

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2007	2008	2009	2010	2011
Capital Expenditures	167,000				
Operating Costs	\$4,909,581	tbd	tbd	tbd	tbd
External Revenues	\$(3,002,301)				
Program Income (County)					
In-Kind Match (County)	\$2,074,280	tbd	tbd	tbd	tbd
NET FISCAL IMPACT	=====	=====	=====	=====	=====
# ADDITIONAL FTE POSITIONS (Cumulative)	- 0-	0---	0---	0---	0-----

Is Item Included In Current Budget? Yes X No.

Budget Account No.: Fund 1450 Dept 710 U nit 7420 Object 3401
 Reporting Category _____

B. Recommended Sources of Funds/Summary of Fiscal Impact:

Net Fiscal Impact funded by Fourth Cent Tourist Tax revenues

C. Department Fiscal Review: *Emit Ben Reyes*

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Administration Comments:

John D. ... 10/18/06
OFMB 10/19/06
Contract Dev. and Control 10/20/06

B. Approved as to form and Legal Sufficiency: *This Amended & Restated Agreement complies with our review requirements. TDC is in the process of obtaining the required insurance certificates.*

Maureen Cullen
 Assistant County Attorney

C. Approved as to Terms and Conditions:

W. W. ...
 Department Director

This summary is not to be used as a basis for payment.

AMENDED AND RESTATED
CONVENTION CENTER OVERSIGHT
AND MANAGEMENT AGREEMENT
between
PALM BEACH COUNTY
and
DISCOVER PALM BEACH COUNTY, INC.
DBA PALM BEACH COUNTY CONVENTION & VISITORS BUREAU

THIS AMENDED AND RESTATED AGREEMENT is made and entered into _____, by and between Palm Beach County, a political subdivision of the State of Florida, acting by and through its Board of County Commissioners (hereinafter referred to as "County"), and Discover Palm Beach County, Inc., a Florida not-for-profit corporation doing business as the Palm Beach County Convention and Visitors Bureau, whose Federal Employer Identification Number is 59-232-1112 (hereinafter referred to as "DPBC").

WHEREAS, County has entered into agreements for the design and construction of the Palm Beach County Convention Center located in Palm Beach County (hereinafter sometimes referred to as the "Convention Center" or the "Center"); and

WHEREAS, County has determined that it requires the services of a qualified entity to oversee and manage on behalf of the County, the Center, directly or through such combination of subcontractors and in-house services as shall be approved by County as provided herein, and the Center's activities and operations as set forth hereinafter, including but not limited to the rental of space, advertising, promotion, marketing, sales, event management, box office operations, public relations, procurement, maintenance, security, custodial services, and support services (including but not limited to food and beverage requirements), for conferences, conventions, exhibitions, performances, special events, and any and all other events and support services taking place in the Center, as deemed necessary by County; and

WHEREAS, DPBC, by reason of its contractual status as the entity providing tourism promotion and other services in implementation of County's tourist development plan since the plan's inception in 1983, is qualified to promote, oversee, and manage the operation of the

Convention Center on behalf of County in accordance with County policies and procedures and in the best interests of Palm Beach County tourism; and

WHEREAS, DPBC and the County desire to continue this partnership for a five (5) year term and make various other changes to the terms of this Agreement and that this Amended and Restated Agreement will replace the existing Agreement (R2001-1109) in its entirety upon the effective date;

NOW, THEREFORE, in consideration of the above and the mutual covenants contained herein and such other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, County and DPBC hereby agree as follows:

1. Definitions.

- a. Board: The Board of County Commissioners of Palm Beach County, Florida.
- b. Budgeted Funds: Funds budgeted by County for the Center.
- c. Center: The Palm Beach County Convention Center facility to be located on Okeechobee Boulevard in West Palm Beach, Florida.
- d. Clerk: The Clerk to the Board of County Commissioners.
- e. County: Palm Beach County, a political subdivision of the State of Florida.
- f. DPBC: Discover Palm Beach County Inc., a Florida not-for-profit corporation doing business as the Palm Beach County Convention and Visitors' Bureau.
- g. Effective Date: October 1, 2006.
- h. TDC: The Palm Beach County Tourist Development Council, an advisory group appointed by the Palm Beach County Board of County Commissioners pursuant to Florida Statutes 125.0104.

2. Engagement. County hereby engages DPBC to oversee, promote, operate, manage and maintain the Center in accordance with the terms hereof and applicable laws, statutes, codes, ordinances, rules, policies and procedures and DPBC hereby accepts such engagement and agrees to perform the foregoing in accordance with the terms hereof.

3. Term of Agreement.

a. Term. The term of this Agreement shall commence on October 1, 2006 and shall end on September 30, 2011.

b. Renewal. County may, at its sole and exclusive discretion, renew this Agreement to extend its term for an additional five (5) year term based upon satisfactory performance by DPBC of the terms and conditions hereof.

4. Scope of Services. It is the intent of the parties that DPBC shall provide and be responsible for the day to day operation, management, promotion and maintenance of the Center, subject, however, to the general right of the County to oversee DPBC's performance of such functions, consistent with the terms of this Agreement. The parties acknowledge that DPBC may enter into an "Operation Agreement" with a subcontractor (an Operations Firm as such term is generally accepted in the market) and agreements with other service providers to perform certain of these functions. Therefore, some of the services enumerated herein may ultimately be performed by such service providers, but will be overseen by DPBC. All services to be provided by DPBC, any subcontractor, or service provider shall also be undertaken in a manner consistent with or exceeding the industry standards for similar first class convention center facilities. DPBC shall:

a. Consultation on Design and Construction. Through staff and committees, act as liaison to provide input and recommendations to County and TDC during the design phase and construction of the Center parking garage and the expansion of the Center, should either occur.

b. Rate Survey. Prepare and submit to TDC and the County Administrator or his/her designee an annual rate survey reflecting the current rates charged by similar first class Convention Center facilities, together with a recommendation of a proposed rate to be charged for events at the Center.

c. Method of Operating Center. Present a recommended method of operating the Center (e.g., one Operations Firm, separate vendors for maintenance, catering, food and beverages, in-house performance of some functions, or any combination thereof) to the TDC and

County for approval, and implement an organizational chain of responsibility as set out in the Palm Beach County Convention Center Organizational Chart (the "Organizational Chart") attached hereto as Exhibit "A". Included therein is a General Manager of the Convention Center who shall be hired by DPBC and shall be a staff member of DPBC and whose compensation shall be determined by DPBC. Also as provided in the Organizational Chart, DPBC may select a firm to act as the Operations Firm in a subcontracted capacity pursuant to an Operations Agreement, following a Request for Proposal ("RFP") selection process. The duties and responsibilities of all parties identified on the Organizational Chart as same relates to the operation of the Convention Center shall be as generally outlined on the Organizational Chart, provided, however, that DPBC reserves the right, with approval of the TDC and the County, to operate all or part of the Center.

d. Annual Operating Budget. Prepare and submit to TDC and County for approval an annual Operating Budget, as provided for herein.

e. Operations Manual. Prepare and submit to TDC and the County Administrator or his/her designee for approval an Operations Manual, as provided for herein.

f. Contracts for Goods and Services. Upon approval of the method of operating the Center by the County, enter into contracts, in accordance with Section 6 of this Agreement, for goods and services as necessary and appropriate for the operation of the Center, and administer and assure compliance with such contracts.

g. Marketing and Marketing Plan. Prepare an annual marketing plan and, upon approval of such plan by TDC and the County Administrator or his/her designee, market the Convention Center in accordance with such plan and this Agreement.

h. Booking. Book all User Agreements of assembly spaces within the Center for conventions, trade shows, meetings and banquets, entertainment events, sports events, consumer shows, and all other forms of activity and entertainment that can be properly housed or exhibited at the Center. In conducting such booking operations, it shall be the policy of DPBC to give priority to events that generate increased tourism revenues and tourist tax revenues and stimulate the general

economy of Palm Beach County, consistent with Operating Budget projections and other considerations appropriate to the purpose of the Center. All booking shall be in accordance with the basic rate structure, and pursuant to the form User Agreements, both as approved by County from time to time. DPBC may deviate from the approved rate structure in accordance with the competitive environment. Such deviations shall be noted in the event file with an explanation of same. The Executive Director of the TDC shall review the documentation every three months to ensure rate integrity is maintained consistent with annual revenue projections.

i. Booking Goals. Provide TDC and the County Administrator or his/her designee annually with target booking goals, together with projected monthly bookings to meet such booking goals and budgets.

j. Event Management. Manage all events booked into the Center, including but not limited to box office supervision, admission procedures, crowd control, security, logistics, and support services.

k. Food and Beverage. Manage all food and beverage concessions operated in the Center.

l. Building and Grounds.

(1) Except as specifically set forth herein, manage all building and grounds operations and maintenance of the Center, including, but not limited to maintenance and routine repairs, janitorial and custodial services, security, fire prevention, pest control, and energy conservation in accordance with the County-approved Operations Manual prepared as provided herein. DPBC shall maintain the Center, including the equipment contained therein, including any improvements made during the term of this Agreement, in first class condition, and shall submit to County's Facilities Development & Operations Department within thirty (30) days of the end of each calendar quarter, a report identifying all maintenance performed during the prior quarter by DPBC and the cost thereof. DPBC's obligation hereunder shall not include repairs of a capital nature. However, DPBC shall promptly notify County of any necessary capital repairs and shall exercise due

diligence and reasonable care to ensure no injury or damage occurs to person or property, including the Center, as a result of the necessity of such capital repair.

