

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2012	2013	2014	2015	2016
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs		<u>191,460</u>	<u>191,460</u>	<u>191,460</u>	<u>191,460</u>
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT		<u><u>191,460</u></u>	<u><u>191,460</u></u>	<u><u>191,460</u></u>	<u><u>191,460</u></u>
# ADDITIONAL FTE POSITIONS (Cumulative)	- 0-	0---	0---	0---	0-----

Is Item Included In Proposed Budget? Yes X No.

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

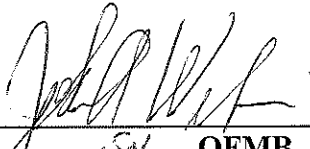
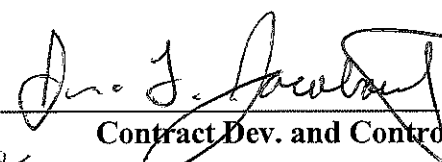
B. Recommended Sources of Funds/Summary of Fiscal Impact:

The sources of funds are bed taxes. The fiscal impact is \$191,460 per year plus or minus 3% based on the percentage change in consumer price index (CPI).

C. Department Fiscal Review: 

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Administration Comments:

  7/17/12
 WS 7/12/12 SW 7/16/12 OFMB 7/14/12 Contract Dev. and Control

B. Approved as to form and Legal Sufficiency:

 7/17/12
 Assistant County Attorney

C. Approved as to Terms and Conditions:

 Department Director

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

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Background & Justification: It was also listed on both PREM's and the Purchasing Department's web pages and shown on the County's Channel 20 television station. The current operator is Global and its current agreement will expire on September 30, 2012. Although there were initially eleven (11) interested parties who requested a copy of the RFP, Global was the only interested party to attend the mandatory pre-submittal meeting held on April 11, 2012 and therefore, was the only qualified respondent. County Administration is satisfied with Global's performance. No interruption of service will occur as this new Agreement will commence October 1, 2012.

CONVENTION CENTER OPERATING AGREEMENT

This Convention Center Operating Agreement (the "Agreement") is made as of _____, by and between the Palm Beach County, a political subdivision of the State of Florida, ("County") and Global Spectrum, L.P., a Delaware limited partnership, qualified to do business in the State of Florida ("Operator") whose Federal Employer Identification Number is 59-3599248.

RECITALS

WHEREAS, the County is the owner of the Palm Beach County Convention Center located at 650 Okeechobee Boulevard in West Palm Beach, Florida; and

WHEREAS, the County has determined that it requires the services of a private management company to operate and manage the Palm Beach County Convention Center; and

WHEREAS, Operator was selected through the competitive proposal process to operate and manage the Palm Beach County Convention Center by reason of its expertise in facility management and operation; and

WHEREAS, the County and the Operator desire to enter into this Agreement pursuant to the terms and conditions as set forth herein.

NOW, THEREFORE, for and in consideration of the foregoing, the mutual covenants and promises hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which is hereby recognized, the parties agree as follows:

ARTICLE 1 DEFINITIONS

The following terms shall have the meanings specified in this Article 1 when capitalized and used in this Agreement. Capitalized terms not defined in this Article 1 shall have the meanings ascribed to them elsewhere in this Agreement.

Bureau: Discover Palm Beach County, Inc., a Florida not-for-profit corporation, doing business as the Palm Beach County Convention & Visitors Bureau.

Bureau Representative: The Executive Director of the Palm Beach County Convention & Visitors Bureau or his/her designee, whose telephone number is (561) 233-3000, or such other person as may be designated in writing by the County from time to time.

Capital Expenditures: All expenditures for Capital Renewal and Replacement and Capital Improvements.

Capital Improvements: All labor and materials related to any improvements or betterments to any part of the Facility that have a useful life of more than one (1) year.

Capital Renewal and Replacement: shall mean the provision of all labor and materials related to capital renewal and replacement that have a useful life of more than one (1) year which are reasonably required to repair, restore and/or replace, when reasonably necessary, all Facility access ways, seating, equipment, painting, structural components or systems components, or integral parts of the Facility. By way of example only, structural components include all foundations, footings, structural members, piers, columns, walls, roofs, ramps and steps; system components include heating, ventilating, air conditioning, plumbing, electrical, gas and water systems, escalators and elevators; and integral parts include materials (e.g., stucco), parking lot and access road surface and curb repairs, drainage systems, parking lot and access road lighting installations (including, without limitation, towers, poles, wires and conduits) and light towers, within the Facility. Replacement of any equipment having an expected useful life of greater than one (1) year shall also constitute, for purposes hereof, a Capital Renewal and Replacement.

County Administrator: County Administrator of Palm Beach County or his/her designee.

County Code: The Palm Beach County Code.

CPI Index: "CPI Index" means the monthly Consumer Price Index for all Urban Consumers, All Items, for the Miami-Fort Lauderdale, Florida area of the United States (1982-1984=100), issued by the Bureau of Statistics of the U.S. Department of Labor. If the CPI Index increases so that the base year differs from that in effect on the Commencement Date, the CPI Index shall be converted in accordance with the conversion factor published by the Bureau of Statistics of the U.S. Department of Labor. In the event that the CPI ceases to be published during the Term of this Agreement, or if substantial change is made in the method of establishing or computing the CPI, then the determination of the applicable adjustment shall be made with the use of such conversion factor, formula or table as may be published by the Bureau of Labor Statistics, or if none is available, by any other nationally recognized publisher or similar statistical information chosen by the County.

Day(s): All references to "day(s)" shall be interpreted to mean calendar days unless otherwise specified herein.

Disposal: The release, storage, use, handling, discharge or disposal of any Hazardous Materials.

Emergency Repair: The repair of a condition which, if not performed immediately, creates an imminent danger to persons or property and/or an unsafe condition at the Facility threatening persons or property and which was not the result of lack of preventive maintenance or improper operation.

Environmental Laws: Any applicable federal, state or local laws, statutes, ordinances, rules, regulations or other governmental restrictions.

Event Operating Account: The account by that name established pursuant to Section 9.7 of this Agreement.

Facility: The Palm Beach County Convention Center, including entrances, grounds, sidewalks, and parking areas surrounding it and adjacent thereto as depicted on Exhibit "A" attached hereto and made a part hereof. The Facility includes meeting rooms, common areas, lobby areas, offices, storage and utility facilities and other spaces. A floor plan of the Facility is attached hereto and made a part hereof as Exhibit "A-1". The Facility shall also include the Undeveloped Hotel Lot, until such time as the County provides written notice to the Operator that such Undeveloped Hotel Lot shall no longer be included as part of the Facility.

Facility Operating Account(s): The account(s) by that name established pursuant to Section 9.7 of this Agreement.

FDO Representative: The Director of the Facilities Development & Operations Department or his/her designee, whose telephone number is (561) 233-0215, or such other person as may be designated in writing by the County from time to time, who is tasked with the responsibility for administration of Articles 6, 7, and 8 of this Agreement.

Food & Beverage Contractor: The entity which the County contracts with to provide food and beverage services for the Facility.

GAAP: Generally Accepted Accounting Principles.

General Escrow Account(s): The account(s) by that name established pursuant to Section 9.7 of this Agreement.

General Manager: An individual employed by Operator who is qualified and has experience in the management of a first class convention center.

Hazardous Materials: Any hazardous or toxic substance, material, waste of any kind, petroleum product or by-product, contaminant or pollutant as defined or regulated by Environmental Laws.

Joint Venture: An association of two (2) or more persons or business entities whose purpose is to conduct a single business enterprise for profit for which purpose they combine their property, capital, efforts, skills and knowledge.

Long Term Sales: The scheduling and booking of the Facility for all long term dates (18 months or more in advance).

Operating Expenses: Any and all expenses and expenditures of every kind and nature incurred, directly or indirectly by the Operator in managing, operating, maintaining, promoting and marketing the Facility, including, without limitation: (i) payroll, benefits, relocation costs, bonus and related costs; (ii) operating supplies; (iii) advertising; (iv) cleaning; (v) data processing; (vi) dues, subscriptions and membership; (vii) the Fixed Fee and the Incentive Fee to be paid pursuant to Article 5 below; (viii) printing and stationary costs; (ix) postage and freight costs; (x) equipment and rental costs; (xi) Routine Maintenance, not inclusive of expenses relating to performing Capital Renewal and Replacement and Capital Improvements; (xii) security expenses; (xiii) cost of office supplies; (xiv) telephone and telecommunication charges; (xv) travel and entertainment expenses; (xvi) cost of employee uniforms; (xvii) exterminator and trash removal costs; (xviii) parking expenses; (xix) utility expenses; (xx) audit and legal expenses; (xxi) any and all costs incurred in obtaining and maintaining the Third-Party Commercial Fidelity Bond or its equivalent, insurance coverage, and Surety Bond, in accordance with the requirements set forth in Article 13, except for those costs as set forth in Section 13.1.3.6; and (xxi) applicable taxes, subject to the terms and conditions set forth in this Agreement.

Operations Manual: The manual prepared by the Operator and approved by the County Administrator relating to the overall operation of the Facility.

Operating Year: The period of time beginning on the first day of October and ending on the 30th day of the month of September.

Operator's Representative: The General Manager, whose telephone number is (561) 366-3006, or such other person as may be designated in writing by the Operator from time to time.

Revenues: Any and all revenues of every kind and nature derived from owning, managing, operating, maintaining, promoting and marketing the Facility, including, without limitation: (i) rental income; (ii) merchandise income; (iii) advertising sales income; (iv) equipment and decorating rental fees; (v) box office income; (vi) miscellaneous operating income; (vii) parking income; (viii) leasing income; and (ix) food and beverage sales income. Revenues shall not include: (i) applicable excise, sales, occupancy and use taxes, or similar government taxes; (ii) duties, levies or charges collected directly from patrons or guests, or as a part of the sales price of any goods, services, or displays, such as gross receipts, admission, cabaret, or similar or equivalent taxes; nor (iii) any gratuities collected (or to be collected) for the benefit of and paid to any of the Operator's personnel. For the sake of clarity, Revenues do not include monies collected (or to be collected) for the benefit of and paid to third parties such as event promoters.

