, nuclear weapons systems, or nuclear weapons components as defined by the Nuclear Free Humboldt County Ordinance. Seller agrees to notify Customer immediately if it becomes a nuclear weapons contractor as defined above. Customer may terminate this Agreement if it determines that the foregoing certification is false or if Seller becomes a nuclear weapons contractor.


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

WORLD FUEL SERVICES, INC.

By: 
Richard McMichael

Title: SVP – Finance, Aviation

Date: _____

By: 
Steve Drzymalla

Title: VP, Business Aviation Bulk Sales

Date: 3/1/2016

COUNTY OF HUMBOLDT

By: _____
Mark Lovelace

Title: Chairperson

Date: _____

AVIATION FUEL SUPPLY AND BRANDING AGREEMENTS WITH
WORLD FUEL SERVICES, INC.

ATTACHMENT 3

BRANDING SCHEDULE (ASCENT BRAND)

EXHIBIT A
BRANDING SCHEDULE
(ASCENT BRAND)

During the term of this Branding Schedule (this "**Schedule**"), **COUNTY OF HUMBOLDT** ("**Customer**") is authorized to and shall offer Company Products for sale under the Company Marks subject to the terms and conditions below. The term "**Company**" as used in this Schedule 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 Schedule.

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 dated __, __, 2016 ("**FSA**") at the 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 schedule 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 compliance with those standards and procedures established from time to time by Company 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. Seller may, as it deems appropriate, conduct periodic tests or inspections to confirm Customer's 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 a site specific Co-mingling Addendum. Notwithstanding the foregoing, Customer is allowed, upon resale request, to add fuel system icing inhibitor (FSII) also called Prist. 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, compliance with any guidelines issued by Seller and/or Company to prevent such confusion.
5. Customer shall accept and honor for resale payment all credit, debit cards and other payment at its sole discretion. Upon Seller's written request, Customer shall make its resale records, including payment methods, available to Seller within fourteen (14) days at Customer's location. All transactions shall be processed: (a) on point-of sale

devices and web enabled processing solutions 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 Schedule, 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 Schedule shall embrace such new brands or products. Neither Company nor Seller shall be liable to Customer by reason of any such changes.
9. This Schedule shall have the same term as the FSA and shall terminate only when the FSA terminates, unless earlier terminated by Seller upon notice to Customer: (a) if Customer fails to comply with the requirements of this Schedule; or (b) if a new Schedule is substituted for this Schedule 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 "**Seller**" as used in this Schedule 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 Schedule is hereby incorporated by reference in and made part of the FSA for all purposes.

Signature Page Follows

IN WITNESS WHEREOF, the parties have executed this Schedule which is made effective as of this ____ day of _____, 2016.

WORLD FUEL SERVICES, INC.

COUNTY OF HUMBOLDT

By: 
Richard McMichael

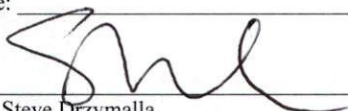
By: _____
Mark Lovelace

Title: SVP – Finance, Aviation

Title: Chairperson

Date: _____

Date: _____

By: 
Steve Drzymalla

Title: VP, Business Aviation Bulk Sales

Date: 3/1/2014