(2) County shall, at a minimum, maintain at DPBC's expense, the base building systems, specifically including: 1) plumbing, water and wastewater systems and sub-systems, 2) power supply including back-up power, 3) electrical systems including exterior fixtures and internal fixtures to a point of demarcation, 4) HVAC systems, 5) life safety systems, 6) building automation systems including energy control systems, 7) structural and architectural components of the building, 8) internal transport (escalators, elevators, dumb waiters and stairs), 9) fixed flooring material (surface integrity only), 10) underground utilities, 11) security system infrastructure and equipment, 12) audio-visual infrastructure, and 13) fixed kitchen equipment.

(3) The points of demarcation between County and DPBC as well as other specific maintenance responsibilities shall be identified in a Maintenance Service Agreement between the parties which shall be executed prior to substantial completion. DPBC may elect to have County perform maintenance activities beyond those listed above, but in no case shall it exclude any of the items listed above. All building, grounds and equipment, whether maintained by County or DPBC shall be maintained in a first class condition.

(4) County shall provide its services at rates identical to those charged to County departments. Notwithstanding the above, DPBC shall have the opportunity to negotiate a fixed fee for labor as part of the Service Agreement.

(5) DPBC shall promptly notify the County of any necessary capital repairs and shall exercise due diligence and reasonable care to ensure that no injury or damage occurs to person or property, including the Center, as a result of the necessity of such capital repair.

m. DPBC Employees. Supervise and direct all DPBC employees and personnel.

n. Records. Maintain detailed accurate and complete financial and other records, in accordance with generally accepted accounting principals, regarding all activities conducted pursuant to this Agreement, and maintain such records in accordance with the Florida Public

Records law.

o. User Agreements. In accordance with Section 6 of this Agreement, negotiate, administer and assure compliance with User Agreements, licenses, agreements, booking commitments, advertising agreements, concession agreements, or other agreements relating to the Center.

p. Monthly Reports. Submit a written report to TDC and the County Administrator or his/her designee monthly, no later than the end of the following month, concerning DPBC's activities pursuant to this Agreement, including, without limitation, bookings, receipts from all sources, expenditures, and such other and further information as County may reasonably require or request.

q. Operating Contracts. In accordance with paragraph 6 of this Agreement, negotiate, administer, assure compliance with and enter into operating contracts for the Center which are reasonably required, in the ordinary course of business, to operate the Center, including, without limitation, telephone, staffing and personnel, extermination, and other services as may be necessary.

r. Operations Standards. Ensure the operation of the Center in a first-class manner and with standards comparable to similar first-class Convention Center facilities.

s. Operating Expenses. Pay all operating expense of the Center from the accounts established pursuant to this Agreement relating to the Center.

t. Escrow of Funds. Hold in escrow, in an interest bearing account, any revenues which are received. DPBC shall transfer such funds, for each event that has been satisfactorily concluded during the preceding month, net of expenses, together with any interest earned, and including other revenues received during the preceding month that may not be tied to specific events, into the County's bank account monthly. The accounting and transfer will occur within ten (10) working days after the close of the month.

u. Sales Taxes. Directly or through the Operations Firm, as applicable, collect and remit all sales taxes due to the State of Florida.

v. Compliance with Law. Comply with all applicable Statutes, ordinances, laws, rules, regulations, orders and requirements of County and any applicable Federal, State, Municipal or other entity.

5. Operating Budget.

a. Annual Operating Budget. For each fiscal year, DPBC shall prepare and submit to the TDC and County for approval a proposed, detailed line item annual Operating Budget for the Center, in accordance with County's budget process or such other procedures as County may require. Any such budget may be revised in response to changes in circumstances, upon application by DPBC and approval by TDC and County. Each such Operating Budget shall, upon approval by County (as submitted by DPBC or as modified by County), be automatically incorporated into this Agreement as Exhibit "B" and shall automatically be deemed to be substituted for and replace the previous budget without formal amendment of this Agreement.

b. Method of Reimbursement

(1) Costs incurred by DPBC in performing the duties and providing the goods and services described in this Agreement will be paid by the County solely from Tourist Development Tax revenues and any other revenues specifically designated by County for the Convention Center. Payments to DPBC shall be consistent with the Operating Budget adopted by the TDC and the Annual Budget adopted by the County, and shall be made only for expenditures which are specifically authorized by the County. The Annual Budget as set forth in the attached Exhibit "B", as it may be amended by the County from time to time, shall constitute, as between the County and DPBC, authorization of the expenditures provided for therein, provided that such expenditures are made in accordance with this Agreement.

(2) Payments by the County shall be made to DPBC in accordance with the fiscal procedures of the County as reimbursement for authorized expenditures or provision of goods or services, following DPBC's determination that the goods and services have been properly provided, and upon submission of invoices by DPBC to the Executive Director of the TDC or his

designee, and a determination by the Executive Director of the TDC or his designee that the invoiced payments are authorized as defined above and that the goods or services covered by such invoice have been provided or performed in accordance with such authorization.

(3) All requests for payment under the terms of this Agreement shall include copies of receipts, checks, invoices, payroll check registers for reimbursement of personnel costs, or other documents acceptable to the Clerks office. Such documentation shall be sufficient to establish that the expense was actually incurred and necessary to the performance of this Agreement.

(4) DPBC shall certify in writing any subcontractors, subconsultants and suppliers that have not been paid for invoiced work and materials from previous progress payments received by DPBC prior to receipt of any further progress payments. During this Agreement and upon completion of this Agreement, the County may request documentation to certify payment to subcontractors, subconsultants or suppliers. This provision in no way creates any contractual relationship between any subcontractor, subconsultants or supplier and the County or any liability on the County for DPBC's failure to make timely payment to the subcontractor, subconsultants or supplier.

(5) It is mutually agreed that DPBC shall promptly review and submit to the County invoices received in good order, and that the County shall promptly pay to DPBC and such independent contractors on a continual basis amounts properly payable under this Agreement and supported by receipted invoices submitted by DPBC. Any travel and entertainment expenses incurred by DPBC may be reimbursed to DPBC by the County only upon the express written approval of the Executive Director of the TDC or his designee and within the limitations imposed by law upon County. Moreover, County shall not pay DPBC or any third party or any invoice of DPBC, unless and until the Clerk of the Board of County Commissioners pre-audits payment invoices in accordance with law, and subject to the conditions, if any, attached to said approval.

(6) DPBC shall be reimbursed for its actual costs not to exceed the total

amount for the various items, and up to the maximum amounts budgeted therefore, as set forth in the DPBC Annual Budget, included in the attached Exhibit "B". The amounts applicable to the various line items of Exhibit "B" can, subject to the maximum total amount, be increased or decreased by up to 10% at the discretion of DPBC; adjustments in excess of 10% of any line item must be authorized by the Executive Director of the TDC and the County Administrator or his/her designee.

(7) In order to provide the services set forth in this Agreement, DPBC may also enter into contracts with various firms or individuals to assist DPBC in its performance under this Agreement, subject to the purchasing guidelines and requirements set forth in this Agreement; provided, that the funds necessary to perform such duties, activities or functions are included in Convention Center's Annual Budget set forth in Exhibit "B". The term of any such contract shall not extend beyond the expiration or earlier termination of this Agreement or any renewal thereof, and all such contracts shall expressly so provide. No such contract or agreement shall obligate the County in any manner to any third party.

(8) In the event DPBC encounters unanticipated necessary expenses in performing services to be provided by DPBC under this Agreement, DPBC may request said expenses to be included on an amended Exhibit "B" for reimbursement by County and County shall consider, but shall not be obligated to grant, said request.

(9) The County shall advance to DPBC not to exceed two months operating expense from Budgeted Funds in order to operate the Center and thereafter shall reimburse DPBC pursuant to the terms of this Agreement.

c. Fiscal Responsibility.

(1) Compliance with Budget. DPBC shall not exceed, or commit or contract to expend any sums in excess of, the amounts allowed in the Operating Budgets approved by County, provided, however, that amounts applicable to the various line items of the Operating Budget may be increased or decreased by up to 10% at the discretion of DPBC, so long as DPBC

does not exceed the overall approved Operating Budget. Adjustments in excess of 10% of any line item must be approved in advance in writing by the Executive Director of TDC and the County Administrator or his/her designee.

(2) Books and Records. DPBC agrees to keep and maintain, at its office, separate and independent records in a separate set of books, in accordance with generally accepted accounting principles, devoted exclusively to management operations of the Center. Said books, ledgers, journals, accounts, and records shall contain all entries reflecting the business operations of DPBC under this Agreement. All of the foregoing records shall be open for examination and audit by the County during DPBC's ordinary business hours. DPBC agrees that all documents, records, and reports maintained and generated pursuant to this contractual relationship shall be subject to the provisions of the Public Records Law, Chapter 119, Florida Statutes and County policies and procedures.

(3) Financial Reports. DPBC agrees to provide to the County Administrator, or his/her designee, the Clerk and TDC, within thirty (30) days after the end of each month, financial reports for the Center, including a balance sheet and statement of revenues and expenditures for the current month and year to date in accordance with generally accepted accounting principles. In addition, DPBC will provide a separate cash receipts and disbursements report for each event held at the Center during the month.

(4) Audit. The Center's books and records shall be audited annually by an external independent auditor retained by DPBC with a copy of the audit report submitted to County, and, at the County's discretion, may be audited by the County's internal and/or external auditor in conjunction with the County's annual audit.

(5) Forms. DPBC agrees to use forms, accounting methods, internal controls and procedures for its reports that are acceptable to County.

