

STATE OF NORTH CAROLINA

COUNTY OF ROWAN

LEASE AGREEMENT

THIS AGREEMENT, made and entered into this the **1st day of November, 2022**, by and between TITAN AVIATION FUELS, a corporation existing under and by virtue of the laws of the State of North Carolina, with its principal office in New Bern, North Carolina, and hereinafter referred to as "Lessor" and Mid Carolina Regional Airport (Rowan County), hereinafter referred to as "Lessee":

WITNESSETH

Lessor agrees to deliver and lease to Lessee for Lessee's use at the Mid Carolina Regional Airport, the aviation refueling truck (hereinafter referred to as "refueling equipment") described as follows:

YEAR MAKE MODEL JET TRUCK with VIN
YEAR MAKE MODEL AVGAS TRUCK with VIN

This confirms our mutual understanding that the above described refueling equipment is, as of the above date, leased to Lessee subject to the following terms and conditions:

1. For the use of said refueling equipment during the term hereof, Lessor hereby agrees to lease to Lessee the refueling equipment for a rental fee of \$1200 per month for Jet Truck and \$700 per month for Avgas Truck, plus applicable sales and use tax, to commence as of **the 1st day of November, 2022**. **Truck rent on both Jet and AVGAS trucks will be waived for a period of 24 months once the new trucks are delivered.** In the event of any increase in rental, Lessee shall have the right to terminate this agreement on the effective date of said increase by giving Lessor thirty (30) days advance written notice of its intention to terminate on said effective date.

2. This agreement shall remain in effect for a primary term **of 3 years beginning on the 1st day of November, 2022, and for two (2) additional three (3) year terms thereafter** unless and until either party shall notify the other in writing of its desire to terminate this agreement at least ninety (90) days prior to expiration of the primary term, or any other desired termination date thereafter; provided however, this agreement may be terminated at any time without notice on account of breach or default of the terms of this agreement.

3. Said refueling equipment shall in no way become the property of Lessee, or anyone claiming thereunder, and shall be used solely by Lessee or its representatives at Mid-Carolina Regional Airport, for handling the aviation fuels

supplied by Titan Aviation Fuels.

4. Lessee shall pay all sales and property taxes, assessments, and licenses and registrations on said refueling equipment during the term of the lease, and furnish to Lessor's reasonable satisfaction, verification that payment has been made before said taxes, assessments, or fees become delinquent.

5. It is understood and agreed that Lessee will not encumber said refueling equipment or do or permit anything to prejudice the title of the owner thereto; will comply with all laws, ordinances, and regulations applicable to the refueling equipment; and Lessee agrees to release, indemnify and hold the Lessor and the owner of said refueling equipment harmless from and against any and all claims, liabilities, losses, obligations and causes of action for injury 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 such refueling equipment, including, but not limited to loss or damage to the refueling equipment, whether or not any of same shall result in whole or in part from the negligence of Lessee or those acting under it. SAID REFUELING EQUIPMENT IS LEASED "AS IS" WITHOUT WARRANTY AS TO MERCHANTABILITY, TITLE, CONDITION, OR FITNESS FOR ANY PURPOSE. It is also agreed that Lessee shall not add or remove any equipment or appurtenances to or from said equipment without the written consent of Lessor.

6. It is further understood and agreed that each party accepts the applicable responsibilities for operating and maintaining said refueling equipment listed as hereafter provided, said list being made a part hereof by reference. Lessor shall be permitted access to inspect the refueling equipment at all reasonable times.

7. Lessee agrees that it shall return said refueling equipment to Lessor at the termination of this agreement in as good condition as when Lessee received it, normal wear and tear excepted.

8. Lessee agrees to maintain adequate physical damage insurance on refueling equipment during the term of this lease with Lessor named as an additional insured party, and to furnish a copy of certificate of insurance to Lessor.

9. This agreement supersedes and takes the place of all former agreements, and amendments thereto, heretofore entered into between the parties covering the lease of refueling equipment at the location above-stated.

10. Lessee agrees that it will not use or permit the use of the vehicle leased hereunder in a negligent or improper manner or in violation of any law; or so as to avoid any insurance covering the same; or as a public or private livery; or permit the vehicle to become subject to any lien, charge or encumbrances.

11. The Lessee is responsible for:

- A. Daily Quality control inspections on the fueling equipment.
- B. Furnishing all fuel for refueling equipment.
- C. Checking and maintaining sufficient supply of lubricating oil in crankcase.
- D. Test and charge battery as necessary.
- E. Maintaining proper air pressure in tires.
- F. Keeping all fire extinguishers fully charged and in good working order.
- G. Pay for meter calibration, if any required.
- H. Inspect nozzle screens, filter, and filtering equipment daily, and clean as necessary.
- I. Furnish any ladders desired by Lessee.
- J. Reimburse Lessor for replacement of parts or equipment lost from refueler equipment, and for all expenses incurred for repairs to, and/or replacement of parts of, the refueling equipment through carelessness, abuse, or neglect.
- K. Wash and clean refueling equipment as necessary to maintain good appearance.
- L. Advise Lessor at once if operation of truck or refueling system indicates need for repairs which are Lessor's responsibility. Cost of local repairs or replacements by others will not be paid or reimbursed by Lessor unless prior authorization is secured from Lessor.

12. The Lessor is responsible for:

- A. Total Maintenance Plan- All Maintenance cost of the fueling equipment is the responsibility of the Lessor. This includes hoses, nozzles, parts, oil/filter changes, brakes. chassis, engine, transmission etc.**

13. Lessee agrees to release, defend, indemnify, and hold Lessor harmless from and against any and all claims, liabilities, or loss expense (including attorney fees), obligation and causes for action for injury to or death of any and all persons or for damage to or destruction of any and all property arising out of, or resulting from the use, maintenance and operation of the vehicle.

14. ATTORNEY AND/OR COLLECTION FEES: In the event of default by the Lessee, Lessee agrees to pay Lessor a late payment charge on any delinquent balance in the amount of 1.5% per month, 18.0% per annum or the maximum amount permitted by law from the date of default. Lessee agrees to pay any attorney or collection fees if incurred in the collection of any delinquent balance or the enforcement of this agreement.\

15. The execution of this lease and the performance of any act pursuant to the provisions thereof shall not be deemed or constructed to have the effect of creating between Lessor and Lessee the relationship of principal or agent, or of a partnership or joint venture. Lessee shall indemnify and hold the Lessor harmless against any

and all claims for damages or injury to any personal property sustained in the operation, use and maintenance of the said vehicle as a result of any willful, intentional, or negligent acts or conduct of Lessee, its agents or employees.

IN WITNESS WHEREOF, the parties have hereunto caused this instrument to be executed in their corporate names by their Presidents, attested by their Secretaries, and their corporate seals to be hereto affixed, all by order of their respective Boards of Directors and this instrument is executed in duplicate originals, with each party retaining a copy thereof.

TITAN AVIATION FUELS

By: _____
Robert L. Stallings, IV
President

WITNESS:

MID-CAROLINA REGIONAL AIRPORT (ROWAN COUNTY)

By: _____

WITNESS:
