

SUMMARY OF PROPOSED TERMS OF EMPLOYMENT OF CVB CEO**4F-1****1. Employment/Performance of Duties:**

- a. Employment will be in the position of President/CEO with duties as specified.
- b. Employee will devote render the services full-time, faithfully, industriously, and to the best of his ability.
- c. Employee will perform his duties and conduct himself in the course of his Employment in accordance with the standards established in Employer's employment policies and applicable law.

2. Term/renewal:

- a. The contract term will be for four years beginning on December 1, 2007. [If an earlier date is possible, the agreement will be amended to reflect it.]
- b. The contract will be renewed in one-year increments unless either party gives notice of non-renewal at least nine months prior to the end of the current term.

3. Compensation:

- a. During Fiscal Year 2008, employee will be paid a base salary of \$185,000 (\$175,000 from tourist tax revenues and \$10,000 from other revenues), and will be eligible for a year-end performance based bonus of between \$5,000 and \$10,000 (paid from other revenues), plus a commission of 5% of any increase in non-tourist tax revenues over the previous year (paid from other revenues). In this first year, the \$5,000 minimum bonus will be guaranteed.
- b. During Fiscal Year 2009, the base pay from tourist tax revenues will increase 5%, the base pay from other revenues will increase 10%, and the possible year-end bonus (paid from other revenues) will increase to a range of 10% - 20% of base pay. The commission for new revenues will remain the same.
- c. During Fiscal Year 2010, the base pay from tourist tax revenues will increase 5%, the base pay from other revenues will increase 10%, and the possible year-end bonus (paid from other revenues) will increase to a range of 12.5% - 25% of base pay. The commission for new revenues will remain the same.
- d. Thereafter, the base salary will be an amount not less than the base salary during the preceding fiscal year plus such increase as may be awarded at an annual review of Employee's compensation and performance by a special compensation committee of the Board appointed by the Chairman. The possible incentive pay and commission for new revenues will remain the same, both to b paid from non-tourist tax revenues.

Attachment B presents sample compensation under these provisions, together with reference to current industry trends and CEO compensation under the current CVB/County contract for Fiscal Years 2006, 2007, and 2008.

4. Termination:

- a. The agreement can be terminated by the employee upon 120 days' notice.
- b. The agreement can be terminated by the employer immediately for cause. Cause is defined as specified in Attachment A to this Summary.
- c. If the employer terminates other than for cause, employer will pay the employee severance pay in an amount equal to 12 months' base salary and will pay benefits during a 12-month severance period. During the severance period, the Employee shall work at his/her position only to the extent that he is requested to do so by the Board of Directors.
- d. Any termination by Employer is by vote of the Board of Directors with opportunity for the employee to address the Board.

5. Benefits:

- a. Vacation: 20 days per year.
- b. Sick leave and unpaid family leave: per employee handbook.
- c. Health and dental insurance: Bureau's standard plan, for employee and immediate family, with no waiting period.
- d. Long-term disability insurance: Bureau's standard plan, paid for by employer.
- e. Life insurance: Term coverage at twice base salary, paid for by employer.
- f. Travel accident insurance and travel health insurance: during any travel by employee, paid for by employer.
- g. Pension plan: Bureau's standard plan.
- h. Automobile allowance: \$500 per month.
- i. Other insurance: Employer to maintain directors and officers liability, general liability, and automobile liability insurance in sufficient amounts to cover risks of operations.

- j. Relocation allowance: Actual and reasonable moving costs per three written bids, up to a maximum of \$25,000; one trip home to move family, and up to 45 days of temporary housing.

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ATTACHMENT A**Definition of Cause for Termination by Employer**

“Cause” shall mean any of the following acts or omissions of Employee:

- a) Employee’s unwillingness or inability to adequately perform Employee’s duties under this Agreement, after the application of normally progressive discipline by the Board of Directors; provided, that failure to meet performance standards or objectives, by itself, does not constitute “Cause”;
- b) Gross negligence in the performance of Employee’s duties under this Agreement;
- c) Employee’s substantial failure to perform Employee’s duties for such a period or with such a frequency as to materially interfere in Employer’s operations (other than as a result of incapacity);
- d) Incapacity of Employee; provided, however, that in the event of Employee’s incapacity, Employer may terminate this Agreement only after the expiration of a period the length of which shall be determined by Employer’s Board of Directors pursuant to Employer’s then-applicable sick leave policy, but in any event not less than three months; provided, however, that this provision shall not affect, alter, or diminish in any way any benefits Employee is entitled to receive through long-term-disability insurance coverage obtained under the auspices of Employer.
- e) Employee’s repeated failure to follow the written directives of the Board of Directors or any written company policy expressly approved by the Board; provided, that (i) if Employee initially refuses to obey the written directives of the Board, Employee is provided with a written statement by the Board that the Board believes in good faith that the acts or omissions in respect of which the Board is giving Employee direction are in the best interests of Employer, and (ii) Employee is provided the opportunity to discuss with the Board Employee’s reasons for not complying with the Board’s directives, and provided further that Employee’s refusal to follow any written directive of the Board that would cause Employee to commit any illegal or unethical act or to engage in any illegal or unethical course of conduct shall not be grounds for termination for Cause;
- f) Willful and material breach of any of Employer’s policies, for example, a policy against sexual harassment;
- g) Commission of acts which constitute willful fraud by Employee in connection with his employment, including misappropriation or embezzlement of assets of Employer;
- h) Willful conduct by Employee that is demonstrably and materially injurious to Employer, monetarily or otherwise;

- i) Commission of a crime resulting in pecuniary loss to Employer, including, without limitation, theft, embezzlement, or fraud;
- j) Commission of any felony that brings Employer into public disrepute or entering into a conspiracy to commit any such crime; or
- k) Willful and material breach of this Agreement by Employee.

For purposes of this paragraph, an act, or a failure to act, shall not be deemed willful or intentional, as those terms are defined herein, unless it is done, or omitted to be done, by Employee in bad faith or without a reasonable belief by Employee that his action or omission was in the best interest of Employer. "Cause" also includes any of the above grounds for dismissal.

ATTACHMENT B

CVB CEO PAY CALCULATIONS

DMAI SURVEY

Total Base	Year	Incen. Pay	Incen. %	Base + Incen.	Comm'n	Total Pay
186,684	2008	46,958	25%	233,643	-	233,643

CURRENT CONTRACT

Public Funds	Private Funds	Total Base	Year	Incen. Pay	Incen. %	Base + Incen.	Comm'n	Total Pay
160,254	4,493	164,747	2006	14,490	9%	179,237	-	179,237
168,267	4,718	172,985	2007	15,215	9%	188,199	-	188,199
176,880	4,954	181,834	2008	15,975	9%	197,809	-	197,809

PROPOSED PAY 2008 (YEAR ONE)

Public Funds	Private Funds	Total Base	Perf.	Incen. Pay	Incen. %	Base + Incen.	Comm'n	Total Pay
175,000	10,000	185,000	100%	5,000	3%	190,000	5,000	195,000
175,000	10,000	185,000	105%	7,500	4%	192,500	5,000	197,500
175,000	10,000	185,000	110%	10,000	5%	195,000	5,000	200,000

PROPOSED PAY 2009 (YEAR TWO)

Public Funds	Private Funds	Total Base	Perf.	Incen. Pay	Incen. %	Base + Incen.	Comm'n	Total Pay
183,750	11,000	194,750	100%	19,475	10%	214,225	5,000	219,225
183,750	11,000	194,750	105%	29,213	15%	223,963	5,000	228,963
183,750	11,000	194,750	110%	38,950	20%	233,700	5,000	238,700

PROPOSED PAY 2010 (YEAR THREE)

Public Funds	Private Funds	Total Base	Perf.	Incen. Pay	Incen. %	Base + Incen.	Comm'n	Total Pay
192,938	12,100	205,038	100%	25,630	12.5%	230,667	5,000	235,667
192,938	12,100	205,038	105%	38,445	18.8%	243,482	5,000	248,482
192,938	12,100	205,038	110%	51,259	25%	256,297	5,000	261,297

RATING CHART

% of Plan	Description of Achievement
110%	Exceeds expectations
105%	Well above plan
100%	At plan stretch but achievable

COMMISSION FOR NEW FUNDS

New Funds	100,000
Rate	0.05
Commission	5,000

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