Routine Maintenance: All labor and materials which are required to keep the Facility (including equipment located thereon) in good order and repair (normal wear and tear excepted) and which are routine, regular and predictable in nature, given the age of the Facility and the use of the Facility, expressly not including any Capital Renewal and Replacement.

Sales and Marketing Plan: An annual sales and marketing plan for the promotion of the Facility.

SBE: An SBE is a small business enterprise which has been certified by the County's Office of Small Business Assistance.

Senior Management Employees: Operator's employees who hold senior management positions, such as, general managers, assistant general managers and directors, and who Operator has identified in its Operations Manual, and who Operator defines as such in accordance with the Operator's current policies and procedures.

Short Term Sales: The scheduling and booking of the Facility for all short term dates (18 months or less in advance).

TDC: Tourist Development Council of Palm Beach County, Florida.

TDC Representative: The Executive Director of the TDC or his/her designee or such other person as may be designated in writing by the County from time to time.

Term: Term has the meaning as set forth in Section 2.1 of this Agreement; provided however, if this Agreement is extended pursuant to Section 2.2 of this Agreement then all references to Term contained herein shall also include such extension.

Undeveloped Hotel Lot: The vacant parcel of land as depicted on Exhibit "A".

ARTICLE 2

TERM

2.1 Unless sooner terminated as provided herein, the term of this Agreement shall commence on October 1, 2012 (the "Commencement Date") and end at 11:59 p.m. on September 30, 2017 (the "Term").

2.2 County shall have the right and option to extend the Term of this Agreement for one (1) additional term of five (5) years under the same terms and conditions of this Agreement and commencing upon the expiration of the initial Term of this Agreement. County shall exercise its option to extend, if at all, by written notice to the Operator received by the Operator on or before one hundred and eighty (180) days prior to the expiration of the initial Term of this Agreement.

ARTICLE 3

OWNERSHIP AND COUNTY'S RIGHTS OF USE

3.1 Ownership. The Facility is owned in fee simple by the County and at the conclusion of the Term of this Agreement, as well as throughout the Term of this Agreement, the County shall retain ownership of the Facility, including but not limited to real estate, all equipment and any improvements made during the term of this Agreement, all technical and office equipment and facilities, furniture, displays, fixtures and similar property. The Operator shall not own or have any possessory interest in the Facility. This Agreement does not create or grant any ownership or

possessory interest or similar right, title or interest, legal or equitable, in the Facility to the Operator. Ownership of assets purchased with Revenues or any other County funds is and shall remain the property of the County.

Any data, equipment or materials furnished by County to the Operator and any such data, equipment or materials that may be acquired for County by the Operator to be used at the Facility shall remain the property of County, and when no longer needed for the performance of this Agreement, shall be returned to County. Furthermore, the County shall own all data and other electronic files generated by Operator through the use of either County's or Operator's data processing programs and software in operating the Facility. Property rights will not accrue to Operator.

Ownership of and title to all intellectual property rights of whatsoever value, including but not limited to logos and trademarks, held in the County's name, shall remain in the name of the County.

Operator shall not take or use, for its own purposes, customer or exhibitor lists or similar materials for the use of the Facility unless written consent is granted by County.

Any assets of the County, including, without limitation, those described herein, shall not be mortgaged, pledged, liened, encumbered, sublet or otherwise alienated or assigned without the prior written consent of the County, which consent may be withheld in the County's sole and absolute discretion. The foregoing shall be construed to include a prohibition against any assignment, mortgage, sublease, pledge or encumbrance by operation of law, legal process, receivership, bankruptcy or otherwise, whether voluntary or involuntary.

3.2 Fixed Assets Management. The Operator shall comply with all County policies and procedures pertaining to the tracking and disposition of fixed assets. All County owned property shall be assigned a Fixed Asset Identification Number by the Fixed Assets Section of the County's Office of Financial Management & Budget.

Together, the parties shall conduct an annual inventory of all equipment and fixed assets of the Facility.

All losses in inventory of County-owned equipment shall be documented by the Operator as soon as such losses are discovered by the Operator and County shall be promptly notified. Operator shall be responsible for the recovery of any such lost assets or in the alternative for reimbursement to the County for such lost assets in an amount equal to the last documented value of the same.

3.3 County's Use. County shall have the right to use the Facility or any part thereof, subject to availability, for such purposes as County deems appropriate, without rent, use fee or other payment of compensation; provided, however, that notwithstanding the foregoing, County shall reimburse Operator for the actual direct operational costs incurred by Operator as a result of such use.

3.4 County's Booking Rights. The County via the Bureau shall have primary responsibility for marketing the Facility for all Long Term Sales events, and to carry out this responsibility, will have control over all Long Term Sales, which Bureau shall coordinate with the Operator prior to commitment. Operator will work pro-actively with the Bureau in connection with the aforementioned Long Term Sales. The Bureau may also book Short Term Sales events if the dates have not been confirmed to other users and in coordination with the Operator. Notwithstanding anything herein to the contrary, the Operator in coordination with the Bureau may book Long Term Sales; provided that, (i) the dates have not otherwise been confirmed to other users and (ii) the County has granted its consent, which may be granted or denied in the County's sole discretion, to such Long Term Sales for such dates.

3.5 County's Use During State of Emergency. In addition to the County's rights of use as set forth in Section 3.3 and 3.4 above, Operator acknowledges that the Facility is a highly visible County-owned building and therefore agrees as follows: In the event of any type of emergency situation or natural disaster, including, without limitation, a hurricane or other extreme weather event, the County Administrator may determine that the County's use of the Facility is necessary to protect the health, safety and welfare of the residents and visitors of the County. Upon that determination (which determination shall be within the sole and absolute discretion of the County Administrator and shall be based on the best information and knowledge regarding the particular emergency that the County Administrator has available to him at the time of making such determination), and upon verbal or written notice to the General Manager, Operator shall promptly cede use of the Facility, or any portion thereof, for County use, without rent, use fee or other payment of compensation; provided, however, that notwithstanding the foregoing, County shall reimburse Operator for the actual direct operational costs incurred by Operator as a result of such use, during the pendency of the emergency event and/or natural disaster (including, without limitation, the time period(s) immediately preceding and following the actual occurrence of the event).

ARTICLE 4 **SCOPE OF SERVICES**

County hereby engages Operator as an independent contractor to perform the services hereinafter described. Notwithstanding anything herein to the contrary, Operator shall have no responsibility to provide: (i) food and beverage services at the Facility as the County has engaged the services of a Food & Beverage Contractor; nor (ii) for the management of Long Term Sales as the County has engaged the services of the Bureau to provide for the same.

4.1 Operator acknowledges that it has delivered to the County the current Operations Manual which has been approved by the County Administrator and the TDC Representative. Operator shall maintain the Operations Manual and shall provide to the County Administrator on an annual basis a letter that identifies changes to the Operations Manual. In the event any changes are proposed to the Operations Manual, then such proposed changes shall not become effective until such time as the County Administrator has provided Operator with its written approval of the same which may be granted or withheld in the County's sole and absolute discretion. Operator acknowledges that the

County Administrator may choose to present such changes to the TDC for further review prior to the County Administrator granting or withholding its consent to the incorporation of such proposed changes into the Operations Manual.

4.2 Operator shall perform and furnish services, systems and materials needed to operate and maintain the Facility in the most efficient manner consistent with standards of the industry for similar first-class convention center facilities.

4.3 Operator shall have the authority over the day-to-day operation of the Facility, and all activities therein, but subject to existing contracts and subject to policies, procedures, budgets and guidelines established by County. The Operator's authority shall be subject to the terms of this Agreement and County policies and procedures, which are posted at <http://pbcportal.pbcgov.org/PPM/Forms/Allitems.aspx>, as they relate to the Facility and are consistent with the terms of this Agreement, which policies and procedures may, from time to time, hereafter be established or modified by County.

4.4 Operator's obligations include, but are not be limited to, the performance of the obligations set forth in Section 4.5 below, subject to controls and restrictions as stated elsewhere in the Agreement and in the Operations Manual as the same may hereafter be amended. The Operations Manual, and any amendment thereto, shall be deemed to be a part of this Agreement and is incorporated herein by reference.

4.5 Operator shall perform the following services as required and within the time frames specified by the County:

4.5.1 Prepare an annual operating plan, which Operator shall submit to County, in accordance with an established County schedule for approval by the TDC and County.

4.5.2 Prepare a Capital Expenditure budget in accordance with the requirements of the Agreement, which Operator shall submit to County for approval by the TDC and County.

4.5.3 Operate the Facility in accordance with the annual operating plan, the Operations Manual and the terms of this Agreement, including, but not limited to, purchasing, payroll, fire prevention, routine repairs, preventive maintenance, janitorial services, promotions, advertising, energy conservation, security, state of emergency disaster plan, admission procedures, accounting, grounds maintenance and general user services. Means and methods of operation will effectively accommodate the needs of the mobility impaired and handicapped patrons in accordance with applicable laws.

4.5.4 Advise the County Administrator of any condition of which Operator is or becomes aware of which Operator believes impairs the structural soundness or sound operating condition of the Facility. Notwithstanding the foregoing, Operator shall make its own determination as to the structural soundness of the Facility and the necessity for repair.

4.5.5 In accordance with the procurement policies and procedures set forth in Section 11.7, solicit, negotiate, execute, administer, and assure compliance with, service contracts, vendor agreements, user/rental agreements, booking commitments, licenses, and all other documents required in the ordinary course of business in operating the Facility.

4.5.6 Assure that any contract between the Operator and its subsidiary and/or affiliate or related entity in connection with the Facility shall be entered into in accordance with the procurement policies and procedures set forth in Section 11.7.

4.5.7 Develop policies and procedures, rate schedules, services pricing and rental/user agreement terms and conditions, subject to the approval of the County Administrator. Operator shall review annually and propose modifications and/or recommendations, as necessary, to all of the foregoing and submit such proposed modifications and/or recommendations to the County Administrator for consideration by TDC as a part of the budget process.

4.5.8 Require that all users of the Facility, unless otherwise approved by the County Administrator, execute rental/user agreements in accordance with the requirements of Article 12 of this Agreement.

4.5.9 Operate and maintain the Facility, including the equipment and security and any improvements made during the Term of this Agreement, in a manner consistent with standards of the industry for similar first-class convention center facilities.

4.5.10 Market and schedule the Facility for all Short Term Sales, and to carry out this responsibility, Operator will have experienced personnel who will diligently promote such use of the Facility. Furthermore, Operator will provide advice and consultation to Bureau for use by Bureau in scheduling Long-Term Sales events at the Facility in accordance with a priority booking policy to be established by Bureau and Operator and approved by the County.

4.5.11 Hire, supervise and direct all of the Operator's employees and personnel.

4.5.12 Maintain detailed, accurate and complete financial and other records of all its activities under this Agreement in accordance with GAAP and any additional County requirements as they relate to the Facility, provided they are consistent with the terms of the Agreement. The County shall have access to such records. In furtherance of its services to be provided, pursuant to this subparagraph and elsewhere in this Agreement, the Operator, with permission of County, may use its own proprietary computer software, which, in such event, shall remain the sole property of the Operator.

4.5.13 Include in Revenues for the Facility all revenues that are generated from the operation of the Facility within the Term of this Agreement and in a mutually agreed-upon format.

4.5.14 Submit a written financial report to the County Administrator and the TDC at least monthly, or as otherwise agreed to between the parties, no later than the close of the following month concerning its activities in the operation of the Facility. Such report shall, among other things, set forth receipts from all sources, expenditures and such other and further information as the County Administrator may require or request; provided Operator shall not be legally responsible for financial information provided by the Food & Beverage Contractor or the TDC.

4.5.15 Comply with spending limitations imposed in the annual operating budget, including any amendment(s) thereto as authorized. However, if extraordinary events occur which could not reasonably have been contemplated at the time the budget was prepared, the Operator may submit an amendment to the budget to the TDC for review and recommendation and then to County for review and approval or denial.

4.5.16 Pay all operating and related expenses for the Facility from Operator's accounts established under this Agreement by Operator on behalf of County and maintained within Palm Beach County.

4.5.17 Initiate with approval of the County Administrator, and at the reasonable expense of County, legal actions or proceedings to collect charges, rentals or other income generated, or to cancel or terminate any license, use or concession agreement for the breach thereof or default thereunder by any licensee, user, advertiser, or concessionaire of County. With prior approval from the County Administrator, legal expenses for actions approved under the terms of this paragraph shall be included as an operating expense of the Facility.

4.5.18 Deposit and hold in trust in the Event Operating Account or such other interest-bearing account in a local qualified public depository as County shall direct, any ticket sale revenues which it receives in the contemplation of or arising from an event pending the completion of the event, as more fully provided herein in Section 9.4 and in the Operations Manual.

4.5.19 Maintain ongoing open communications with the TDC, Bureau, the Food & Beverage Contractor, and any other organization or County department as designated by County.

4.5.20 Seek and provide advice and consultation to the Bureau and Food & Beverage Contractor in the preparation of the Sales and Marketing Plan so as to integrate the Bureau's annual Long Term Sales marketing plan and the Food & Beverage Contractor's food service plan into the Sales and Marketing Plan. Operator shall provide both the Bureau and the Food & Beverage Contractor a standardized format in which to submit information to be incorporated by Operator into the Sales and Marketing Plan.

4.5.21 Manage risk management and Facility insurance needs arising out of the operation of the Facility.

4.5.22 Administer related Facility operating contracts as authorized by the County, including without limitation, Long Term Sales agreements.

4.5.23 Provide parking services and/or administer related contracts.

4.5.24 Provide advice and consultation, upon request of the County Administrator, concerning the operational implications of the Facility resulting from the proposed design of the Facility parking garage, hotel and any potential Facility expansion.

ARTICLE 5

COMPENSATION

5.1 As total compensation for Operator's services, County shall pay Operator: (i) a Fixed Fee and (ii) an Incentive Fee, as set forth below, which together shall constitute full payment for any and all expenses incurred by Operator under this Agreement, except for those expenses which are otherwise provided for in the annual operating budget as adopted by the County from time to time.

5.1.1 County shall pay Operator a monthly amount of \$15,970.00 ("Fixed Fee"). The Fixed Fee shall be adjusted either upward or downward, effective October 1, 2013, by the percentage change in the CPI Index published for August 2013, as compared to the same date in 2012. Notwithstanding the foregoing, the adjustment to the Fixed Fee shall never increase or decrease by more than three percent (3%) in any annual period. The Fixed Fee will be similarly adjusted by the percentage change in the CPI Index in each subsequent Operating Year; provided, that Operator has obtained County's written approval of the methodology by which such adjustment will be made. The Fixed Fee will be payable monthly as an Operating Expense, payable as provided for herein.

5.1.2 In addition to the Fixed Fee, and provided that Operator has met the criteria, as set forth in subsection 5.2 below, Operator shall be entitled to receive an annual incentive fee ("Incentive Fee"), during the Term of this Agreement, to be calculated as set forth below. Notwithstanding the foregoing, the Incentive Fee for each Operating Year shall not exceed: (i) One Hundred Thousand Dollars (\$100,000) or (ii) twenty-five percent (25%) of the annual Fixed Fee, whichever is less ("Maximum Incentive Fee Potential"). Promptly following the end of the Operating Year and a completed financial audit, the County Administrator, shall assess and total the Incentive Fee due to Operator for the preceding Operating Year. The County Administrator will provide Operator with a written report with respect thereto within ninety (90) days of County's approval and acceptance of the completed financial audit and the County will pay Operator the Incentive Fee within said timeframe.

5.2 Operator shall have an opportunity to earn an Incentive Fee based on both quantitative and qualitative criteria, as follows:

5.2.1 Quantitative Fee (up to forty percent (40%) of Maximum Incentive Fee Potential). Operator shall receive up to forty percent (40%) of the quantitative fee for Revenues generated that exceed an annual benchmark ("Benchmark"). The Benchmark with respect to any Operating Year shall be equal to the average of the Revenues generated from the immediately preceding three (3) Operating Years. Incentive will be allocated as follows:

<u>Increase of 1 - 3 percent</u>	<u>= 15%</u>
<u>Increase of 4 - 9 percent</u>	<u>= 25%</u>
<u>Increase of 10 percent or greater</u>	<u>= 40%</u>

The total amount of this quantitative component of the Incentive Fee that Operator is eligible to earn in any Operating Year shall not exceed forty percent (40%) of the Maximum Incentive Fee Potential.

5.2.2 Qualitative Fee (up to sixty percent (60%) of Maximum Incentive Fee Potential). Operator may be awarded up to sixty percent (60%) of its Maximum Incentive Fee Potential based on qualitative criteria, as set forth below. The County, in its fair and reasonable discretion, shall measure Operator's performance following each Operating Year in the following qualitative categories and may award up to five (5) percentage points for each category, which points shall equate to the percentage of the Maximum Incentive Fee Potential earned by Operator for this qualitative portion of the Incentive Fee:

1. SBE Achievement (10% Maximum)
 - a) Exceed 15% Goal 5%
 - b) Exceed 15% Goal by greater than 25% 10%
2. Customer Satisfaction Surveys (15% Maximum)
 - a) Achieve 85-89% Satisfaction 5%
 - b) Achieve 90-100% Satisfaction 10%
 - c) 70% or more of all customers complete surveys 5%
3. Marketing Initiatives (5% Maximum)
 - a) Achieve 2 or more initiatives 5%

4. Rolling 3 Year Short Term Room Night Generation Average (10% Maximum)
 - a) Exceed Average by 1-3% 5%
 - b) Exceed Average by greater than 3% 10%
5. Overall Financial Performance (20% Maximum)

The County shall evaluate Operator's overall financial performance at the Facility and award, in its fair and reasonable discretion, up to 20% of the Maximum Incentive Fee Potential based on its evaluation.

ARTICLE 6
ROUTINE MAINTENANCE

6.1 Except as otherwise provided herein, the Operator shall be responsible for all costs of operating the Facility, including without limitation Routine Maintenance. With respect to the Operator's performance of Routine Maintenance, the Operator agrees as follows:

6.1.1 All Routine Maintenance shall be performed on a regular and ongoing basis consistent with standards of maintenance of similar first-class convention centers in other jurisdictions, public assembly facilities in Palm Beach County, or to the level initially installed by the County; whichever is higher. Furthermore, at all times equipment maintenance shall meet or exceed manufacturer's recommendations;

6.1.2 All Routine Maintenance shall be performed in a good and workmanlike manner, with all reasonable efforts made to preserve the aesthetics of the Facility to the standards of maintenance for similar first-class convention centers in other jurisdictions, public assembly facilities in Palm Beach County, or to the level initially installed by the County; whichever is higher;

6.1.3 The Operator shall provide the County Administrator an annual preventive maintenance plan for the Facility in support of the annual operating budget. In addition, the Operator shall provide the County Administrator a report of all Facility maintenance that was performed during the preceding month and all Facility maintenance scheduled for the following month by the fifteenth (15th) day of the following month. This report shall include a list of breakdowns of all major pieces of installed and portable equipment for that month. Operator shall provide the FDO Representative with a copy of each schedule and report required herein. The Operator shall provide the County with access to the Facility for routine maintenance inspections;