(6) Additional Reports. The TDC and/or the County Administrator or his/her designee may request additional financial or statistical reports with respect to the Center, and DPBC

shall promptly provide same. Any and all costs for such reports shall be included in the Operating Budget as an operating expense.

(7) Third-Party Commercial Fidelity Bond. DPBC shall through the term of this Agreement, procure and maintain a Third-Party Commercial Fidelity Bond in an amount not less than One Million Dollars (\$1,000,000.00) written on a blanket basis covering all officers, employees and agents who have custody of or access to any revenues, monies, or finances of the Center. The bond shall include or be endorsed to cover "Third-Party" liability and include a third-party beneficiary endorsement in favor of Palm Beach County, Board of County Commissioners, A Political Subdivision of the State of Florida, its officers, agents, and employees. The bond shall include a minimum twelve (12) month "Discovery Period" when written on a Loss Sustained basis. Such fidelity bond shall be issued by an insurance company licensed to do business in the State of Florida and subject to the approval of County. DPBC shall furnish the County Administrator or his/her designee a certificate of insurance naming County as an additional insured and evidencing such insurance shall be provided to County within thirty (30) days of the Effective Date, and such certificate shall require at least thirty (30) days prior notice to County of any cancellation, or non-renewal or material change in coverage.

(8) Sales Tax. County and DPBC agree that upon request of either party, contracts for materials, supplies, and other goods and tangible personal property will be executed or assigned in a manner to minimize sales tax expense incurred in the operation of the Center. An adjustment to the Operating Budget shall be made in those instances when a procedure is utilized in order to minimize sales tax expense in an amount equal to the sales tax savings.

6. Contracting and Procurement Procedures.

a. Authorization. DPBC may enter into contracts as provided for herein with firms or individuals for goods or services necessary for the performance of the services provided by DPBC under the terms of this Agreement and in accordance with both the County approved method of operating the Center and the annual Operating Budget. The term of any such contract shall not

extend beyond the expiration or earlier termination of this Agreement or any renewal thereof, and all such contracts shall expressly so provide. No such contract or agreement shall obligate County in any manner to any third party. Notwithstanding the foregoing, such contracts shall provide that in the event of termination of this Agreement, upon election by County, such contracts shall remain in full force and effect, with County to be substituted for DPBC as a party to such contract, and County shall be entitled to receive the benefits of the same.

b. Contracts and Purchases. All contracts for provision of goods or services in connection with operations management, food & beverage service, telecommunications, parking, and security shall be solicited and selected in accordance with the procurement policy set forth in Exhibit "C" to this Agreement and the Small Business Enterprise Policy set forth in Exhibit "D" and with contracting policies and procedures, including a standard form of contract, adopted by DPBC in accordance with Section 7 of this Agreement. All other contracts for provision of goods and services needed to assist DPBC in the performance of its duties under this Agreement shall be entered into in accordance with the Purchasing Guidelines provided in subsection "f" of this Section 6. Any personnel or entities with which DPBC enters into contracts for services pursuant to this Section shall be specifically experienced in, and qualified for, the provision of such services. DPBC shall monitor and evaluate the performance of all such contractors. DPBC shall insure that all parties to such contracts provide a monthly report on the duties performed and services provided. DPBC shall provide to TDC/and County quarterly summary reports of the results of such monitoring and evaluation, and shall take reasonable measures to assure the continued satisfactory performance of all contractors. Should DPBC, after taking such reasonable measures, determine after consultation with the TDC and County, that any such contractor has failed materially to perform in accordance with its contract, DPBC shall terminate such contract with notice to the TDC and the County Administrator or his/her designee.

c. Limited County Obligation. The execution and delivery of this Agreement by the County shall not obligate the County to make any payments to or on behalf of DPBC or to any other

party in connection with the County's ownership and operation of the Center. Any sums to which the County hereafter agrees to be obligated to pay in connection with the Center shall be payable solely from funds expressly budgeted and appropriated by the County for such purpose. This Agreement shall not constitute a general obligation or pledge of the full faith, credit and taxing power of the County within the meaning of any constitutional or statutory provision or limitation and neither DPBC nor any party with whom the County or DPBC contracts in connection with the Center shall have the right to compel the exercise of the ad valorem taxing power of the County to pay such obligations, such obligations to be payable, if at all by the County, from legally available revenues expressly budgeted and appropriated by the County for such purpose.

d. County as Third Party Beneficiary. DPBC shall incorporate the following provision in every contract to which the County is not a party, including, without limitation, management agreements, employment agreements, concession agreements, leases, bookings, marketing agreements and insurance agreements with a third party relating to the Convention Center or entered into by DPBC pursuant to this Agreement:

"Palm Beach County, a political subdivision of the State of Florida ("County") is hereby expressly made a third party beneficiary of this agreement, with full power and authority to enforce this agreement to the same effect as if it had expressly been made a party hereto. Notwithstanding the foregoing, the County shall not have any obligations whatsoever under this agreement, it being acknowledged and agreed by the party herewith contracting with Discover Palm Beach County, Inc. ("DPBC") that DPBC, and not the County, shall be responsible for payment and performance of any obligations of DPBC set forth herein or arising out of this agreement."

In addition to the foregoing, DPBC shall incorporate the following language in User Agreements:

"provided, however, that in the event of the termination of the Convention Center Oversight and Management Agreement between Palm Beach County and Discover Palm Beach County, this agreement, at the sole option of the County, shall remain in

full force and effect with County to be substituted for DPBC as a party to this Agreement, and County shall be entitled to receive the benefits of the same.”

e. Compliance with Tax-Exempt Bond Requirements of Federal Law. DPBC shall not enter into any agreement that would cause any debt obligations issued by the County to finance the Convention Center (“Bonds”) to meet the private business use test of section 141(b) of the Internal Revenue Code of 1986, as amended (“Code”). Under section 141(b) of the Code, the Bonds would meet the private business use test if more than 10 percent of the Convention Center is used in the trade or business of any person other than a governmental unit (within the meaning of section 141(b) of the Code and the regulations promulgated thereunder).

(1) Private Business Use. Agreements that may give rise to private business use include, but are not limited to, the following:

(a) Concession agreements and leases.

(b) Booking contracts where the term of use under the arrangement, including all renewal options, is longer than 90 days.

(c) Booking contracts where the term of use under the arrangement, including all renewal options, is longer than 30 days if the contract is not based on rates that are generally applicable and uniformly applied. For this purpose, rates may be treated as generally applicable and uniformly applied even if different rates apply to different classes of users, such as volume purchasers, if the differences in rates are customary and reasonable.

(d) Certain other agreements that permit a non-governmental person to use the Convention Center on a basis that is different from use by the general public (including a management or other service contract). See, generally, 26 C.F.R. section 1.141-3 and section 1.141-3(f)(8), Example (16).

(2) Calculation of Percentage of Private Business Use. DPBC shall annually calculate the percentage of private business use of the Convention Center and submit such calculation to the County and the Clerk. Pursuant to 26 C.F.R. section 1.141-3(g), the percentage of

private business use is measured based on the average of the percentages of private business use during each 1-year period beginning on the later of the issue date or the date the property is placed in service and ending on the earlier of the last date of the reasonably expected economic life of the property or the latest maturity date of any bond of the issue financing the property.

(3) Consultation with County. DPBC shall consult with the County, the Clerk, and the County's bond counsel to resolve any questions relating to the proper method of determining whether any use of the Convention Center constitutes private business use and the proper method of calculating the percentage of private business use of the Convention Center. For purposes of complying with the requirements of this Section, DPBC may conclusively rely on written instructions regarding such matters given to DPBC by the County or the County's bond counsel.

f. Purchasing Guidelines. DPBC may enter into contracts with firms or individuals for various goods or services needed to assist it in the performance of its duties under this Agreement, in accordance with the following purchasing guidelines and requirements:

(1) Purchases Between \$1,000 and \$5,000. DPBC may purchase goods or services between \$1,000 and \$5,000 upon obtaining oral quotes for the goods or services. DPBC will make every effort to obtain a minimum of three (3) oral quotes.

(2) Purchases Between \$5,001 and \$10,000. DPBC shall request written quotations for all purchases between \$5,001 and \$10,000. DPBC shall make every effort to obtain a minimum of three (3) written quotations for each item or group of items needed. Requests for quotations will be mailed to all prospective bidders, as feasible. DPBC shall furnish the Executive Director of the TDC with the responses or quotations received prior to award. In the event the Executive Director of the TDC shall question the recommended contract, DPBC shall establish the appropriateness of the contract.

(3) Purchases Exceeding \$10,000. DPBC shall request written proposals for all purchases over \$10,000. DPBC shall make every effort to secure at least three (3) written proposals for each item or group of items needed. Advertisements for written requests for proposals

will be published no less than one time in a newspaper of general daily circulation, trade publication, or other appropriate vehicle distributed in Palm Beach County or the locale where the service will be provided, as appropriate. Requests for proposals will be mailed to all prospective bidders, as feasible. DPBC may charge a reasonable fee to cover cost of copying, mailing and handling. Any contract which exceeds \$10,000 shall require the prior approval of the Executive Director of the TDC.

