



MERCHANT AGREEMENT

THIS MERCHANT AGREEMENT, made and entered into as of the _____ day of 20____ (AGREEMENT) by and between _____ (MERCHANT) located in the state of _____ and Kropp Holdings, Inc., a Maryland corporation with an office at 6450 Sprint Parkway, Overland Park, KS 66251 and affiliates (PROCESSOR). In this agreement, KHI Card will refer to any card issued, managed, or operated by KHI and affiliates including but not limited to card BIN ranges beginning 789682 and 782506.

A. MERCHANT AGREES:

- To honor each valid KHI Card when presented by a holder thereof for the purchase of aviation related products and services (Merchandise).
- To follow all procedures and purchase policies applicable to the purchase of Merchandise using an KHI Card, including but not limited to those relating to invoicing and transaction authorization.
- To send PROCESSOR, at least weekly, the MERCHANT’s Invoices representing all purchases made with the KHI Card.
- To pay PROCESSOR the Service Fee in accordance with the Payment Option as selected in writing by MERCHANT. MERCHANT authorizes PROCESSOR to deduct and retain for its own account from each payment due to MERCHANT under the acceptable Payment Option the Service Fee arrived at by multiplying the percentage amounts corresponding to the Payment Option selected by MERCHANT times the total amount of each Invoice included in the PROCESSOR payment to MERCHANT.
- If MERCHANT fails to properly authorize any KHI Card transaction, and such transaction is not an authorized transaction, MERCHANT shall not be entitled to payment for and PROCESSOR shall not be required to pay MERCHANT for such transaction.
- Amounts representing Merchandise purchases not made in accordance with the KHI Card Operating Procedures will be rejected by PROCESSOR. If a transaction is paid and billed to a KHI Card holder, who subsequently rejects the transaction, this amount will be deducted from the next regular payment due to the MERCHANT.
- PROCESSOR PAYMENT OPTION. MERCHANT hereby elects the Payment Option and corresponding PROCESSOR Service Fee percentage as follows: **(Please check preferred Payment Option)**

Payment Option	PROCESSOR will electronically send payment based on the schedule below equal to the net invoice amount for all invoices	Service Fee Percentage
A <input type="checkbox"/>	Four Week Pay – Payment will be sent approximately 20 - 21 business days after KHI invoice Processing Date	2.500% **
B <input type="checkbox"/>	Two Week Pay – Payment will be sent approximately 10 - 11 business days after KHI invoice Processing Date	3.000% **
C <input type="checkbox"/>	One Week Pay – Payment will be sent approximately 5 - 6 business days after KHI invoice Processing Date	3.500% **
D <input type="checkbox"/>	Three Day Pay – Payment will be sent approximately 3 - 4 business days after KHI invoice Processing Date	3.965% **

PROCESSOR offers various Electronic invoice submission options at NO ADDITIONAL Fee to the MERCHANT. Benefits include secure, Level III authorization along with a reduction in processing errors and faster MERCHANT payments. Options include: Web-based and Mobile-based POS (Point of Sale) applications.

MERCHANT submitting any invoice via Manual methods, which include the following: 1) Mail 2) Courier 3) Fax or 4) Email will be subject to a .5% increase in merchant selected payment option processing fees. Processing fees are adjusted based on the payment option selected in the above table.

The above selected Payment Option and corresponding Service Fee Percentages shall remain in effect until the date that PROCESSOR receives and accepts the MERCHANTS’s signed written instrument selecting a new Payment Option and corresponding Service Fee percentages being effective for all PROCESSOR payments made to the MERCHANT on and after such date of receipt and acceptance.

B. AIR Card Program Specific Information:

- To honor each valid AIR Card® when presented by a holder thereof for the purchase of aviation related products and services (Merchandise).
- To follow all procedures and purchase policies applicable to the purchase of Merchandise using an AIR Card®, including but not limited to those relating to invoicing and transaction authorization. Expectations of authorization, invoicing, and operating expectations apply to all KHI Cards.