6.1.4 All Routine Maintenance shall be reviewed with the FDO Representative;

6.1.5 The Operator shall obtain prior approval of the FDO Representative for repairs that are made to the Facility the cost of which exceeds Ten Thousand Dollars (\$10,000.00); provided however, the County, in its sole discretion, may decrease such threshold during the Term of the Agreement. The Operator shall further cause all necessary Routine Maintenance and repairs to be made to the Facility from those moneys available in the annual operating budget;

6.1.6 The cost of all repairs which are less than Twenty-Five Thousand Dollars (\$25,000.00) individually, shall be paid by the Operator from that line of the annual operating budget allocated for Routine Maintenance. In the event repairs exceed Twenty-Five Thousand Dollars (\$25,000.00), such repairs must be pre-approved by the FDO Representative. The FDO Representative will evaluate the condition of the equipment to determine if the work required to return the equipment to working order, is in fact a repair or requires a replacement. If the work is determined to be a repair, the cost of such repair will be made from the annual operating budget despite its value exceeding Twenty-Five Thousand Dollars (\$25,000.00). If the work is determined to be a replacement, the FDO Representative will identify as part of his/her approval, a funding source for such replacement. The FDO Representative's decision is final in terms of whether the work: (i) should proceed as suggested by the Operator, or whether an alternate scope of work should be pursued, and (ii) is in fact a repair or a replacement;

6.1.7 The Operator shall obtain all development approvals and permits from the appropriate regulatory agencies prior to commencing any repair which requires a permit and shall perform all such repairs in compliance with the effective Florida Building Code, supplements thereto, and any City of West Palm Beach amendments thereto;

6.1.8 Operator covenants and agrees that nothing contained in this Agreement shall be construed as consent by County to subject the estate of County to liability under the Construction Lien Law of the State of Florida, it being expressly understood that County's estate shall not be subject to such liability. Operator shall notify any and all parties or entities performing work or providing materials relating to any repairs made by Operator of this provision of this Agreement. If so requested by County, Operator shall file a notice satisfactory to County in the Public Records of Palm Beach County, Florida stating that County's interest shall not be subject to liens for repairs made by Operator. In the event that a construction lien is filed against the Facility or other County property in connection with any work performed by or on behalf of Operator, Operator shall satisfy such claim, or transfer same to security, within ten (10) days from the date of filing. In the event that Operator fails to satisfy or transfer such claim within said ten (10) day period, County may do so and thereafter charge Operator, and Operator shall promptly pay to County upon demand, all costs incurred by County in connection with the satisfaction or transfer of such claim, including attorney's fees. Operator shall indemnify, defend, and save County harmless from and against any damage or loss incurred by County as a result of any such construction lien; and

6.1.9 Operator shall require contractors to furnish a payment and performance bond to County equal to the cost of the individual repairs in the form required under Section 255.05, Florida Statutes, naming Palm Beach County Board of County Commissioners as a third-party beneficiary for individual repairs in excess of Two Hundred Thousand Dollars (\$200,000).

6.2 Emergency Repairs. Operator shall make all Emergency Repairs to the Facility, pursuant to Section 6.1.2 and 6.1.4 through 6.1.9 of this Agreement. Notwithstanding anything herein to the contrary, Operator shall not be required to follow a competitive process as set forth in Section 11.7.1 so long as Operator submits an emergency procurement letter to the FDO Representative explaining that an emergency procurement is required in response to a need when the delay incident to complying with the requirements of Section 11.7 would be detrimental to the interests, health, safety or welfare of the Facility.

6.3 Failure to Perform. The County shall establish at least two (2) days a month to inspect the Facility at reasonable times, upon reasonable request, to observe whether the Operator is performing its Routine Maintenance obligations pursuant to the terms of this Agreement. If, in the County's reasonable opinion, the Operator has not performed its Routine Maintenance obligations pursuant to the terms hereinabove, the County shall provide written notice to the Operator stating the basis for such opinion, and the Operator shall have thirty (30) days from the date of receipt of such notice during which to perform such Routine Maintenance as required hereunder or to notify the County that it disagrees with the County's opinion. If the Operator disagrees with the County's opinion, then the County may pay for and perform the Routine Maintenance that it believes is required hereunder. Notwithstanding the above, the County may inspect the Facility at any time without prior notice to the Operator if the County has reason to believe that an emergency situation exists at the Facility.

ARTICLE 7

CAPITALRENEWAL/REPLACEMENT PROGRAM

7.1 Capital Renewal/Replacement (R/R) Program.

7.1.1 Concept. The County has determined the need for establishing and funding a program to address R/R Projects in order to ensure that age, use and deterioration of the Facility does not adversely impact its use or the cost to maintain the Facility (the "Renewal/Replacement Program"). Funding for this program was set aside from the original construction bond and subsequently approved Bed Tax funding. Since the actual funding requirements of the Renewal/Replacement Program will be continually re-evaluated in the future pursuant to the requirements of this Agreement, the County acknowledges that additional funding may be required; provided however, County has no obligation to add additional funding. The County will retain the responsibility for funding R/R projects to the Facility; however, the County is under no obligation to undertake such R/R projects. The Operator agrees to annually provide to the FDO Representative, a schedule of items that can be reasonably anticipated as necessary R/R projects. The purpose

of such a schedule is to allow the County to consider such projects for recommendation for inclusion in the County's budget for the ensuing year and to prepare and update a long-range (five year) budget.

7.1.2 Generally. The County's obligation to fund R/R projects in any calendar year, is limited to those R/R projects that are reflected on the Approved R/R Project Schedule (as defined in Section 7.1.3 below) (the "R/R Project"). The County shall have the option in its sole discretion to determine whether an R/R Project will be procured and managed by the County or the Operator. In the event that the County chooses to undertake the R/R Project with its own forces, the Operator shall fully cooperate with the County. In the event that that County determines that the Operator shall procure and manage the R/R Project, the Operator shall be solely responsible for, and shall undertake and perform the R/R Project subject to the terms and conditions set forth in this Section 7.1. All such R/R Projects shall be performed in a good and workmanlike manner using good quality materials and supplies, and components and replacement parts that are of better quality as the quality of those being repaired or replaced and shall be performed through completion. The Operator shall obtain all development approvals and permits from the appropriate regulatory agencies prior to commencing any R/R Projects and shall perform all such R/R Projects in compliance with the effective Florida Building Code, supplements thereto, and any City of West Palm Beach amendments thereto. Furthermore, Operator shall comply with the same requirements as set forth in Section 6.1.8 and Section 6.1.9 regarding any R/R Projects.

7.1.3 Modifications to R/R Project Schedule. The parties acknowledge that an R/R Project Schedule is in place for fiscal years 2012-2017. The Operator shall annually recommend modifications to the R/R Project Schedule, including the extension of the same no less than six (6) years from the current year, by submitting an updated R/R Project Schedule (incorporating such proposed modifications, including any and all modifications made necessary due to Emergency R/R Projects) (the "Updated R/R Project Schedule") to the County on or before February 1st of any year during the Term of this Agreement. The Operator shall submit, with the Updated R/R Project Schedule, a detailed written narrative for each and every R/R Project not included in the then-current R/R Project Schedule, providing an explanation as to why such R/R Project had previously not been included in the R/R Project Schedule. Within fourteen (14) days after the County's receipt of the Updated R/R Project Schedule, the FDO Representative and the Operator shall meet at the Facility ("On Site Meeting") in order to review and discuss the Updated R/R Project Schedule. The County shall have fourteen (14) additional days to approve the R/R Project Schedule (the "Approved R/R Project Schedule").

7.1.4 Costs of R/R Project. The County shall be responsible for the costs of completing all R/R Projects on the Approved R/R Project Schedule, regardless of whether the County determines the project is going to be implemented by the Operator.

7.1.5 Implementation of the Approved R/R Project Schedule. In the event that the County is responsible for implementing the R/R Project, the County shall follow its standard applicable procurement and management policies. In the event that the Operator is responsible for implementing the R/R Project, the Operator shall use its standard purchasing practices for all contracts entered into in connection with R/R Projects; provided that all purchases are undertaken and awarded by a competitive process. Prior to the Operator entering into a contract or purchase order for any individual R/R Project, the Operator shall submit: (i) a bid tabulation sheet that sets forth the vendor/contractor name and bid amount for each bid response ("R/R Project Bid Tabulation Sheet"), and (ii) a copy of the Operator's proposed contract or purchase order which contains the scope of work to be purchased and a copy of the vendor's/contractor's insurance certificate naming the County as an additional insured. In the event that the Operator does not choose to contract with the vendor/contractor who submitted the lowest bid reflected on the R/R Project Bid Tabulation Sheet, the Operator shall provide the County with a written explanation as to why the lowest bidder was not chosen. Unless the Operator has included qualification based criteria in the bid and the Operator can reasonably demonstrate that the low bidder did not meet those qualification criteria, the only justifications for not choosing the low bidder are either: (i) an award to the next lowest bidder that meets or exceeds the County's fifteen percent (15%) SBE goal and the vendor's bid does not exceed the low bidder's price by ten percent (10%), or (ii) an award to the next lowest bidder in order to contract with a bidder meeting the Palm Beach County definition of local business and the local business's bid does not exceed the low bidder's price by five percent (5%). Within seven (7) days of County's receipt of the foregoing, the County will issue a purchase order to the Operator in the amount of the intended awardee's bid plus an additional five percent (5%) contingency ("R/R Purchase Order").