(4) Professional and Consulting Services. All contracts for professional or consulting services entered into pursuant to the provisions of this subsection "f" shall be evidenced by a written agreement which shall specify the services to be performed, the time period during which such services will be performed, the form or method of compensation (e.g., retainer, expense reimbursement, direct cost, hourly or fixed fee, etc.), the method of cancellation or termination, and remedies for non-performance, identify ownership of the product, and contain other standard contract language. DPBC is prohibited from entering into contracts under this subsection "f" in excess of \$30,000, and all contracts shall require the prior approval of the Executive Director of the TDC. In addition, the cumulative contracts entered into by DPBC under this subsection "f" with any one vendor during a fiscal year shall not exceed \$30,000. The Executive Director of the TDC must approve the form and content of the agreement prior to its execution by the vendor and DPBC. Any contract under this subsection "f" which is expected to exceed \$30,000 will be solicited and awarded under the procedures provided in Exhibits "C" and "D" to this Agreement.

(5) Re-orders of Printing and Promotional Items. Re-orders of printing and promotional items may be purchased from the original vendor at the previously established price.

(6) Sole Source Purchases. The Executive Director of the TDC may authorize the purchase of goods and services without requests for quotes or proposals when DPBC has provided evidence in writing that such good or service is the only item that meets the need and is available through only one source. DPBC shall provide evidence of advertising or other appropriate good-faith efforts to solicit the good or service. The vendor shall provide in writing certification that

they are the sole source of the good or service.

(7) Prohibition on Subdivision of Purchase. No contract or purchase shall be subdivided to avoid the purchasing guidelines and requirements provided for in this Agreement.

(8) Business Necessity and Emergency Purchases. DPBC may purchase goods or services through direct negotiations with the vendor, and without obtaining multiple oral quotations, written quotations, or written bids or proposals, in cases of business necessity or emergency. For purposes of this provision:

(a) "Business necessity" shall mean that (i) the goods or services are necessary to the provision of contracted services to attendees of one or more events booked into the Center, in accordance with standards in the industry for a Class A Convention Center, and (ii) sufficient time is not available between the identification of the need for the goods or services and the time for provision of the goods and services to engage in written requests for proposals or bids.

(b) "Emergency" shall mean that the goods or services are necessary to the protection of life or property from imminent hazards such as storm or civil disturbance.

In all such cases, DPBC shall make every effort to receive a minimum of three (3) written quotations, and, where that is not feasible, to obtain a minimum of three (3) oral quotes, for the goods or services to be provided. DPBC shall document in writing to the County Administrator or his/her designee the nature and circumstances of the business necessity or emergency before the Procurement is made or, if the circumstances do not permit immediately thereafter.

(9) Purchasing under Government Price Agreements. Notwithstanding any other provision of this Procurement Policy, DPBC may procure goods and services from vendors who provide pricing that is in accord with existing price agreements with the State of Florida, Palm Beach County, or the Palm Beach County School District.

(10) Miscellaneous Provisions. DPBC will maintain a "vendor list" of those providers of goods or services who desire to be placed on the list. Such list shall include small business enterprises certified by the County. DPBC will solicit quotes or proposals from responsible

prospective suppliers obtained from DPBC's or the County's vendor list, publications, catalogues, suggestions from the TDC or its staff, previous suppliers, and the like. Awards under this subparagraph (10) will be made to the lowest responsive, responsible bidder whose offer is determined to be the most advantageous to DPBC in its performance of the activities or functions provided for in this Agreement. Evaluation of offers and proposals shall be based upon the criteria established by DPBC and approved by the Executive Director of the TDC, and any other relevant information obtained through the evaluation process. Such criteria may include but need not be limited to price. Upon the approval of the Executive Director of the TDC, discussions or negotiations with the most qualified vendor based upon its offer may be conducted for the purpose of obtaining a contract which is in the best interests of DPBC in the performance of its duties, obligations and functions as provided in this Agreement.

7. Operations Manual. DPBC shall submit to the TDC and the County for approval an Operations Manual which contains guidelines, policies, and procedures which shall further govern DPBC in its performance of the duties and services contemplated by this Agreement. The Operations Manual shall be reviewed at least annually to determine whether such guidelines, policies, and procedures are appropriate and accomplishing their intended purposes. Revisions to the Operations Manual may be made when deemed necessary by DPBC. All revisions shall be approved annually by the TDC and the County Administrator or his/her designee. Such Operations Manual shall conform with, and incorporate by reference, the Procurement Policy set forth in Exhibit "C" to this Agreement, and the MBE/WBE policy set forth in Exhibit "D" to this Agreement. The provisions of this Agreement, including the policies identified above, shall control over any provisions of the Operations Manual which may be in conflict with the provisions hereof, except any provision of the Operations Manual that may hereafter be adopted by DPBC and approved by the County. Should the County adopt an ordinance or policy or amendment thereto that is inconsistent with the policies identified above, or the Operations Manual, the parties agree to modify such policies or Operations Manual as necessary to conform with such ordinance or policy.

8. Use by County. County shall have the right to use the Center or any part thereof, subject to availability, for such purposes as County deems appropriate, without rent, use fee or other payment of compensation. Notwithstanding the foregoing, County shall reimburse DPBC for the actual direct operational costs incurred by DPBC as a result of such use.

9. Furniture and Equipment. All furniture or equipment acquired by or for the use of DPBC under this Agreement shall be purchased in accordance with the purchasing procedures and guidelines required hereunder DPBC shall comply with the tagging and inventory requirements of Chapter 274, Florida Statutes, and applicable property control procedures of County. Said furniture and equipment shall be and remain the property of County. DPBC shall use the furniture and equipment in a careful and prudent manner and shall maintain it in good repair and condition, ordinary wear and tear excepted. DPBC shall make no alterations, or improvements to the furniture or equipment without first obtaining the prior approval of the County Administrator or his/her designee.

10. Approvals and Consents. Any approvals, adoptions, consents, or acceptances of County requiring approval, adoption, consent or acceptance of the Board may be withheld by County for any reason or no reason at all. As a condition precedent to any County approval, adoption, consent, or acceptance, which is required by the terms of this Agreement there shall be action by and recommendation to County by the TDC in accordance with Ordinance No. 95-30, as amended, and Resolution R-83-944, as they may be amended from time to time. The Executive Director of the TDC shall place all items to be considered by the TDC on the meeting agenda thereof and shall make his recommendations to the TDC on any item. It shall be the responsibility of the Executive Director of the TDC to submit to County any items recommended to County by the TDC. It shall be the responsibility of DPBC to submit to the designated person(s) all items requiring approval under this Agreement and all reports required under this Agreement.

11. Independent Contractor.

a. DPBC is and shall be in the performance of all work, services and activities under

this Agreement an independent contractor and not an agent of County. The officers, employees, and agents of DPBC shall not be considered to be officers, employees, or agents of County. All persons engaged in any of the work or services performed pursuant to this Agreement shall at all times, and in all places, be subject to DPBC's sole direction, supervision, and control. DPBC shall exercise control over the means and manner in which it and its employees perform the work, and in all respects DPBC's relationship and the relationship of its employees to County shall be that of an independent contractor and not as officers, employees, or agents of County.

b. All contracts for provision of professional and consulting services entered into by DPBC under this Agreement shall be in writing and shall state that DPBC is an independent service contractor of County and does not have the authority to enter into any contract on County's behalf or to bind County to any such contract and shall further state that County shall not be liable for any services rendered or goods delivered under said contracts regardless of the receipt by County of any benefits thereunder.

12. Non-Discrimination.

a. DPBC shall not discriminate against any employee or applicant for employment on the grounds of race, religion, color, national origin, sex, age, handicap, disability, sexual orientation, or marital status. The foregoing shall be deemed to include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

b. Furthermore, DPBC will not discriminate against any subcontractor, potential contractor, or participant hereunder, on any of the above prohibited grounds.

13. Non-Competition. During the term of this Agreement, DPBC shall not provide services or perform duties of a nature substantially similar to those contained in this Agreement within Florida on behalf of any association, corporation, person, group, or public or private agency or any other legal entity, other than County.

14. Certification of Conduct. DPBC hereby certifies that it will not attempt in any manner to improperly influence any specifications, or be unlawfully restrictive, regarding any purchase of services or commodities by County.

15. Availability of Records. DPBC acknowledges that any and all records of DPBC relating to this Agreement are public records, subject to the provisions of Chapter 119, Florida Statutes (the "Public Records Laws") and County policies and procedures. DPBC shall maintain and preserve all such records, including, without limitation books, documents, papers, computer or other electronic records, and financial information pertaining to work performed under this Agreement to the extent required by the Public Records Laws. DPBC agrees that County, or any of its duly authorized representatives, shall have access to, and the right to examine, any pertinent books, documents, papers, and records of DPBC during DPBC's ordinary business hours.

16. Findings Proprietary. Any reports, information, or data given to or prepared or assembled for or by DPBC under this Agreement which County requests to be kept proprietary, if any, shall not be made available to any individual or organization without the prior written approval of County. No material produced in whole or in part hereunder shall be subject to copyright in the United States or in any other country by any party other than by County. County shall have the unrestricted authority to publish, disclose, distribute, and otherwise use any reports, data, or other materials prepared under this Agreement.

17. Intellectual Property. All logos, slogans, trademarks, trade names, written copy, layout, production materials, formulas, recipes, and other intellectual property created by or on behalf of DPBC or County under this Agreement or relating to the Center shall be the property of County, and DPBC hereby assigns to County any and all rights DPBC has or may acquire in such intellectual property. County hereby grants a nonexclusive license to DPBC for the use of such intellectual property during the term of this Agreement for the purpose of carrying out DPBC's duties under this Agreement; provided, that such use shall be subject to the terms of this Agreement including required approvals by County, and provided further, that any and all revenues derived from such use

by DPBC shall be applied solely to the performance of DPBC's duties under this Agreement in accordance with its terms, and any such revenue not so applied shall be remitted by DPBC to County. DPBC shall take no action inconsistent with County's rights in such intellectual property, and will take reasonable actions, including registration or assignment of trademarks and trade names, as necessary and appropriate to protect County's rights in such property.