3. To send PROCESSOR, at least weekly, the MERCHANT’s Invoices representing all purchases made with the AIR Card®.
4. To pay PROCESSOR the Service Fee in accordance with the Payment Option as selected in writing by MERCHANT. MERCHANT authorizes PROCESSOR to deduct and retain for its own account from each payment due to MERCHANT under the acceptable Payment Option the Service Fee arrived at by multiplying the percentage amounts corresponding to the Payment Option selected by MERCHANT times the total amount of each Invoice included in the PROCESSOR payment to MERCHANT.
5. If MERCHANT fails to properly authorize any AIR Card® transaction, and such transaction is not an authorized transaction, MERCHANT shall not be entitled to payment for and PROCESSOR shall not be required to pay MERCHANT for such transaction.
6. Amounts representing Merchandise purchases not made in accordance with the AIR Card® Operating Procedures will be rejected by PROCESSOR. If a transaction is paid and billed to DLA Customer, who subsequently rejects the transaction, this amount will be deducted from the next regular payment due to the MERCHANT.
7. PROCESSOR PAYMENT OPTION. MERCHANT hereby elects the Payment Option and corresponding PROCESSOR Service Fee percentage as follows: (Please circle preferred Payment Option)

PROCESSOR offers various Electronic invoice submission options at NO ADDITIONAL Fee to the MERCHANT. Benefits include secure, Level III authorization along with a reduction in processing errors and faster MERCHANT payments. Options include: Web-based and Mobile-based POS (Point of Sale) applications. **** Note:** KHI will apply .5% processing fee increase (per transaction) to MERCHANT for any invoice submitted via Manual methods, which include the following: 1) Mail 2) Courier 3) Fax or 4) Email. In order to allow MERCHANT a reasonable time to adopt electronic invoice submission methods, PROCESSOR will not apply the manual invoice fee until six months after the date MERCHANT executes this Merchant Agreement.

The above selected Payment Option and corresponding Service Fee Percentages shall remain in effect until the date that PROCESSOR receives and accepts the MERCHANTS’s signed written instrument selecting a new Payment Option and corresponding Service Fee percentages being effective for all PROCESSOR payments made to the MERCHANT on and after such date of receipt and acceptance.

The AIR Card Program is time prescriptive to the contract award timelines. This program will be supported during the awarded time periods and not past. Notice will be sent to all merchants regarding the contract timelines as they pertain to this agreement.

C. PROCESSOR AGREES TO:

1. Make payments to the MERCHANT in accordance with Payment Option selected by MERCHANT less the amounts due PROCESSOR per Payment Option.
2. Provide MERCHANT operating guidance, which outlines procedures and purchase policies, authorized products/services, invoice and payment information and any other written materials which PROCESSOR determines that the MERCHANT will require to fulfill MERCHANT’s obligations under this agreement. The KHI Card Acceptance & Operating Procedures shall be provided to MERCHANT by PROCESSOR.
3. Keep confidential all proprietary or confidential information or data of MERCHANT received from MERCHANT or otherwise obtained by PROCESSOR in the course of performing this Agreement. Such information or data shall be used by PROCEESSOR solely for the purpose of performing its obligations under this Agreement or in the course of fulfilling its obligations as PROCESSOR for the KHI Card. PROCESSOR shall not disclose such information to any third party, except for an affiliate of PROCESSOR or other third party accepting an assignment of some or all of the rights or obligations of PROCESSOR under this Agreement and subject to the terms hereof.

This agreement: (i) is strictly between the PROCESSOR and MERCHANT; (ii) may be terminated at any time by either PROCESSOR or MERCHANT upon written notice to the other party; (iii) shall be automatically terminated upon change in control, ownership or management of MERCHANT; (iv) may not be assigned by MERCHANT without the written consent of PROCESSOR , (v) may be updated at any time by the PROCESSOR, (vi) may be assigned, in whole or in part, by PROCESSOR to any affiliate of PROCESSOR or a third party, and (vii) shall be governed and construed in accordance with the laws of the State of Kansas and subject to the jurisdiction of the courts of the State of Kansas situated in Johnson County.