7.1.6 Process Regarding Payment Against R/R Purchase Orders. Requests for payment against R/R Purchase Orders shall be made at intervals determined by the Operator, but no more frequently than monthly. Requests for payment against R/R Purchase Orders shall be made by the Operator to the County and shall include: (i) the R/R Purchase Order number, (ii) a copy of the vendor's/contractor's request for payment or invoice; (iii) evidence of payment by the Operator; and (iv) both a release of lien from subcontractors and a final release of lien from the general contractor, if applicable. For purposes of this Section 7.1.6 a copy of a check written by the Operator that is made payable to the vendor/contractor in the amount set forth on the vendor's/contractor's request for payment or invoice, shall constitute evidence of payment. Any request for payment which includes a request for use of contingency funds, shall include a copy of the change order issued by the Operator to the vendor/contractor and shall specifically identify: (i) the scope of work included in the change order; (ii) the amount of the change order; (iii) the new total contract amount; and (iv) an explanation of the reason for the change order. Any final payment request against each R/R Purchase Order shall be marked accordingly. Once the County has received a request for payment on an R/R Purchase Order, together with the foregoing documentation ("R/R Payment Request"), the County shall within five

(5) business days from receipt of the R/R Payment Request review the request and notify the Operator if such request is complete or deficient. If the R/R Payment Request is deficient the Operator shall resubmit its request to the County and the County shall within five (5) business days from receipt of the Operator's subsequent R/R Payment Request review such submittal and notify the Operator if such submittal is complete or deficient. This process shall continue until such time as the County receives a complete R/R Payment Request. Once the County receives a complete R/R Payment Request, the County shall make payment against the R/R Purchase Order within twenty-one (21) days.

7.1.7 Miscellaneous. The same requirements and process set forth above in Section 7.1.5 and Section 7.1.6, except as modified by Section 7.2 in the case of an Emergency R/R Project, shall apply and shall be used in connection with the reimbursement to the Operator of the costs and expenses incurred by the Operator for all design, testing, lab, and construction services agreements entered into in connection with R/R Projects as well as any permit fees paid to a governmental entity.

7.2 Emergency R/R Projects. If, at any time during the Term, the Operator believes that an emergency R/R Project (a project not on the Approved R/R Project Schedule for the current year ("Emergency R/R Project")) needs to be made to the Facility, the Operator shall request that the County consider a modification to the Approved R/R Project Schedule. The decision to approve a modification to the Approved R/R Project Schedule is solely the County's decision. In the event that the County decides that the requested project is a repair, the Operator shall proceed to prosecute the repair work pursuant to Section 6.2. In the event that the County determines that the requested project is an Emergency R/R Project, then implementation of the project shall proceed pursuant to Sections 7.1.3 through 7.1.7 of this Agreement. Notwithstanding anything herein to the contrary, County (or Operator if assigned) shall be able to immediately proceed with such Emergency R/R Project(s) without having to follow a competitive process so long as the FDO Representative has received an emergency procurement letter explaining that an emergency procurement is required in response to a need when the delay incident to complying with the requirements of Section 7.1.5 would be detrimental to the interests, health, safety, or welfare of the Facility. The letter should also be accompanied by a written narrative on the proposed approach to the project. If the FDO Representative approves the Emergency R/R Project he/she shall do so in writing with conditions and/or direction on how the procurement is to be conducted. The Operator shall include approved Emergency R/R Projects in its proposed modifications to the R/R Project Schedule submitted for the County's approval in accordance with Section 7.1.3 hereof.

ARTICLE 8

CAPITAL IMPROVEMENTS

8.1 The County will retain the responsibility for Capital Improvements to the Facility; however, the County is under no obligation to make such improvements. The Operator shall annually provide to the County Administrator, in accordance with the Operator's requirements, a schedule of items that can be reasonably anticipated as necessary Capital Improvements. The purpose of such a

schedule is to allow the County Administrator to consider such projects for recommendation for inclusion in the County's budget for the ensuing year and to prepare and update a long-range (five year) budget.

ARTICLE 9
OPERATING BUDGET/EXPENDABLE SUPPLIES/FUNDS
AVAILABILITY/PROCEDURE FOR HANDLING INCOME AND EXPENSES

9.1 Operating Budget. Each year, in accordance with the County's schedule, the Operator shall prepare and present a line item budget for the Facility which budget shall follow and comply with the existing County budget process or such other procedures which County may require. Said budget shall include, at a minimum, a projected income and expense statement. Additionally, the budget shall include but not be limited to the following detailed projections, presented on a monthly and annual basis:

- i) Revenues;
- ii) Operating Expenses;
- iii) incomes;
- iv) administrative and general expenses;
- v) marketing, advertising, and promotion expenses;
- vi) energy costs;
- vii) exhibitor services;
- viii) Routine Maintenance;
- ix) payroll and personnel costs included in the annual operating budget which may include training programs, bonuses and costs of moving expenses and other fringe benefits of the type customarily provided by Operator to employees in accordance with written policies of company-wide applications in effect at the time of expenditure.

The Operator shall ensure that its representatives are present at all necessary meetings of the budget approval process related to the Facility.

The annual operating budget for the Facility is subject to the prior approval of the County after recommendation by the TDC.

9.2 Expendable Supplies. The Operator shall purchase all expendable supplies for the operation of the Facility. The Operator will exercise prudent judgment in the purchase of said supplies within the budget provided to the Operator.

9.3 Funds Availability. County shall make immediately available to the Operator all funds necessary to pay all budgeted items of expense for the operation, maintenance, supervision, and management of the Facility, including performance of all User/Rental Agreements entered into under Article 12 hereof. To the extent the Operator is unable to perform under this Agreement due to the fact that required budgeted funds are not made available by County, the Operator shall not be

considered in breach of this Agreement nor shall such failure to perform for lack of funds be considered an event of default.

9.3.1 Facility Operating Account. On or prior to the Commencement Date, the County will advance two (2) months of budgeted Operating Expenses for deposit into the Facility Operating Account in order to commence operations of the Facility. The Operator shall use funds in the Facility Operating Account to pay expenses of operation of the Facility. The Operator periodically shall submit to County requests for reimbursement of expenses paid from the Facility Operating Account, in accordance with County requirements and as further detailed in the Operations Manual. All such accounts must be maintained in Palm Beach County and available for review and audit upon County's request.

9.4 Procedure For Handling Income and Expenses. Ticket sale revenues and similar event-related revenues (other than advance rental deposits) which the operator receives in contemplation of or arising from an event shall be deposited by the Operator into the interest-bearing Event Operating Account. The Operator and County shall agree upon the procedures, including without limitation the frequency, by which the foregoing deposits shall be made into the Event Operating Account and shall include such procedures in the Operations Manual. All advance rental deposits which the Operator receives in contemplation of or arising from an event shall be deposited by the Operator as soon as practicable upon receipt into the interest-bearing General Escrow Account, or such other interest-bearing account in a local qualified public depository, to be held for the benefit of the County and the Operator. All such advance rental deposits will be transferred to the Event Operating Account upon the close of the month following the month in which such event occurs. The ticket sales revenues and similar event-related revenues (other than advance rental deposits), net of all such expenses, will remain in the Event Operating Account until the satisfactory completion of the event, as further set forth in the Operations Manual. Additionally, all other revenues associated with the Facility including but not limited to the balance of the rental fees, parking revenue, advertising revenue, food and beverage revenues (when remitted by the Food & Beverage Contractor), exhibitor service fees, box office fees, etc., will be deposited into such Event Operating Account. As long as the Operator is not required to pay interest on advance deposits for space rentals to the promoter or licensee of an event, pursuant to the applicable rental/license agreement, the interest earned from the rental deposit shall be treated as revenues. Together, these revenues, net of any expenses paid from such account in accordance with the terms of this Agreement, shall be transferred from the Event Operating Account or General Escrow Account, as applicable, into the County's bank account (as designated to Operator in writing) within thirty (30) days after the close of the month, as further detailed in the Operations Manual. In the event it becomes economically infeasible (as determined by Operator, but subject to the approval of County, which approval shall not be unreasonably withheld) to keep the Event Operating Account in an interest-bearing account, Operator and County shall take the necessary steps to accomplish such conversion.

9.5 Operating Expenses shall be paid from the Facility Operating Account based on County approved budgets.

9.6 All travel and professional expenses of the Operator's employees shall be paid when included in the approved annual operating budget of the Facility. Such expenses shall be prorated if the Operator's employees conduct business on behalf of the Operator for other facilities. All non-budgeted travel and professional expenses shall be paid only with the prior written approval of County.

9.7 The Event Operating Account, General Escrow Account, and Facility Operating Account and any other account established hereunder or pursuant to the Operations Manual, will be in Operator's name and shall have at a minimum two (2) authorized County signatories; provided however, the Operator shall have access to such accounts and shall designate up to four (4) employees of the Operator to be authorized signatories on the accounts.

9.8 The cash control for Facility operations shall be accomplished through a combination of rigid accounting procedures and internal audit tests and an annual audit by an independent public accounting firm selected by County or in the alternative an auditor who is acceptable to the County, such determination of acceptability to be made in the County's sole and absolute discretion. As more fully provided in this Agreement and in the Operations Manual, separate Operator bank accounts shall be utilized for operating funds and box office receipts. Payrolls shall be processed through a third-party payroll service provider in accordance with the policies and procedures set forth in the Operations Manual. Events with Revenues in excess of Twenty Thousand Dollars (\$20,000) shall be accounted for using an event accounting system, with final reports prepared for each event as provided in the Operations Manual. Reimbursable expenses for each event shall be coded for accurate accumulation to ensure all applicable costs shall be paid by the users of the Facility. All other events shall be documented in monthly financial reports and appropriate support documentation shall be maintained. Advance deposits covering rentals and estimated costs may be required as provided in the Operations Manual to minimize collection problems. Credit references shall be checked on any new or questionable client, depending on pre-event deposits.

ARTICLE 10 **FISCAL RESPONSIBILITY**

10.1 Operator shall keep and maintain, throughout the Term of this Agreement at its office in the Facility, separate and independent books of accounts and records customarily used in this type of operation, and as from time to time may be required by the County, in accordance with GAAP, devoted exclusively to its Facility management operations at the Facility. Said books, ledgers, journals, accounts, and records shall contain all entries reflecting the business operations of the Operator under this Agreement. All of the foregoing records shall be retained and available for such period of time as provided herein unless otherwise approved by the County.