18. Prohibition of Assignment. DPBC shall not assign, transfer, convey, or encumber in whole or in part its interest in this Agreement, without the prior written consent of County, which may be withheld by County at its sole and exclusive discretion for any reason or no reason at all. This provision shall be construed to include a prohibition against any assignment, transfer, conveyance or encumbrance by operation of law, legal process, receivership, bankruptcy, or otherwise, whether voluntary or involuntary.

19. Conflict of Interest. Neither DPBC nor its officers, directors, agents, or employees shall acquire any interest, either directly or indirectly, which would conflict in any manner with the duties or obligations or the performance of services provided for in this Agreement. DPBC shall promptly notify the TDC and County Administrator or his/her designee in writing of all potential conflicts of interest, and specify the association, interest, or other circumstance which may appear to influence DPBC, its officers, directors, agents, or employees. In the event the County Attorney's Office shall determine that such association, interest, or other circumstance would constitute a conflict of interest, DPBC, its officers, directors, agents, or employees shall take all action necessary to resolve the conflict of interest.

20. Authority to Practice. DPBC hereby represents and warrants that it has and will continue to maintain all licenses and approvals required to fulfill its obligations hereunder, and that it will at all times conduct its business activities in a responsible manner. Proof of such licenses and approvals shall be submitted annually to County.

21. Insurance Requirements.

a. General Insurance Requirements.

Unless otherwise specified in this Agreement, DPBC shall, at its sole expense, maintain in full force and effect at all times during the term of this Agreement or the performance of work hereunder, insurance coverage as described herein at limits, including endorsements, set forth in the Insurance Coverage & Limit Table below. DPBC shall deliver to County, Certificate(s) of insurance evidencing that such policies are in full force and effect, not later than thirty (30) calendar days prior to the Effective Date of this Agreement. The requirement contained herein as to types and limits, as well as County's review or acceptance of insurance coverage to be maintained by DPBC, is not intended to nor shall in any manner limit or qualify the liabilities and obligations assumed by DPBC under the Agreement.

(1) Commercial General Liability. DPBC shall maintain a standard ISO version Commercial General Liability, or its equivalent providing coverage for, but not be limited to, Bodily Injury and Property Damage, Premises/Operations, Products/Completed Operations, Independent Contractors, Contractual Liability, Broad Form Property Damage, Severability of Interest including Cross Liability, and be in accordance with all of the limits, terms and conditions set forth herein. DPBC agrees this coverage shall be provided on a primary basis.

(2) Business Automobile Liability. DPBC shall maintain a standard ISO version Business Automobile Liability, or its equivalent, providing coverage for all owned, non-owned and hired automobiles, and in accordance with all of the limits, terms and conditions set forth herein. DPBC agrees this coverage shall be provided on a primary basis. Notwithstanding the foregoing, should DPBC not own any automobiles, the business auto liability requirement shall be amended to allow DPBC to agree to maintain only Hired & Non-Owned Auto Liability. This amended coverage requirement may be satisfied by way of endorsement to the Commercial General Liability, or separate Business Auto policy.

(3) Worker's Compensation & Employer's Liability. DPBC shall maintain Worker's Compensation Insurance & Employers Liability. This coverage shall be in accordance with all of the limits, terms and conditions set forth herein. DPBC agrees this coverage shall be provided

on a primary basis.

(4) Professional Liability. DPBC shall maintain Professional Liability insurance, or similar Errors & Omissions coverage, for negligent acts, errors or omissions of DPBC or any person employed or acting on DPBC's behalf (including but not limited to sub-consultants), and in accordance with all of the limits, terms and conditions set forth herein. When a self-insured retention or deductible exceeds \$10,000, the County reserves the right, but not the obligation, to request and review a copy of DPBC's most recent annual report or audited financial statements in determining whether to reject or accept a higher self-insured retention or deductible. When written on a "Claims-Made" form, DPBC shall cause the retroactive Date applicable to coverage under the policy to equal or precede the Effective Date of this Agreement; and that continuous coverage shall be maintained; otherwise, the bidder shall purchase a Supplemental Extended Reporting Period (SERP) with a minimum reporting period not less than 3 years, in the event the policy is canceled, non-renewed, switched to an Occurrence Form, retroactive date advanced or any other event triggering the right to purchase a SERP during the life of this Agreement. DPBC shall be solely responsible for any SIR, deductible, or additional premium. DPBC agrees this coverage shall be provided on a primary basis.

(5) Liquor Liability. DPBC shall maintain Liquor Liability in accordance with all of the limits, terms and conditions set forth herein in the event a liquor license or permit is required, whether maintained or not; liquor is served with or without a charge to the general public; liquor is served as a means of generating revenue for a fund raising event; liquor is served by a third-party contracted by the insured for any of the foregoing reasons mentioned above; and/or liquor is offered for the purpose of financial gain or livelihood. Liquor includes beer or wine. DPBC agrees this coverage shall be provided on a primary basis.

(6) Umbrella or Excess Liability. DPBC shall maintain Umbrella or Excess Liability in accordance with all of the limits, terms and conditions set forth herein. The County shall be specifically endorsed as an "Additional Insured" on the Umbrella or Excess Liability, unless the

Umbrella or Excess Liability provides continuous coverage to the underlying policies on a complete "Follow-Form" basis without exceptions and stated as such on the Certificate of Insurance. The Umbrella or Excess Liability must "Follow-Form" the underlying Commercial General Liability, Business Auto Liability, Liquor Liability and Employer's Liability.

b. Additional Insurance requirements, terms or conditions.

(1) Additional insured endorsements. DPBC shall endorse the County as an Additional Insured on each insurance policy required to be maintained by the DPBC, except for Worker's Compensation, Business Auto and Professional Liability. The CG 2026 Additional Insured - Designated Person or Organization or CG 2010 Additional Insured- Owners, Lessees, or Contractors (Form B) endorsement, or their equivalent, shall be endorsed to the Commercial General Liability. Other policies shall provide a standard Additional Insured endorsement offered by the insurer. The endorsement shall read "Palm Beach County Board of County Commissioners, a Political Subdivision of the State of Florida, its Officers, Employees and Agents. The Additional Insured endorsements shall provide coverage on a primary basis. Endorsement shall be in accordance with all of the limits, terms and conditions set forth herein.

(2) Waiver of Subrogation. DPBC shall agree by entering into this Agreement to a Waiver of Subrogation for each required policy providing coverage during the life of this Agreement. When required by the insurer or should a policy condition not permit an Insured to enter into an pre-loss agreement to waive subrogation without an endorsement, then DPBC shall agree to notify the insurer and request the policy be endorsed with a Waiver of Transfer of Rights of Recovery Against Others, or its equivalent. This Waiver of Subrogation requirement shall not apply to any policy which specifically prohibits such an endorsement, or voids coverage should the insured enter into such an agreement on a pre-loss basis. The Waiver of Subrogation shall be in accordance with all of the limits, terms and conditions set forth herein.

(3) Right to Review & Adjust. Notwithstanding the foregoing, the County, by and through its Risk Management Department, in cooperation with the County Attorney's Office,

reserves the right to periodically review, modify, reject or accept all required policies of insurance, including limits, coverages, or endorsements, hereunder from time to time throughout the life of this Contract. Furthermore, the County reserves the right, but not the obligation, to review and reject any insurer providing coverage because of poor financial condition or because it is not operating legally.

In such event, County shall provide DPBC written notice of such adjusted limits and DPBC shall comply within thirty (30) days of receipt thereof and be responsible for any premium revisions as a result of any such reasonable adjustment.

(4) No Representation of Coverage Adequacy. The coverages and limits identified in the table have been determined to protect primarily interests of the County only, and DPBC agrees in no way should the coverages and limits in the table be relied upon when assessing the extent or determining appropriate types and limits of coverage to protect DPBC against any loss exposures, whether as a result of this Agreement or otherwise.

(5) Certificate of Insurance. Certificates of Insurance must provide clear evidence that DPBC's insurance policies contain the minimum limits of coverage and terms and conditions set forth herein. A minimum thirty (30) day endeavor to notify due to cancellation or non-renewal of coverage shall be identified on each certificate. In the event the County is notified that a required insurance coverage will cancel or non-renew during the period of this Contract, DPBC shall furnish prior to the expiration of such insurance, a new or revised certificate of insurance as proof that equal and like coverage for the balance of the term of this Agreement and any extension thereof. The County reserves the right to withhold payment, but not the obligation, to DPBC until coverage is reinstated. If DPBC fails to maintain the insurance as set forth herein, the County shall have the right, but not the obligation, to purchase said insurance at DPBC's expense. The Certificate holder address should read as follows:

Contracts Development and Control Director
301 N. Olive Avenue, 10th Floor
West Palm Beach, Florida 33401

(6) Coinsurance Penalties, & Self-Insured Retention. DPBC shall be fully

and solely responsible for any costs or expenses as a result of a coinsurance penalty, or self-insured retention including any loss not covered because of the operation of such coinsurance penalty, or self-insured retention.

(7) Subcontractor's Insurance. DPBC shall cause each subcontractor employed by DPBC to purchase and maintain insurance of the type specified herein as appropriate for the activity in scope and amount as determined by County's Risk Management Department, provided DPBC's insurance does not afford coverage on behalf of the subcontractor. When requested by the County, DPBC shall obtain and furnish copies of certificates of insurance evidencing coverage for each subcontractor.