Executed this _____ day of _____, 20____

_____(MERCHANT)
 _____(PRINTED NAME)
 _____(SIGNATURE)
 _____(TITLE)

Accepted this _____ day of _____, 20____

Kropp Holdings Inc. _____(PROCESSOR)
 _____(PRINTED NAME)
 _____(SIGNATURE)
 _____(TITLE)



PAYMENT SELECTION AND BANKING INFORMATION

This document authorizes Kropp Holdings, Inc. (KHI) or its affiliate to:

- Deposit funds into the undersigned's bank account by means of Electronic Funds Transfer for payment of goods and services processed by the KHI Card Processing Center.
- Withhold processing fees as selected below from the reimbursement of invoice payments.
- Initiate funds withdrawal for adjustments or offsets in the event of billing errors or chargebacks. Disputes regarding deposits should be made within fifteen days of issuance of the account statement. Disputes regarding charges should be made within forty-five after the account was charged.

This authorization will remain in effect until notification in writing of cancellation.

Below is the Processing Fee Schedule outlined in the KHI Merchant Agreement and Operating Procedures. The selected fee option will be withheld from all payments made directly from KHI. Please select one.

Payment Option	PROCESSOR will electronically send payment based on the schedule below equal to the net invoice amount for all invoices	Service Fee Percentage
A <input type="checkbox"/>	Four Week Pay – Payment will be sent approximately 20 - 21 business days after KHI invoice Processing Date	2.500% **
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Bank Details for Payment:

Bank Name:		
City:	Postal Code:	Country:
IBAN:		Preferred Currency:
ABA/SWIFT:		Acct Number:

Authorized by:

Name:		
Company:		
Address:		
City:	Postal Code:	Country:
Email:		
Phone:	Fax:	

Signature

Date

PLEASE SEND A COPY OF A VOIDED CHECK WHEN RETURNING THIS FORM.



MERCHANT ENROLLMENT FORM

To ensure the quickest set up please make sure all fields marked with an ** are filled in as they are required for completion. If these are left blank the merchant sign-up materials will be returned to you with the request that they be filled in. Merchant enrollment will not progress until all required data has been provided.

Merchant Information

** Company Name:
Doing Business As (if applicable):
Supplier (who supplies your product):

Financial Office/Remittance Address

** Finance Manager:		
** Address:		
** City/State	** Postal Code:	** Country:
** Email:		
** Phone:	Fax:	

Physical Address

** Operations Manager:		
** Address:		
** City/State	** Postal Code:	** Country:
** Email:		
** Phone:	Fax:	

Primary Contacts

** Name:
** Email:
** Phone:

Parent Company (if applicable)

Company Name:		
Address:		
City/State	Postal Code:	Country:
Email:		
Phone:	Fax:	

Tax Information

In accordance with the laws of the United States Internal Revenue Service, KHI is required to obtain a completed W-9 from all merchants based within the United States. For companies outside of the United States, a W-8 form or the enclosed W-8 Substitution form is required. Your merchant account will **NOT** be completed without one of the below forms. Please select which form is to be submitted.

___W-9 ___W-8 ___W-8 Substitution



KHI MERCHANT LOCATION FORM

Location Details

(Please provide a list of all locations and services or products offered at those locations. Attach additional forms if necessary)

ICAO/IATA: _____ Hours of Operation: _____

Primary Contact Name: _____ Phone #: _____ Email: _____

Invoice submission method:

Paper (fax, email, or courier) _____

Electronic (avPOS, or integrated POS) _____

Other (explain) _____

Fuel and Ground Services Available or applicable Taxes/Fees (Please check all that apply)