10.2 The County, at all times, throughout the term of the Agreement and for up to three (3) years following expiration, shall have the right to audit and examine during Operator's ordinary business hours, all such records and books of accounts relating to Operator's operation, provided that Operator shall not be required to retain such books of accounts and records for more than three (3) years after the end of the final year of this Agreement. Operator shall arrange for the

books of account and records to be brought to a location convenient to the auditors for the County in order for the County to conduct the audits and inspections. Failure of the Operator to keep record of and provide the information to County as set forth herein shall be considered a default under the terms of this Agreement.

10.3 The Operator shall provide to County, within thirty (30) days after the end of each month, a reconciliation for each bank account specified in Article 9 above, which accounts shall be subject to audit by the TDC Representative or County during Operator's ordinary business hours.

10.4 The Operator shall render, within thirty (30) days after the end of each month, financial reports for the Facility including a balance sheet, aging report on accounts receivable, and statement of revenues and expenditures (budget to actual) for the current month and year to date in accordance with GAAP. In addition, the Operator shall immediately, upon request by County, provide information on the Event Operating Account, General Escrow Account, and the Facility Operating Account.

10.5 The Operator shall meet with the County Administrator to answer questions relating to the operation of the Facility and the financial reports. Furthermore, the County's private auditing firm or in the alternative an auditor who is acceptable to the County, such determination of acceptability to be made in the County's sole and absolute discretion, shall audit the accounts and records as kept by the Operator for the Facility and provide the County with a certified audit report, together with a management letter. Appropriate funds shall be set aside in the annual operating budget to pay for such certified audit report. At the option of County and at its expense, additional audits may be performed.

10.6 Operator shall use forms, accounting methods, internal controls and procedures for its reports that are acceptable to the County.

10.7 County Administrator may request additional financial or statistical reports with respect to areas in the Facility that are under the control or managed by the Operator, and the Operator shall promptly provide the same. County's requests for such additional reports shall be reasonable with respect to timing and frequency. Any and all reasonable costs for such reports, which have been approved by the County Administrator, shall be included as an operating expense.

ARTICLE 11 **OPERATION OF BUSINESS**

11.1 Joint Ventures. In the event the Operator is a joint venture, each joint venturer shall be held jointly and severally liable throughout the term of this Agreement.

11.2 Operator's Employees. Operator shall hire, supervise and direct all of the Operator's employees and personnel. All personnel employed in the operation of the Facility shall be employees of the Operator and shall be paid directly by Operator. The Operator shall select the number, function, qualifications, and compensation, including salary and benefits, of its employees

and shall control the terms and conditions of employment relating to such employees, subject to the availability of funds for such purpose under the annual operating budget. County may request that the Operator take appropriate action as required for correction of any performance shortcomings of any of the Operator's employees, and the Operator will respond to said request with due diligence as required for the Operator to perform its duties under this Agreement to industry standards for first-class convention centers.

Operator warrants and represents that it treats all of its personnel and applicants for employment equally without regard to race, color, religion, disability, sex, age, national origin, ancestry, marital status, familial status, sexual orientation, and gender identity or expression.

In all solicitations or advertisements for employees, Operator shall include the phrase, "equal opportunity employer".

11.3 Operator's General Manager. Operator acknowledges that Operator has named a qualified individual with experience in the management of similar facilities as the General Manager of the Facility. The General Manager shall be responsible for: (i) the day-to-day operation of the Facility and (ii) providing supervision and direction to Facility operational employees. In addition, the Operator's General Manager shall devote his/her full efforts to the work pertaining to the Facility unless otherwise consented to by the County, which consent may be granted or withheld in the County's sole and absolute discretion.

In the event the Operator wishes to replace the current General Manager, Operator shall submit to County qualified candidates for the position, for County's review and consultation. Operator shall be responsible for hiring the General Manager, subject to the prior consent of County as to the acceptability of the General Manager, which consent may be withheld in the County's sole and absolute discretion.

If the General Manager terminates employment voluntarily or involuntarily, Operator shall immediately supply an interim general manager, and within ninety (90) days appoint a permanent replacement with suitable qualifications. Operator shall follow the same review process and obtain the County's prior consent as to the acceptability of the permanent replacement, which consent may be withheld in the County's sole and absolute discretion. If Operator should fail to supply such permanent replacement within such time, Operator shall pay to the County the sum of Fifty Thousand Dollars (\$50,000.00), as liquidated damages, and not as a penalty, the parties recognizing that the damage to the County from such failure to act is not readily amenable to calculation.

11.4 Operator's Senior Management. Unless otherwise agreed to by the parties, Operator shall not transfer any Senior Management Employee to any other position of employment with Operator or any of its affiliates without first hiring a replacement with suitable qualifications for the position to be vacated. Notwithstanding the foregoing, Operator shall not transfer the General Manager of the Facility to any other position of employment with Operator or any of its affiliates from the Effective Date and throughout the Term of this Agreement, without the prior consent of the County, which may be withheld in the County's sole and absolute discretion.

11.5 Resolution of Complaints. Complaints received by the County Administrator regarding the conduct or manner of operation of the Facility by the General Manager shall be addressed by the Operator.

11.6 Subcontracts. Operator shall have the authority to negotiate and contract for services and products pertaining to the Facility, in accordance with the Operations Manual, approved annual operating budget and in accordance with the procurement policies and procedures set forth in Section 11.7.

In the event that work is subcontracted the Operator shall: (i) retain full responsibility for the acts and omissions of its subcontractors and of persons employed by such subcontractors and (ii) be responsible for binding each subcontractor to the terms of this Agreement and ensuring each subcontractor's compliance with the terms of this Agreement, regardless of whether or not a particular term in this Agreement specifically references compliance by subcontractors.

Operator's delegation to subcontractor's of any of Operator's obligations or responsibilities under this Agreement shall not relieve Operator of its obligations or responsibilities under this Agreement. Operator shall be responsible for ensuring that all subcontractor's are adequately trained and credentialed for the services they are to provide. Operator shall make County a third party beneficiary to all agreements with subcontractors and shall include in its agreements with subcontractors a requirement that each subcontractor indemnify and release County as set forth in this Agreement.

11.7 Procurement Policies and Procedures. Unless otherwise set forth in this Agreement, this Section shall apply to all contracts entered into in connection with Operator's operations of the Facility, except for those contracts entered into in connection with Capital Renewal and Replacement, which shall be made in accordance with the procurement policies and procedures set forth in Section 7.1.5 of this Agreement.

11.7.1 Competitive Process. Operator shall use its standard purchasing practices for all contracts entered into in connection with its obligations set forth in this Agreement; provided that all purchases are undertaken and awarded by a competitive process. Operator shall rank and award all bids in accordance with the provisions of Sections 2-80.25 and 2-80.44 of the County Code, as may be amended, a copy of such provisions are attached hereto and made a part hereof as Exhibit "B".

11.7.2 Transactions with Affiliates. Notwithstanding anything to the contrary set forth in this Section 11.7, Operator shall have the right, but not the obligation, to purchase goods and services for the Facility from a parent, affiliate or subsidiary company of Operator at terms and for prices customarily charged by such affiliate for comparable goods and services elsewhere and which are competitive in the industry. Operator shall provide County with documentation evidencing the foregoing and the competitive nature of the goods or services to be obtained. Operator shall obtain County's consent prior to Operator entering into a

transaction with an Affiliate as set forth herein, which consent may be withheld in the County's sole and absolute discretion.

11.7.3 SBE Compliance. The County's Board of County Commissioners has established an overall annual goal for SBE participation of fifteen percent (15%), which can be met through the use of any SBE certified by the County. Operator acknowledges that Operator has submitted a plan setting forth how Operator proposes to meet the County's SBE goals and Operator hereby assures County that it will meet the County's SBE goals as set forth in such plan. Operator shall request the consent of the County for any deviation from the County's SBE goals, which consent may be withheld in the County's sole and absolute discretion.

Operator cannot rely on the inclusion of R/R projects in satisfying Operator's SBE participation goals; provided however, in the event Operator is responsible for implementing the R/R project, then such project shall be applied towards meeting Operator's SBE participation goals.

Operator shall comply with the provisions of the Palm Beach County Small Business Enterprise Ordinance as codified in Sections 2-80.21 through 2-80.25, 2-80.27 and 2-80.29 of the County Code, as may be amended, a copy of such provisions are attached hereto and made a part hereof as Exhibit "B". Operator shall utilize such provisions when seeking bids or proposals for vendors/contractors under this Agreement. Operator understands that failure to comply with any of the requirements of the foregoing Sections of the County Code will be considered a default under this Agreement.

11.7.4 Local Preference. Operator shall comply with the provisions of the Palm Beach County Local Preference in Purchasing Ordinance as codified in Sections 2-80.41 through 2-80.44, 2-80.46 and 2-80.47 of the County Code, as may be amended, a copy of such provisions are attached hereto and made a part hereof as Exhibit "B". Operator shall utilize such provisions when seeking bids or proposals for vendors/contractors under this Agreement. Operator understands that failure to comply with any of the requirements of the foregoing Sections of the County Code will be considered a default under this Agreement. The County's Board of County Commissioners has established a policy whereby a five percent (5%) preference is given, when ranking bids, to those vendors/contractors who have been determined by the County to be eligible for such local preference.

11.8 Contracts. Operator shall include in each and every contract entered into in connection with the operation of the Facility that County shall have the right to assume such contract at County's election (without the assumption of Operator's liability that accrued prior to the date of County's assumption) upon the termination or expiration of this Agreement. Furthermore, Operator shall submit to County for County's prior approval, all contracts whose term extends beyond the Term. The County will review the terms of such contracts to confirm the acceptability of such terms to the County in the event the County exercises its right to assume such contracts. Notwithstanding the

foregoing, the County is under no obligation to assume any of the contracts that Operator enters into.

11.9 County Administrator. The County via the County Administrator shall be responsible for: (i) ensuring that any information supplied by the Operator is properly distributed to the appropriate County departments; (ii) monitoring and assessment of the quality of services provided by the Operator; and (iii) monitoring and assessment of the Operator's compliance with the terms of this Agreement.