(8) Insurance Coverage & Table. DPBC shall maintain the coverages, endorsements, and limits of liability in accordance with and set forth by the Insurance Coverage & Table below:

INSURANCE COVERAGE & LIMIT TABLE	
TYPE OF COVERAGE	LIMIT OF LIABILITY
<u>COMMERCIAL GENERAL LIABILITY:</u> Limit of Liability not less than: Additional Insured endorsement required:	\$1,000,000 per occurrence / \$2,000,000 annual aggregate Yes
<u>UMBRELLA OR EXCESS LIABILITY:</u> Limit of Liability not less than: Additional Insured endorsement required:	\$5,000,000 per occurrence / \$5,000,000 annual aggregate Yes

INSURANCE COVERAGE & LIMIT TABLE	
<u>COMPREHENSIVE AUTO LIABILITY:</u> Limit of Liability not less than:	\$1,000,000 per occurrence
<u>WORKERS COMPENSATION & EMPLOYER'S LIABILITY:</u> Coverage not less than: Employers Liability Limits:	Statutory \$100/500/100
<u>PROFESSIONAL LIABILITY:</u> Limit of Liability not less than:	\$1,000,000 per occurrence / \$1,000,000 annual aggregate
<u>LIQUOR LIABILITY:</u> Limit not less than: Additional Insured endorsement required:	\$1,000,000 per occurrence / \$2,000,000 annual aggregate Yes

(9) Budgeted Costs. Except as provided in subsection 21.c.6 hereinabove, any and all costs incurred by DPBC in obtaining and maintaining the insurance coverage required hereunder, including costs of premiums and deductibles, shall be included in the Operating Budget as an operating expense.

22. Indemnification. DPBC agrees to protect, defend, reimburse, indemnify and hold County, its agents, employees and elected officers and each of them, free and harmless at all times from and against any and all claims, liability, expenses, losses, costs, fines and damages (including attorney fees at trial and appellate levels) and causes of action of every kind and character against, or in which County is named or joined, arising out of this Agreement or DPBC's management or operation of the Center, including, without limitation those arising by reason of any damage to property or the environment, or bodily injury (including death) incurred or sustained by any party hereto, or of any party acquiring any interest hereunder, any agent or employee of any party hereto or of any party acquiring an interest hereunder, and any third or other party whomsoever, or any governmental agency, arising out of or incident to or in connection with DPBC's performance under this Agreement, the condition of the Center, DPBC's acts, omissions or operations hereunder, or the performance, non-performance or purported performance of DPBC or any breach of the terms of this Agreement; provided however DPBC shall not be responsible to County for damages resulting out of bodily injury (including death) or damages to property which is judicially determined to be attributable to the sole negligence of County its respective agents, servants, employees and officers. DPBC further agrees to hold harmless and indemnify County for any fines, citations, court judgments, insurance claims, restoration costs or other liability resulting from or in any way arising out of or due to DPBC's activities or operations or use of the Center whether or not DPBC was negligent or even knowledgeable of any events precipitating a claim or judgment arising as a result of any situation involving said activities. Said indemnification shall be extended to include all employees, agents, invitees, deliverers, suppliers, furnishers of material, or anyone acting for, on behalf of, or at the request of DPBC. DPBC recognizes the broad nature of this indemnification and hold-harmless clause, and acknowledges that County would not enter into this Agreement without the inclusion of such clause, and voluntarily makes this covenant and expressly acknowledges the receipt of Ten Dollars (\$10.00) and such other good and valuable consideration provided by County in support of this indemnification in accordance with laws of the State of Florida. The obligations

arising under this clause shall survive the expiration or termination of this Agreement.

23. Termination. This Agreement may be terminated by County, with or without cause, upon thirty (30) days prior written notice to DPBC. This Agreement may be terminated by DPBC, with or without cause, upon one hundred eighty (180) days prior written notice to County. In the event of any termination under this Section, County will not be liable for, and DPBC hereby waives any claims for lost prospective profits, economic losses, or other consequential damages. In the event of any termination under this Section, County shall be substituted for DPBC as a party to any and all User Agreements and, upon County's election, County shall be substituted for DPBC as a party to any or all other executory contracts entered into with a third party by DPBC in the performance of DPBC's duties under this Agreement in accordance with the terms and conditions of this Agreement, including, without limitation, Operations Agreements, Management Agreements, Employment Agreements, Concession Agreements, Leases, Bookings, Marketing Agreements, and Insurance Agreements, and County shall be entitled to receive the benefits of the same.

24. Annual Budgetary Funding. This Agreement and all obligations of County hereunder are subject to and contingent upon annual budgetary funding and appropriations by the Palm Beach County Board of County Commissioners.

25. Notices. All notices and elections (collectively, "notices") to be given or delivered by or to any party hereunder, shall be in writing and shall be (as elected by the party giving such notice) hand delivered by messenger, courier service or overnight mail, or alternatively shall be sent by United States Certified Mail, with Return Receipt Requested. The effective date of any notice shall be the date of delivery of the notice if by personal delivery, courier services or overnight mail, or if mailed, upon the date which the return receipt is signed or delivery is refused or the notice designated by the postal authorities as non-deliverable, as the case may be. The parties hereby designated the following addresses as the addresses to which notices may be delivered, and delivery to such addresses shall constitute binding notice given to such party:

County: County Administrator
Palm Beach County
301 North Olive Avenue
West Palm Beach, Florida 33401

with copy to: County Attorney
County Attorney's Office
P.O. Box 1989
West Palm Beach, FL 33402-1989

additional copy to: Executive Director
Tourist Development Council
1555 Palm Beach Lakes Blvd., Suite 900
West Palm Beach, FL 33401

DPBC: President
Discover Palm Beach County, Inc.
1555 Palm Beach Lakes Boulevard, Suite 800
West Palm Beach, Florida 33401

Any party may from time to time change the address to which notice under this Agreement shall be given such party, upon three (3) days prior written notice to the other parties.

26. Default. In the event DPBC fails or refuses to perform any term, covenant, or condition of this Agreement for which a specific remedy is not set forth in this Agreement, County shall, in addition to any other remedies provided at law or in equity, have the right of specific performance thereof.

27. Governing Law & Venue. This Agreement shall be governed by, construed and enforced in accordance with, the laws of the State of Florida. Venue in any action, suit or proceeding in connection with this Agreement shall be filed and held in a State court of competent jurisdiction located in Palm Beach County, Florida.

28. Binding Effect. This Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective legal representatives, successors and assigns.

29. No Recording. Neither this Agreement, nor any memorandum or short form hereof, shall be recorded in the Public Land Records of Palm Beach County, Florida.

30. Headings. The paragraph headings or captions appearing in this Agreement are for convenience only, are not part of this Agreement, and are not to be considered in interpreting this

Agreement.

31. Waiver. No waiver of any provision of this Agreement shall be effective against any party hereto unless it is in writing and signed by the party(s) waiving such provision. A written waiver shall only be effective as to the specific instance for which it is obtained and shall not be deemed a continuing or future waiver.

32. Amendment. This Agreement may be modified and amended only by written instrument executed by the parties hereto.

33. Incorporation by Reference. Exhibits attached hereto and referenced herein shall be deemed to be incorporated in this Agreement by reference.

34. Non-exclusivity of Remedies. No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or further exercise thereof

35. Time of Essence. The parties expressly agree that time is of the essence in this Agreement and the failure by a party to complete performance within the time specified, or within a reasonable time if no time is specified herein, shall, at the option of the other party without liability, in addition to any other rights or remedies, relieve the other party of any obligation to accept such performance.

36. Construction. No party shall be considered the author of this Agreement since the parties hereto have participated in extensive negotiations and drafting and redrafting of this document to arrive at a final Agreement. Thus, the terms of this Agreement shall not be strictly construed against one party as opposed to the other party based upon who drafted it. In the event that any section, paragraph, sentence, clause, or provision hereof, shall be held by a court of competent jurisdiction to be invalid, such shall not effect the remaining portions of this Agreement and the same shall remain in full force and effect.

37. Entire Understanding. This Agreement represents the entire understanding between the parties, and supersedes all other negotiations, representations, or agreement, either written or oral, relating to this Agreement

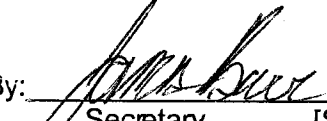
38. Force Majeure. Any party delayed by a Force Majeure Event, as defined herein, in performing under this Agreement shall use reasonable efforts to remedy the cause or causes of such Force Majeure Event. A delay due to a Force Majeure Event shall serve to toll the time to perform under this Agreement. "Force Majeure Event" shall mean any act of God, fire, flood,


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earthquake, explosion, riot, sabotage, windstorm, failure of utility service, labor dispute or act or other event beyond the control of the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.


ATTEST:

By: 
Secretary [SEAL]


DPBC PRESIDENT/CEO
Approved as to terms
And conditions

DISCOVER PALM BEACH COUNTY, INC.


