

Air Elite, World Fuels and World Kinect Corporation

The relationship between Air Elite, World Fuel Services, and World Kinect Corporation is a clear case of a subsidiary and its parent company.

- **World Kinect Corporation (WKC):** This is the parent company, formerly known as World Fuel Services Corporation. WKC is a global energy and services company. It rebranded in 2023 to reflect its broader focus beyond just fuel, though fuel remains a core business.
- **World Fuel Services (WFS):** This is the aviation segment of World Kinect Corporation. It is the division that provides fuel, operational services, and technology to clients in the aviation industry, including airports, airlines, and fixed-base operators (FBOs). WFS is the direct supplier of aviation fuel.
- **Air Elite by World Fuel:** This is a network of fixed-base operators (FBOs) sponsored by World Fuel Services. Air Elite is not an independent company but a marketing and service program for FBOs that are supplied by WFS. FBOs join the network to signify a commitment to a high standard of service and to gain access to WFS's programs and benefits, such as the World Fuel Rewards loyalty program and other operational support. A board member of Air Elite is not a board member of an independent company, but rather a leader within a program directly supported and promoted by World Fuel Services.

In essence, the structure is: **World Kinect Corporation** (Parent) owns **World Fuel Services** (Subsidiary/Aviation Division) which sponsors and manages the **Air Elite** network.

Geared Toward Corporate & Business, Not General Aviation

World Fuel Services (WFS) "benefits" to Air Elite FBOs take the form of tools, rewards, price reductions and other resources.

- **Loyalty program integration:** World Fuels offers bonus points to the FBOs through the "World Fuel Rewards" program.
- **Comprehensive network services:** As part of the World Fuel Services Network, Air Elite locations offer customers access to WFS's aviation services. This includes its jet fuel program, aviation cards (such as the AVCARD), and expansive network of global services.

(caveat: The jet fuel program provides deep discount to corporate and business jet customers which is leading to the push to expand KVGIT to accommodate these planes.)

- **Customer experience enhancements:** By providing training based on The Ritz-Carlton's service philosophy, WFS provide an elevated, consistent, and "diamond" service experience to their guests. In specific, their BUSINESS clients.
- **Marketing and exposure:** WFS promotes the Air Elite network as a global brand of elite FBOs, driving corporate business and recognition to the individual locations.

Non-salary benefits including:

- **Exclusive rewards:** Customers can earn "Air Elite Bonus" points and access other perks and offers that enhance their experience at participating FBOs. Again, these rewards are targeted at large fuel purchases, like corporate and business jets.
- **Cost reduction and control:** Customers gain access to the broader World Fuel Services network, which helps them better control aviation spending and potentially reduce operating costs.

Note:

Information regarding board member compensation

Information on specific non-salary benefits for individual board members of Air Elite is not publicly disclosed. It is standard practice at World Fuels for such arrangements to be handled internally by the network or its parent company (WFS's parent, World Kinect Corporation). Public records or general searches do not reveal any specialized benefits for Air Elite board members for this reason.

Why Ben Czyzewski Is In Conflict Of Interest

Ben Czyzewski is a board member of "Air Elite/World Fuels" while also being Managing Director, General Aviation in the Clark County Department Of Airports (CCDOA) and thus a manager of the county airports using the "sole" fuel supplier that owns Air Elite. This presents a significant and well-documented conflict of interest.

Here Is Why:

1. Potential for Inside Information and Financial Gain:

Perceived Benefit: A board member would have access to confidential information about the fuel supplier's pricing, future strategies, and operational plans. This knowledge could be used to the airport's advantage in negotiating contracts or making decisions about infrastructure and services. But also could be viewed as a monopolistic practice, and potentially in violation of federal law.

Conflict of Interest: This is a classic financial conflict of interest. The board member could use their position to secure a favorable deal for the airports that is detrimental to the fuel supplier, or, conversely, they could use their airport position to favor the fuel supplier, potentially leading to inflated prices or unfair contract terms, at the expense of the airports and their tenants. The potential for personal gain—even if not direct—is a major concern. For example, the board member's compensation or reputation could be tied to the success of the fuel supplier's network.

2. Influencing Business Decisions:

Perceived Benefit: The dual role would allow erase an arms-length relations between the fuel supplier and the airports. This provides "inside" information to the fuel supplier thus again violating fair trade practices.

Conflict of Interest: This "streamlining" is precisely where the conflict lies. The individual is in a position to influence the airport's decisions regarding its fuel supply, potentially steering the airport toward a specific supplier without a truly competitive and objective bidding process. This undermines fair business practices and can be viewed as a breach of fiduciary duty to the airport.

3. Strategic Advantage:

Perceived Benefit: The board member could use their knowledge of the airport's future plans (e.g., expansion, new runways) to help the fuel supplier prepare and invest in the necessary infrastructure, creating a more efficient and symbiotic relationship.

Conflict of Interest: This "strategic alliance" comes at a cost of impartiality. The board member is in a position to give a competitive advantage to one supplier over others, which could harm other potential suppliers or the overall market competitiveness at the airport. This can also lead to accusations of self-dealing or "pay-to-play."

4. Reputation and Network Building:

Perceived Benefit: Being on the board of a prominent industry network like Air Elite/World Fuels, if not proven to be a material gain for the individual, give a clear indication of a "potential" for gain. A gain not known to the public or others, thus raising suspicions.

Conflict of Interest: While networking is generally beneficial, it is problematic when the network is comprised of entities with which the individual's other employer has a direct business relationship. The appearance of impropriety alone can be damaging to the county and the airport's reputation and lead to a loss of public trust.

Conflict of Interest Is Explicit

A key point to understand is that "Air Elite" is a network of fixed-base operators (FBOs) and a customer service program sponsored and owned by **World Fuel Services**. This connection makes the conflict even more explicit.

To mitigate this, organizations typically have strict conflict of interest policies. The following mitigations were and are NOT employed.

- Fully disclose any potential conflicts.
- Recuse themselves from any discussions or votes related to the company with which they have a conflict.
- Avoid taking actions that would benefit them personally at the expense of the organization they serve.

In the case of a public or government-run airport, these issues are particularly scrutinized due to the potential for misuse of public funds and lack of a fair and open market. The perceived "benefits" of this dual role are always outweighed by the legal, ethical, and reputational risks associated with the conflict of interest.