The County Administrator shall work with the General Manager of the Facility and shall have such authority as set forth in this Agreement.

Any and all references in this Agreement requiring County participation shall mean the County Administrator unless otherwise specified herein.

11.10 Names And Logos. While providing services under this Agreement, the Operator shall use the County's and the Facility's name and logo on stationery, clothing, and other articles, and in advertising and whenever conducting business for the Facility unless otherwise approved by the County Administrator. The design, format, font and overall appearance of said stationery and other articles and the purposes of their usages are subject to the prior approval of County.

11.11 Waste or Nuisance. Operator shall not commit or suffer to be committed any waste at the Facility, commit or permit the maintenance or commission of any nuisance or other act or thing which may result in damage or depreciation of value of the Facility or which may affect County's fee interest in the Facility or which results in an unsightly condition.

11.12 Hazardous Materials. Operator shall not use, maintain, store or dispose of any contaminants including, but not limited to, Hazardous Materials or toxic substances, chemicals or other agents used or produced in Operator's operations, at the Facility or any adjacent land in any manner not permitted by Environmental Laws. Furthermore, Operator shall not cause or permit the Disposal of Hazardous Materials at the Facility or upon adjacent lands and shall operate and occupy the Facility in compliance with all Environmental Laws.

Any Disposal of a Hazardous Material, whether by Operator or any third party, shall be reported to County immediately upon the knowledge thereof by Operator. Operator shall be solely responsible for the entire cost of remediation and clean up of any Hazardous Materials disposed of or discovered at the Facility or emanating from the Facility onto adjacent lands, as a result of the use and occupancy of the Facility by Operator, or Operator's agents, licensees, invitees, subcontractors or employees.

Operator shall indemnify, defend and hold harmless County from and against any and all claims, suits, judgments, loss, damage, fines or liability which may be incurred by County, including reasonable attorney's fees and costs, which may arise directly, indirectly or proximately as a result of any violation of the Disposal of any Hazardous Materials at the Facility or violation of

this provision. Operator's responsibility hereunder shall continue and apply to any violation hereof, whether the same is discovered during the Term of this Agreement or otherwise. While this provision establishes contractual liability of Operator, it shall not be deemed to alter or diminish any statutory or common law liability of Operator.

Operator acknowledges that County would not have entered into this Agreement without the indemnification contained herein and acknowledges the receipt and sufficiency of separate good and valuable consideration for such indemnification.

11.13 Taxes and Fees; Licenses. Operator shall pay, or in good faith contest, on or before their respective due dates, to the appropriate collecting authority, all federal, state, and local taxes and fees, which are now or may hereafter be levied upon Operator, or upon its business conducted at the Facility, or upon Operator's interest hereunder, or upon Operator's property used in connection therewith.

11.14 Criminal History Records Check Ordinance. Operator shall comply with the provisions of Ordinance 2003-030, the Criminal History Records Check Ordinance ("Ordinance") if Operator's employees, agents, or contractors are required under this Agreement to enter or work at the site of a "critical facility" as identified in Resolution R2003-1274, as may be amended. Operator acknowledges and agrees that all employees, agents, and contractors who are to perform work in a critical facility will be subject to a fingerprint based criminal history records check. Furthermore, Operator shall attest in writing that a criminal history records check as provided herein, to the extent allowed by law, has been conducted on each of its permanent employees and is available for inspection by the County Administrator, to the extent permitted by law, prior to that employee's starting work. Such criminal history records checks shall be updated annually for each employee and results made available for inspection by the County Administrator.

ARTICLE 12

USER/RENTAL AGREEMENTS

12.1 Operator shall execute user/rental agreements for the use of the Facility. Long-Term Sales agreements shall be entered into in consultation with the Bureau and Operator as to its terms and conditions, shall be in the form approved by the County, and shall designate Operator as Contract Administrator to act on behalf of County with respect to its implementation.

ARTICLE 13

BOND AND INSURANCE REQUIREMENTS

13.1 Unless otherwise specified in this Agreement, Operator shall, at its sole expense, obtain and maintain throughout the life of this Agreement insurance coverages, endorsements, limits of liability and surety bonds in the manner and amounts as set forth herein. No modification or change from these specifications shall be made without County's approval.

13.1.1 Third-Party Commercial Fidelity Bond. Upon the Effective Date and throughout the duration of the Term of this Agreement, Operator shall maintain a Third-Party Commercial Fidelity Bond or the equivalent thereto via insurance coverage, 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 Facility. 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. Operator acknowledges that it has delivered to the County the original Third-Party Commercial Fidelity Bond or a certificate of insurance evidencing that such policy is in full force and effect. Such certificate of insurance shall name County as an additional insured and require at least thirty (30) days prior notice to County of any cancellation, non-renewal or material change in coverage.

13.1.2 Insurance Requirements. Unless otherwise specified in this Agreement, Operator shall, at its sole expense, maintain in full force and effect at all times throughout the life of this Agreement, insurance coverage as described herein at limits, including endorsements, set forth in this Section 13.1.2 below. Operator acknowledges that it has delivered to the County, Certificate(s) of insurance evidencing that such policies are in full force and effect. The requirement contained herein as to types and limits, as well as County's review or acceptance of insurance coverage to be maintained by Operator, is not intended to nor shall in any manner limit or qualify the liabilities and obligations assumed by Operator under the Agreement.

13.1.2.1 Commercial General Liability. Operator shall maintain a standard ISO version Commercial General Liability, or its equivalent, at a limit of liability not less than \$1,000,000 Per Occurrence/\$2,000,000 Annual Aggregate, 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. Operator agrees this coverage shall be provided on a primary basis.

13.1.2.2 Business Automobile Liability. Operator shall maintain a standard ISO version Business Automobile Liability, or its equivalent, at a limit of not less than \$1,000,000 Per Occurrence, providing coverage for all owned, non-owned and hired automobiles, and in accordance with all of the limits, terms and conditions set forth herein. Operator agrees this coverage shall be provided on a primary basis. Notwithstanding the foregoing, should Operator not own any automobiles, the business auto liability requirement shall be amended to allow Operator 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.

13.1.2.3 Worker's Compensation & Employer's Liability. Operator shall maintain Worker's Compensation Insurance covering all employees in accordance with Chapter 440 Florida Statutes & Employers Liability Insurance at a limit not less than \$100,000/\$500,000/\$100,000. This coverage shall be accordance with all of the limits, terms and conditions set forth herein. Operator agrees this coverage shall be provided on a primary basis.

13.1.2.4 Professional Liability. Operator shall maintain Professional Liability insurance, or similar Errors & Omissions coverage, at a limit of liability of not less than 1,000,000 Per Occurrence/\$1,000,000 Annual Aggregate, for negligent acts, errors or omissions of Operator or any person employed or acting on Operator'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 Operator'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, Operator 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 Operator 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 Term of this Agreement. Operator shall be solely responsible for any SIR, deductible, or additional premium. Operator agrees this coverage shall be provided on a primary basis.

13.1.2.5 Liquor Liability. Operator shall maintain Liquor Liability at a limit of liability of not less than 1,000,000 Per Occurrence/\$2,000,000 Annual Aggregate, 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. Operator agrees this coverage shall be provided on a primary basis.

13.1.2.6 Umbrella or Excess Liability. Operator shall maintain an Umbrella or Excess Liability at a limit of liability of not less than \$5,000,000 Per Occurrence/\$5,000,000 Annual Aggregate, in accordance with all of the limits, terms and conditions set forth herein. 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.

13.1.3 Additional Insurance Requirements, Terms and Conditions.

13.1.3.1 Additional Insured Endorsements. Operator shall endorse the County as Additional Insured on each of the insurance policies required to be maintained by the Operator, 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.

13.1.3.2 Waiver of Subrogation. Operator shall agree by entering into this Agreement to a Waiver of Subrogation for each required policy providing coverage during the term of this Agreement. When required by the insurer or should a policy condition not permit an Insured to enter into a pre-loss agreement to waive subrogation without an endorsement, then Operator 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 a condition to the policy 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.

13.1.3.3 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 Agreement. 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, as the case may be, shall provide Operator written notice of such adjusted limits and Operator shall comply within

thirty (30) days of receipt thereof and be responsible for any premium revisions as a result of any such reasonable adjustment.

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

13.1.3.5 Certificate of Insurance. Certificates of Insurance must provide clear evidence that Operator's insurance policies contain the minimum limits of coverage and terms and conditions set forth herein. In addition, the Operator shall notify the County of any cancellation, non-renewal or material change taking place during the life of this Agreement. In the event the County is notified that a required insurance coverage will cancel or will not be renewed during the period of this Agreement, Operator shall furnish prior to the expiration of such insurance, a new or revised certificate of insurance as proof that equal and like coverage exist for the balance of the Term of this Agreement. County reserves the right to withhold payment to Operator until coverage is reinstated. If Operator fails to maintain the insurance as set forth herein, the County shall have the right, but not the obligation, to purchase said insurance at Operator's expense. The Certificate holder's address should read as follows:

Palm Beach County
County Administrator
301 North Olive Avenue, 11th Floor
West Palm Beach, Florida 33401

and

Palm Beach County
Director
Risk Management Department
100 Australian Avenue, Suite 200
West Palm Beach, Florida 33406

13.1.3.6 Deductibles, Coinsurance Penalties, & Self-Insured Retention. Operator shall be fully and solely responsible for any costs or expenses as a result of a coverage deductible, coinsurance penalty, or self-insured retention; including any loss not covered because of the operation of such deductible, coinsurance penalty, or self-insured retention.

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

13.1.3.8 All insurance policies shall be rated no less than A VIII, in the most recent "Best" insurance guide and shall be licensed in the state of Florida or as otherwise agreed by the parties, and shall be in such form and contain such provisions as are generally considered standard for the type of insurance involved to the extent not otherwise required by this Agreement.