By: 
Chair


ATTORNEY FOR DPBC
Approved as to form
and legal sufficiency

ATTEST:


Sharon Boch, Clerk & Comptroller

By: _____
Deputy Clerk [SEAL]

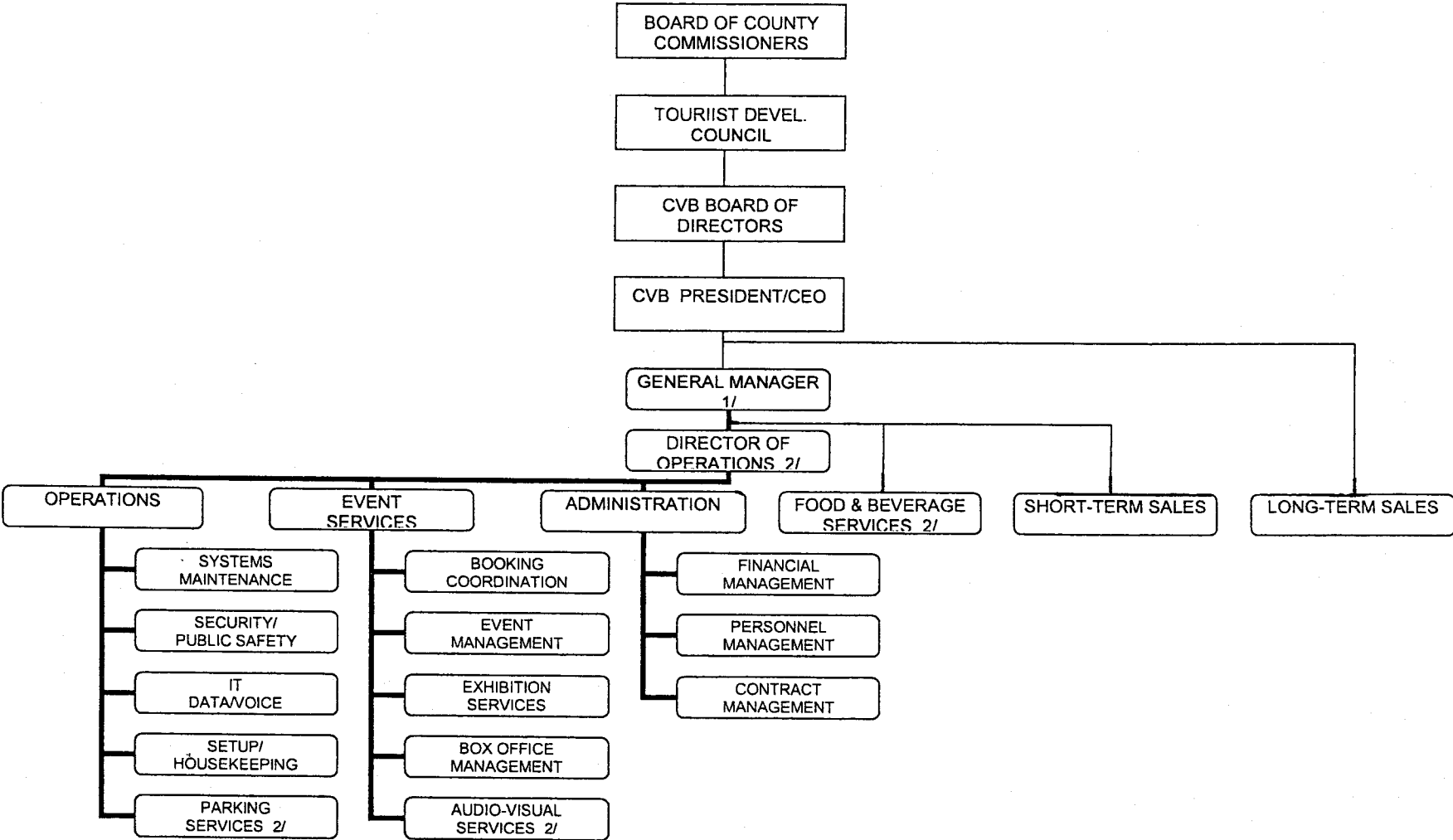

TDC EXECUTIVE DIRECTOR
Approved as to terms
and conditions

PALM BEACH COUNTY, FLORIDA,
BY ITS BOARD OF COUNTY
COMMISSIONERS

By: _____
Chair


COUNTY ATTORNEY
Approved as to form
and legal sufficiency

**PALM BEACH COUNTY CONVENTION CENTER
ORGANIZATION CHART**



1/ CVB Employee
2/ Contracted Services

PALM BEACH COUNTY
 Tourist Development Council
 Convention Center Operations Fund
 FY 2007 Budget

EXHIBIT "B"

CONVENTION CENTER OPERATIONS CATEGORY F -FUND 1450	BUDGET 2007
BALANCE FORWARD	\$ 1,012,179
BED TAX REVENUE	\$ 253,807
RENTAL REVENUE	\$ 1,619,195
FOOD & BEVERAGE (NET)	\$ 598,000
CITY OF WEST PALM BEACH ILA	\$ 250,000
NET BLDG. SERVICE REVENUE	\$ 661,375
INTEREST INCOME	\$ 11,947
MISC.ADVERTISING INCOME	\$ 20,000
TRANSFERS IN FUND 1452	\$ -
TRANSFERS IN FUND 1453	\$ 1,350,000
STATUTORY RESERVES	\$ (158,216)
TOTAL AVAILABLE FUNDS	\$ 5,618,287

CONVENTION CENTER OPS EXPENSES	\$ 4,486,774
INSURANCE & LEGAL	\$ 180,000
CAPITAL OUTLAY	\$ 167,000
COLLECTION FEES	\$ 3,807
TRANSFERS OUT	\$ 239,000
TOTAL EXPENSES	\$ 5,076,581

UNRESTRICTED EXPENSE RESERVES	\$ 291,706
CAPITAL REPLACEMENT	\$ 250,000
TOTAL EXPENSES & RESERVES	\$ 5,618,287

EXHIBIT "C"

PROCUREMENT POLICY

Purchases made by DPBC in accordance with paragraph 6 of this Agreement shall be subject to the following purchasing guidelines and requirements:

A. Purchases Between \$1,000 and \$5,000. DPBC may purchase goods or services between \$1,000 and \$5,000 upon obtaining oral quotes for the goods or services. DPBC will make every effort to obtain a minimum of three (3) oral quotes.

B. Purchases Between \$5,001 and \$10,000. DPBC shall request written quotations for all purchases between \$5,001 and \$10,000. DPBC shall make every effort to receive a minimum of three (3) written quotations for each item or group of items needed. Requests for quotations will be mailed to all prospective bidders, as feasible. DPBC shall furnish the Executive Director of the TDC with the responses or quotations received prior to award. In the event the Executive Director of the TDC shall question the recommended contract, DPBC shall establish the appropriateness of the contract.

C. Purchases Exceeding \$10,000. DPBC shall request written proposals for all purchases over \$10,000. DPBC shall make every effort to secure at least three (3) written proposals for each item or group of items needed. Advertisements for written requests for proposals will be published no less than one time in a newspaper of general daily circulation, trade publication, or other appropriate vehicle distributed in Palm Beach County or the locale where the service will be provided, as appropriate. Requests for proposals will be mailed to all prospective bidders, as feasible. DPBC may charge a reasonable fee to cover cost of copying, mailing and handling. DPBC will make their selection from the bids or proposals for amounts up to \$50,000, and submit the selection for approval by the TDC. Contracts for purchases exceeding \$50,000 will be entered into according to the following procedures:

1. DPBC is responsible for drafting the Request for Proposal ("RFP") or Invitation for Bid ("IFB") to secure needed goods or services, and shall forward the IFB/RFP to the Executive Director of the TDC, with copy to the Assistant County Attorney assigned to the TDC.

2. The Executive Director of the TDC or his designee will review and must approve the IFB/RFP to assure that the IFB/RFP meets the applicable requirements of this Agreement.

3. DPBC is responsible for placing the advertisement and notifying prospective bidders.

4. DPBC staff may, at their option, rank the responsible bidders and present that information to the Selection Committee. Responses will be evaluated by a Selection Committee composed of the following six individuals:

President of DPBC
Chair of DPBC
Chair of DPBC Committee

Executive Director of TAC
TDC member
County Administrator or Designee

If a member of the Committee is not available, a designee may be assigned to the Committee.

5. The recommendation of the Selection Committee will be acted on by the DPBC Executive Committee.

6. Upon approval by the DPBC Executive Committee, their recommendation will be placed on the agenda for the next scheduled meeting of the TDC.

7. Upon approval by the TDC, the Executive Director of the TDC shall provide a copy of the recommended contract to the County Administrator for review and approval, which approval may be granted or withheld by the County Administrator for any reason or no reason at all. In no event shall approval by the County Administrator be construed as a delegation of authority to enter into such contract on County's behalf, to bind County to any such contract, or as a waiver of any of County's rights under this Agreement.

8. In the event the recommended contract is not approved by the DPBC Board, TDC and County Administrator, the second choice may be selected or the request for proposals/bids may be cancelled and additional proposals/bids may be solicited if necessary.

9. Upon approval by the County Administrator, the Chair of the DPBC will then execute the contract.

D. Vendor List. DPBC will maintain a "vendor list" of those providers of goods or services who desire to be placed on the list. Such list shall include small business enterprises certified by the County. DPBC will solicit quotes or proposals from responsible prospective suppliers obtained from DPBC's and the County's vendor list, publications, catalogues, suggestions from the TDC or its staff, previous suppliers, and the like.

E. Selection Criteria. Evaluation of offers and proposals shall be based upon the criteria established by DPBC and approved by the Executive Director of the TDC, and any other relevant information obtained through the evaluation process. Such criteria may include but need not be limited to price. Discussions or negotiations with the most qualified vendor based upon its offer may be conducted for the purpose of obtaining a contract which is in the best interests of DPBC in the performance of its duties, obligations and functions as provided in this Agreement.

F. Prohibition on Subdivision of Purchase. No contract or purchase shall be subdivided to avoid the purchasing guidelines and requirements provided for in this Agreement.