Fuel/Fuel Related Taxes/Fees		Products and Ground Services	
<input type="checkbox"/>	Jet A	<input type="checkbox"/>	ABO Aviator Breathing Oxygen
<input type="checkbox"/>	Jet A with Additive	<input type="checkbox"/>	Air Start
<input type="checkbox"/>	Jet A1	<input type="checkbox"/>	Aircraft Cleaning
<input type="checkbox"/>	Jet A1 with Additive	<input type="checkbox"/>	Aircraft Emissions
<input type="checkbox"/>	Jet B	<input type="checkbox"/>	Aircraft Towing
<input type="checkbox"/>	Jet B with Additive	<input type="checkbox"/>	Airport Fee
<input type="checkbox"/>	Jet Fuel Russian Commercial	<input type="checkbox"/>	APU
<input type="checkbox"/>	JP-8	<input type="checkbox"/>	Baggage Fee
<input type="checkbox"/>	AvGas	<input type="checkbox"/>	Cargo Loading/Unloading
<input type="checkbox"/>	Corrosion Inhibitor	<input type="checkbox"/>	Catering
<input type="checkbox"/>	FSII	<input type="checkbox"/>	Chocks
<input type="checkbox"/>	Prist	<input type="checkbox"/>	Communications
<input type="checkbox"/>	SDA	<input type="checkbox"/>	CAWI- Continuous alcohol water injection
<input type="checkbox"/>	Anti-Ice	<input type="checkbox"/>	Crane Truck
<input type="checkbox"/>	Canadian Excise Tax	<input type="checkbox"/>	Crew Transportation
<input type="checkbox"/>	Canadian Tax - QST	<input type="checkbox"/>	Customs
<input type="checkbox"/>	Compulsory Storage Fee	<input type="checkbox"/>	De-Fuel
<input type="checkbox"/>	Customs Duty Tax	<input type="checkbox"/>	De-icing
<input type="checkbox"/>	Excise Duty Tax	<input type="checkbox"/>	Dispatch
<input type="checkbox"/>	Federal Excise Tax	<input type="checkbox"/>	Disposal Fee
<input type="checkbox"/>	Federal Oil Spill Tax	<input type="checkbox"/>	Dolly
<input type="checkbox"/>	Flowage Fee	<input type="checkbox"/>	Facility Fee
<input type="checkbox"/>	Government Thru-Put Fee	<input type="checkbox"/>	Fire Truck
<input type="checkbox"/>	GST	<input type="checkbox"/>	Flight Cancellation
<input type="checkbox"/>	Harmonized Sales Tax	<input type="checkbox"/>	Flight Planning/Weather
<input type="checkbox"/>	Hookup Fee	<input type="checkbox"/>	Follow Me
<input type="checkbox"/>	Hydrant Fee	<input type="checkbox"/>	Fork Lift
<input type="checkbox"/>	Mineral Oil Tax	<input type="checkbox"/>	Fumigation
<input type="checkbox"/>	Provincial Fuel Tax	<input type="checkbox"/>	Hangar Rental
<input type="checkbox"/>	SAGESS Tax	<input type="checkbox"/>	High Loader
<input type="checkbox"/>	Sales Tax	<input type="checkbox"/>	Hydraulic Fluid
<input type="checkbox"/>	State Tax		
<input type="checkbox"/>	Turnover Tax		
<input type="checkbox"/>	Value Added Tax (VAT)		
		<input type="checkbox"/>	Ice
		<input type="checkbox"/>	Ladder
		<input type="checkbox"/>	Landing Fee
		<input type="checkbox"/>	Lavatory Services
		<input type="checkbox"/>	Lighting
		<input type="checkbox"/>	Maintenance
		<input type="checkbox"/>	Marshaling
		<input type="checkbox"/>	Nitrogen
		<input type="checkbox"/>	Noise Tax
		<input type="checkbox"/>	Oil
		<input type="checkbox"/>	Overtime
		<input type="checkbox"/>	Parking Fee
		<input type="checkbox"/>	Passenger Fee
		<input type="checkbox"/>	Passenger Handling
		<input type="checkbox"/>	Pilot Supplies
		<input type="checkbox"/>	Potable Water
		<input type="checkbox"/>	Preheat
		<input type="checkbox"/>	Push Back
		<input type="checkbox"/>	Ramp Fee
		<input type="checkbox"/>	Re-service
		<input type="checkbox"/>	Sampling Charge
		<input type="checkbox"/>	Security Communications
		<input type="checkbox"/>	Security Force Vehicle
		<input type="checkbox"/>	Security Services
		<input type="checkbox"/>	Slot Time & Fees
		<input type="checkbox"/>	Take Off
		<input type="checkbox"/>	Terminal Operations
		<input type="checkbox"/>	Tie Down
		<input type="checkbox"/>	Touch and Go
		<input type="checkbox"/>	Trash Removal
		<input type="checkbox"/>	Vendor Admin Fee