

Drayage Services Agreement

Bonanza Fuel, LLC & Nome Public Schools

This Drayage Service Agreement (the "Agreement") is effective as of July 1, 2026, between Bonanza Fuel,

LLC ("Bonanza") an Alaska limited liability company, and Nome Public Schools ("Customer"). The parties

agree as follows:

1. SERVICES. Customer shall notify Bonanza from time to time during the term of this Agreement of Customer's requirements for the transportation and delivery of certain fuel products (the "Product") within the City of Nome. Said notices shall include the following: (A) delivery location; (B) product type and quantity; and (C) schedule for delivery. Following receipt of such notice, Bonanza shall confirm with Customer a mutually agreeable delivery time and date. Bonanza shall receive the Product from Nome Joint Utilities Tank Farm, and shall thereafter transport and deliver the Product to Customer's facility as requested (collectively, the "Services"). At all times that Services are being furnished hereunder, an employee or agent of Customer shall be in charge, and have custody and control of any tanks or other fuel receptacles (collectively, "Tank(s)") of Customer's being serviced by Bonanza, and Bonanza shall at no time be considered a bailee of or as having care, custody or control of any such Tank. It is understood by the parties that the Services will generally require Bonanza to pick up diesel owned by the City of Nome that is stored at the Nome Joint Utilities tank farm and deliver it to both the Nome elementary and high school complexes.

2. TRANSPORTATION.

(a) Bonanza shall exercise the highest degree of care to avoid any spillage of Product or any injury or harm to any third person or to property when Bonanza is loading, unloading, or transporting the Product, or when the Product is in its care, custody and control. At all times during transportation or when services are being furnished, an employee or agent of Bonanza shall be in charge, custody and control of Bonanza's trucks or other equipment.

(b) Bonanza shall, at its sole cost and expense, procure and maintain any permits and all other licenses required by Federal State, or local authorities with respect to the services to be performed hereunder.

(c) Bonanza represents that it is familiar with the Product and the characteristics thereof and assumes all risks whatsoever resulting from Bonanza's handling, storage, and/or

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transportation of the Product, including but not limited to, liability for environmental violations and employee or consumer health or safety.

3. TERM. The initial term of this Agreement will commence on July 1, 2026 and will terminate on June 30, 2027 (1 year term). This Agreement may be extended for additional periods of one (1) year by mutual agreement of the parties in writing prior to the expiration of the initial term.

4. COMPENSATION AND PAYMENT. For the Services performed by Bonanza under this Agreement,

Customer shall pay Bonanza a rate of \$0.475 per gallon. Any unscheduled emergency call-outs outside of normal business hours that are not due to any delayed or missed delivery by Bonanza, will be charged \$150 call-out fee, plus an additional \$75 per hour after the first two hours.

Bonanza's call-out number is (907) 304-2086. Any additional services, requirements and costs will be agreed to in writing prior to Bonanza obtaining Product from Nome Joint Utilities tank farm.

At the time of completion of delivery, Bonanza will furnish Customer with a fuel delivery receipt, which shall include delivery location, delivery date, product type, quantity delivered, and shall be signed as received by the Customer. Within ten (10) days of the completion of each delivery, Bonanza shall invoice Customer for the deliveries performed. Each invoice shall include an itemization, in a mutually acceptable form, of the deliveries performed, including customer name, delivery location, delivery date, product type and quantity delivered. Customer shall pay Bonanza's invoices within thirty (30) days of date of receipt of invoice.

5. DUTIES OF CUSTOMER. Customer shall provide safe access to the delivery location, including snow

and ice removal. Bonanza may refuse to deliver if, in its sole discretion, access to the delivery location is not in a safe condition for service. Bonanza will not be responsible for any damages incurred because Customer fails to provide safe access to the delivery location. Bonanza shall not be responsible for any problem with Customer's heating system or tanks.

6. LIABILITY FOR PRODUCT. Bonanza will not take legal title to the Product and will not test the Product upon receipt or delivery. Any issue of liability for quantity or quality of the Products is strictly between Customer and Nome Joint Utilities.

7. WARRANTIES AND DISCLAIMER. Except as expressly stated herein, BONANZA MAKES NO WARRANTIES OF ANY KIND AS TO THE PRODUCT DELIVERED TO CUSTOMER, EXPRESS AND/OR

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IMPLIED, WRITTEN AND/OR ORAL, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES

OF MERCHANTABILITY AND/OR FITNESS FOR A PARTICULAR PURPOSE.

8. FORCE MAJEURE. Bonanza shall not be responsible for any damage or loss to Customer resulting

from failure or delay in making deliveries which may be due to embargos, shortages, acts of terrorism, acts or regulations of any government authority, governmental rationing, strike, accident, fire, war, insufficient supply of Product, failure or delay in transportation, Act of God or any other cause beyond Bonanza's control.

9. INDEMNITY. The Customer shall indemnify, defend, and hold harmless Bonanza, its officers, 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 Bonanza arising out of or resulting from (a) breach of this Agreement by Customer, or (b) Customer's negligence or willful misconduct.

10. POLLUTION PREVENTION AND RESPONSIBILITY.

In the event a spill, escape, or discharge of oil or other product occurs during transportation or while the Product is in Bonanza's possession or under its control and causes or threatens to cause

pollution damage ("Spill"), Bonanza shall promptly take whatever measures are reasonably necessary

to prevent or mitigate such damage. Any and all costs or expenses incurred as a result of any measures

taken shall be at Bonanza's expense; provided, however, that in the event Bonanza is provided with incorrect product amounts, measurements, specifications, instructions, procedures, or other inaccurate information by Nome Public Schools or their representative, Bonanza shall not be financially

responsible or liable for any resulting Spill, pollution damage, cleanup costs, remediation expenses, penalties, claims, or damages arising therefrom.

11. TERMINATION. Bonanza may terminate this Agreement immediately for any of the following reasons: (a) Customer's failure to comply with any material provision of the Agreement; (b) Customer's insolvency; (c) Customer's knowing failure to comply with any laws relevant to the operation of Customer's business; (d) any other ground for which termination is provided for in

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this Agreement or is otherwise allowed by law. Customer may terminate this Agreement should Bonanza fail to comply with any material provision of the Agreement. Bonanza and Customer may jointly terminate this Agreement by mutual written agreement.

12. INDEPENDENT CONTRACTOR. Nothing in this Agreement shall be deemed to constitute either party a partner, agent or legal representative of the other party or to create any fiduciary relationship between the parties. Bonanza, is, and shall remain, an independent contractor in performing the Services.

13. BREACH OF CONTRACT. In the event of a breach of this contract by the either party, the opposite party may seek any election of legal and equitable remedies allowed by law. This Agreement shall not be construed to limit the legal remedies available to either party.

14. MISCELLANEOUS. This Agreement shall be governed by and construed in accordance with the laws of the State of Alaska. No amendment, modification, waiver of, or consent with respect to any provision of this Agreement shall be effective unless it shall be in writing and signed by all parties. This Agreement represents the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersedes all prior or contemporaneous, express or implied, written or oral agreements or representations between the parties with respect hereto. If any clause or term of this Agreement shall be deemed invalid by any court of law, the validity and enforcement of the other clauses and terms of the Agreement shall be unaffected.

By executing this Agreement, Customer acknowledges having read this Agreement in its entirety and fully

agrees to all terms and conditions set forth herein. Effective on the date shown above.

BONANZA FUEL, LLC NOME PUBLIC SCHOOLS

By: _____ By: _____

Kohren Green

Jamie Burgess

Title: Operations Manager

Title: Superintendent