G. Sole Source Purchases. DPBC may purchase goods or services without requests for quotes or proposals when DPBC has provided evidence in writing, with the concurrence of the Executive Director of the TDC, that such good or service is the only item that meets the need and is available through only one source. DPBC shall provide evidence of advertising or other appropriate good-faith efforts to solicit the good or service. The vendor shall provide in writing certification that they are the sole source of the good or service.

H. Business Necessity and Emergency Purchases. DPBC may purchase goods or services through direct negotiations with the vendor, and without obtaining multiple oral quotations, written quotations, or written bids or proposals, in cases of business necessity or emergency. For purposes of this provision:

1. "Business necessity" shall mean that (i) the goods or services are necessary to the provision of contracted services to attendees of one or more events booked into the Center, in accordance with standards in the industry for a Class A Convention Center, and (ii) sufficient time is not available between the identification of the need for the goods or services and the time for provision of the goods and services to engage in written requests for proposals or bids.

2. "Emergency" shall mean that the goods or services are necessary to the protection of life or property from imminent hazards such as storm or civil disturbance.

In all such cases, DPBC shall make every effort to receive a minimum of three (3) written quotations, and, where that is not feasible, to obtain a minimum of three (3) oral quotes, for the goods or services to be provided. DPBC shall document in writing to the County Administrator or his/her designee the nature and circumstances of the business necessity or emergency before the Procurement is made or, if the circumstances do not permit, immediately thereafter.

I. Purchasing under Government Price Agreements. Notwithstanding any other provision of this Procurement Policy, DPBC may procure goods and services from vendors who provide pricing that is in accord with existing price agreements with the State of Florida, Palm Beach County, or the Palm Beach County School District.

EXHIBIT "D"

SBE POLICY

Pursuant to Palm Beach County Ordinance No. 2002-064, DPBC agrees to carry out its duties under this Agreement in accordance with the following program to encourage the participation of small business enterprises ("SBEs") in DPBC's procurement process.

DPBC will make good faith efforts in providing equal opportunity whereby all Palm Beach County businesses may fully participate in DPBC's procurement process. DPBC agrees to take the following steps to insure that Palm Beach County-certified small business enterprises are afforded the opportunity to participate in DPBC's procurement process:

- A. Analysis of SBE availability to provide the products or services identified for contracting at either the prime or subcontract levels.
- B. Inclusion of SBEs on contract solicitation lists or vendor lists.
- C. Establishment and implementation of goals for SBE participation, and tracking of M/WBE participation, consistent with Ordinance No. 2002-064 and Policies and Procedures adopted by the COUNTY pursuant thereto.
- D. Monitoring and maintenance of records sufficient for verification of steps taken and results achieved to maximize participation.
- E. Dividing purchases and contracts into smaller units, areas, or quantities where feasible and likely to increase participation without substantial adverse fiscal impact.
- F. Setting delivery schedules that do not discourage SBE participation.
- G. Use of services and assistance provided by the COUNTY's Office of Small Business Assistance and other agencies in locating available SBEs.
- H. Utilization of the COUNTY's computerized listing of certified SBEs.
- I. Submission of annual reports to the TDC, and if requested, to the Board of County Commissioners, detailing the results of efforts to obtain SBE participation. This report shall include as a minimum the percentage of SBE participation during the contract term, total expenditures, and dollar amount of contracts awarded to SBEs. If the report indicates that DPBC is behind in

reaching the annual goals, the report shall also discuss the known or possible reasons for the failure to meet the goals.

J. Providing SBEs with adequate information about plans, specifications, and requirements of DPBC contracts, and following up initial solicitations of interest by SBEs.

K. Where applicable, negotiating with SBEs in good faith and demonstrating that SBEs were not rejected as unqualified without sound reasons based on thorough investigation of their capabilities.

L. Using the services of available community and contractors' groups, and local, state, or federal minority and/or woman business assistance offices that provide assistance in the recruitment of SBEs for public sector contracts.

M. Where applicable, providing assistance to obtain bonding, lines of credit, and insurance.

N. Where appropriate, scheduling pre-bid or pre-proposal meetings to inform potential subcontractors of SBE requirements and other bid/proposal requirements, and encouraging SBEs to attend the pre-bid or pre-proposal meetings.

O. Offering instructions and clarification on bid/proposal specifications, procurement policy and procedures, and general bidding requirements.

P. Maintaining a file of successful bid/proposal documents from past procurement and permitting SBEs to review and evaluate such documents.

Q. When requested, meeting with unsuccessful bidders/proposers to explain why bids may have been unsuccessful.

R. Ensuring that bid/proposals specifications and plans are written or drawn so as not to prejudice or unreasonably limit SBE participation. The inclusion of proprietary specifications should be avoided without the establishment of a particular need.

S. Limiting the use of renewal provisions in subcontracts so as not to inhibit SBE participation.

T. Placement of bid notices, and where appropriate, in minority, women, and small business-focused media.

U. Providing adequate time for the submission of bids/proposals so as to facilitate the participation of M/W/SBEs.

For the purposes of this Exhibit, all terms shall have their ordinary meaning, except that any terms defined in Palm Beach County Ordinance No. 2002-064 or any successor ordinance, shall have the meaning provided therein.

* * *

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY)
8/4/2005

PRODUCER
THE CELEDINAS AGENCY
4259 NORTHLAKE BOULEVARD
PALM BEACH GARDENS, FL 33410
561-622-2550 FAX: 561-721-0540

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE

INSURED
DISCOVER PALM BEACH COUNTY, INC.
PALM BEACH CONVENTION & VISITORS BUREAU
1555 PALM BEACH LAKES BLVD
WEST PALM BEACH, FL 33401

INSURER A: **NATIONWIDE MUTUAL FIRE INS CO**
INSURER B: **TRAVELERS CASUALTY & SURETY CO**
INSURER C:
INSURER D:
INSURER E:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS MADE <input type="checkbox"/> OCCUR <input checked="" type="checkbox"/>	77PR481637-3002	10/01/05	10/01/06	EACH OCCURRENCE \$1,000,000
					FIRE DAMAGE (Any one fire) \$ 100,000
					MED EXP (Any one person) \$ 5,000
					PERSONAL & ADV INJURY \$1,000,000
					GENERAL AGGREGATE \$2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				PRODUCTS - COMP/OP AGG \$
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	77BA481637-3001	10/01/05	10/01/06	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
					BODILY INJURY (Per person) \$
					BODILY INJURY (Per accident) \$
					PROPERTY DAMAGE (Per accident) \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
A	EXCESS LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION \$	77CU481637-3002	10/01/05	10/01/06	EACH OCCURRENCE \$5,000,000
					AGGREGATE \$5,000,000
					\$
					\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATU-TORY LIMITS OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
B	OTHER Directors & Officers	NOA1304744	10/01/05	10/01/06	Limit: \$1,000,000 Deductible: \$10,000

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

PALM BEACH COUNTY IS AN ADDITIONAL INSURED

CERTIFICATE HOLDER

ADDITIONAL INSURED; INSURER LETTER:

CANCELLATION

PALM BEACH COUNTY
301 N OLIVE AVENUE
WEST PALM BEACH, FL 33401

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY
INFORMATION PAGE

TheZenith

COMPANY ZENITH INSURANCE COMPANY
NCCI COMPANY NO. - 13145

POLICY NUMBER
Z832615513

1. INSURED AND MAILING ADDRESS

DISCOVER PALM BEACH COUNTY INC
PALM BEACH CO CONVENTION & VISITORS
1555 PALM BEACH LAKES BLVD., SUITE 800
W PALM BEACH, FL 33407

PRIOR POLICY NUMBER
Z832615512

Entity Non-Profit
Organization
FEIN 59-2321112
Board File No. 094078202
Group FSMG
Reference

PHYSICAL ADDRESS

1555 PALM BEACH LAKES BLVD., SUITE 800
WEST PALM BEACH, FL 33407

DIRECT BILL

OTHER WORKPLACES NOT SHOWN ABOVE: None.

2. The policy period is from : 10/01/05 12:01 a.m. to 10/01/06 12:01 a.m. standard time at the insured's mailing address.

3. A. Workers Compensation Insurance: Part One of the policy applies to the Workers Compensation Law of the states listed here:
Florida

B. Employers Liability Insurance: Part Two of the policy applies to work in each state listed in item 3A.

The limits of our Liability under Part Two are:

Bodily Injury by Accident	\$	100,000	Each Accident
Bodily Injury by Disease	\$	100,000	Each Employee
Bodily Injury by Disease	\$	500,000	Policy Limit

C. Other States Insurance: Part Three of the policy applies to the states, if any, listed here:

All states except states listed in item 3A and North Dakota, Ohio, Washington, West Virginia, Wyoming

D. This policy includes these endorsements and schedules: See Extension of Information Page.

4. The premium for this policy will be determined by our Manuals of Rules, Classifications, Rates and Rating Plan. All information required below is subject to verification and change by audit. See Extension of Information Page.

Total Estimated Premium	\$	17,513
Deposit Premium	\$	3,662
Minimum Premium	\$286	
Interim Adjustment of Premium Shall Be Made		ANNUALLY
Interim Payment of Premium Shall Be Made		MONTHLY INSTALLMENTS

For Policy Information Call:

PRODUCER

ACORDIA SOUTHEAST, INC. - COCONUT GROVE
PO BOX 847
COCONUT GROVE FL 33133
(305) 443-4886

Countersigned by: _____

Date: 8/8/05

Authorized Representative

SERVICING OFFICE

P.O. Box 1558, Sarasota, FL 34230, Ph: (800) 226-2324

WC-00-00-01A