13.1.4 Surety Bond Requirements. Unless otherwise specified in this Agreement, Operator shall, at its sole expense, maintain in full force and effect from the Effective Date and throughout the duration of the Term of this Agreement, a surety bond in a minimum amount of One Million Dollars (\$1,000,000.00) as a financial guaranty of Operator's performance under the terms of this Agreement. The surety bond shall be issued by an insurance company or surety company qualified to do business in the State of Florida, which company shall be acceptable to the County which shall be determined in the County's sole and absolute discretion. The surety bond shall be substantially in the form attached hereto as Exhibit "C". Upon the failure of Operator to pay any amounts to County when due or upon any failure to perform any of the Operator's obligations hereunder, County shall be entitled to draw upon the financial guarantee in addition to any other rights or remedies available to County. Operator acknowledges that it has delivered to the County such original surety bond. Operator shall provide County with commitment documents providing for continuation or replacement of the surety bond at least thirty (30) days prior to the expiration of the same. Operator's failure to renew such surety bond upon expiration of its coverage term shall be deemed an event of default.

ARTICLE 14 **INDEMNIFICATION AND DISCLAIMER OF LIABILITY**

14.1 Indemnification. Operator shall protect, reimburse, indemnify, hold harmless and defend the County, its officials, agents, servants and employees, from and against any and all claims, liability, expense, loss, cost, damages, demands and/or causes of action of whatsoever kind or nature, including attorney's fees and costs, whether at trial or appellate levels or otherwise, arising during and as a result of Operator's, its subcontractors, its agents, servants or employees performance of the terms of this Agreement or due to the acts or omissions of Operator, its subcontractors, agents, servants or employees. In the event County shall be made a party to any litigation commenced against Operator or any subcontractor or by Operator or subcontractor against any third party, then Operator shall protect and hold harmless and pay all costs and attorney's fees incurred by County in connection with such litigation, and any appeals thereof. Operator recognizes

the broad nature of this indemnification provision and specifically acknowledges that County would not have entered into this Agreement without Operator's agreement to indemnify County and further acknowledges the receipt of good and valuable separate consideration provided by County in support hereof in accordance with the laws of the State of Florida.

14.2 DISCLAIMER OF LIABILITY. COUNTY HEREBY DISCLAIMS, AND OPERATOR HEREBY RELEASES COUNTY, FROM ANY AND ALL LIABILITY, WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY, NEGLIGENCE AND NUISANCE), FOR ANY LOSS, DAMAGE, OR INJURY OF ANY NATURE WHATSOEVER SUSTAINED BY OPERATOR, ITS SUBCONTRACTORS, ITS EMPLOYEES, AGENTS, OR INVITEES DURING THE TERM OF THIS AGREEMENT INCLUDING, BUT NOT LIMITED TO, LOSS, DAMAGE, OR INJURY TO THE IMPROVEMENTS OR PERSONAL PROPERTY OF THE OPERATOR OR OPERATOR'S BUSINESS INVITEES THAT MIGHT BE LOCATED OR STORED AT THE FACILITY, UNLESS SUCH LOSS, DAMAGE, OR INJURY IS CAUSED SOLELY BY COUNTY'S SOLE NEGLIGENCE. THE PARTIES HERETO EXPRESSLY AGREE THAT UNDER NO CIRCUMSTANCES SHALL COUNTY BE LIABLE FOR INDIRECT, CONSEQUENTIAL, SPECIAL, OR EXEMPLARY DAMAGES WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY, NEGLIGENCE, AND NUISANCE), SUCH AS, BUT NOT LIMITED TO, LOSS OF REVENUE OR ANTICIPATED PROFITS OR ANY OTHER DAMAGE RELATED TO OPERATOR'S USE OF THE FACILITY PURSUANT TO THIS AGREEMENT.

14.3 Additional Facilities. The parties acknowledge that the Facility is planned to be associated with an adjacent hotel and to include certain expanded facilities to be constructed in the future. The parties further acknowledge that during construction of the referenced projects, the County will use its best efforts to minimize interference with the operations of Operator during such construction. However, it is expressly acknowledged and agreed by the parties that the County does not assume any liability for disruption, loss, or damage that may be incurred by Operator or Operator's employees, subcontractors, contractors, or patrons as a result of any construction or expansion of the Facility or affiliated facilities. The parties agree to renegotiate reasonably and in good faith the terms of this Agreement as may be reasonably necessary and appropriate due to the effects of any such construction or expansion so as to maintain the basis of the bargain of this Agreement and assure continued services to the Facility in accordance with the standards of this Agreement.

ARTICLE 15
COMPLIANCE WITH EQUAL OPPORTUNITY LAWS,
REGULATIONS AND RULES AND OTHER LAWS

15.1 Generally. Operator shall, at Operator's sole cost and expense, comply with all ordinances, laws, statutes, codes, rules and regulations promulgated thereunder of all city, county, state, federal and other applicable governmental authorities, now in force, or which may hereafter be in force (individually and collectively, the "Governmental Regulations"), in connection with the development, construction, use, operation and occupancy of the Facility

under the terms of this Agreement. Furthermore, upon County's request, Operator shall provide evidence to County of any certification required by such Government Regulations. Operator shall indemnify, defend and save County harmless from any and all penalties, fines, costs, expenses, suits, claims, or damages resulting from Operator's failure to perform its obligations in this Article.

15.2 Non-Discrimination. Operator shall comply with the Title IV of the Civil Rights Act of 1964, as amended, and Palm Beach County Resolution No. R92-13, as amended, and shall not discriminate against any individual on the basis of their race, color, national origin, religion, ancestry, sex, age, marital status, familial status, sexual orientation, gender identity or expression, handicap or disability with respect to any activity occurring at the Facility or under this Agreement. Operator warrants that its services at the Facility shall be open to and benefit all residents of Palm Beach County. 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.

15.3 Equal Employment Opportunity. Operator shall abide by all local, state and federal equal opportunity employment and contracting laws, including without limitation Executive Order No. 11246 entitled "Equal Employment Opportunity" and as amended by Executive Order No. 11375, as supplemented by the Department of Labor Regulations (41 CFR, Part 60).

15.4 Americans with Disabilities Act ("ADA"). Operator shall affirmatively comply with all applicable provisions of the ADA in the course of providing any services funded by County, including Titles I and II of the ADA (regarding discrimination on the basis of disability), and all applicable regulations, guidelines and standards.

15.5 Subcontracts. Operator shall include the provisions of paragraphs 15.2, 15.3 and 15.4 above in every subcontract so that such provisions will be binding upon such subcontractor.

ARTICLE 16

PROHIBITION AGAINST CONTINGENT FEES

16.1 Operator represents and warrants that it has not employed or retained any company or person to solicit or secure this Agreement, and that it has not paid or agreed to pay any company or person, any fee, commission, percentage, brokerage fee, gifts, or any other consideration contingent upon or resulting from the award or making of this Agreement and further Operator agrees to indemnify, defend and hold harmless County from and against any claims or demands of any such company or person claiming to have dealt with Operator. The foregoing indemnification shall include all costs and expenses and fees, including reasonable attorney's fees at trial and appellate levels, expended or incurred in the defense of any such claim or demand. For breach or violation of this warranty, County may terminate this Agreement without liability or may, in its discretion, deduct from the Fixed Fee and/or Incentive Fee or otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

ARTICLE 17
FORCE MAJEURE

17.1 Except as otherwise provided herein, neither party shall be obligated to perform, and neither party shall be deemed to be in default of its performance, if prevented by: (i) fire not caused by negligence of either party, earthquake, hurricane, wind, flood, act of God, riot, or civil commotion occurring at the Facility, or other matter or conditions of like nature; or (ii) any law, ordinance, rule, regulation, or order of any public or military authority stemming from the existence of economic or energy controls, hostilities, war, or governmental law and regulation; or (iii) labor disputes which results in a strike or work stoppage affecting the Facility or services described in this Agreement other than those occurring as a result of an act or omission of the Operator.

ARTICLE 18
DESTRUCTION OF FACILITY

18.1 In the event the Facility shall be destroyed or so damaged or injured by fire or other casualty during the Term of this Agreement, whereby the same shall be rendered materially untenable, in whole or in part, County shall have no responsibility for the restoration of the Facility, unless otherwise agreed to by the County. If County so deems, within one hundred and eighty days (180) from the happening of the fire or other casualty the County shall present to the Operator a plan for the restoration of the Facility, which shall include time frames regarding the implementation of the same. Operator and County shall negotiate in good faith to develop a plan to restore the Facility; provided however, that if the parties are unable to reach agreement then both parties shall each have the unilateral right to terminate this Agreement, which shall be effective upon the date specified in such notice. Upon any such termination the parties shall be relieved of all further obligations occurring subsequent to the date of termination, except as otherwise provided for in this Agreement.

ARTICLE 19
ASSIGNMENT

19.1 County is entering into this Agreement in recognition of and in reliance on the expertise, reliability, and competence of Operator and its management in matters pertinent thereto. The performance of the obligations imposed upon Operator under this Agreement will not be assignable by it to any other party unless, County, within its sole and absolute discretion, consents to said assignment in writing. Any purported assignment in contravention of this Article shall be void. In the event of an assignment by Operator to an affiliate, parent or subsidiary which is an entity which is substantially owned by, or controlled by, or under common control with Operator, or which retains substantially similar management and directors and where such assignment is intended to accomplish an internal corporate purpose of Operator as opposed to materially and substantially altering the method of delivery of services to County, County shall not unreasonably withhold its consent for such assignment; provided however, if the Operator's General Manager will not remain as the General Manager of the Facility then County may withhold its consent in its sole and absolute discretion.

ARTICLE 20
EARLY TERMINATION

20.1 This Agreement may not be terminated by the parties to this Agreement prior to the expiration of the Term, except as otherwise provided for in Articles 10, 11, 13, 16, 18 and 20.

20.2 This Agreement may be terminated by the County, without cause, upon one hundred eighty (180) days prior written notice to the Operator.

20.3 This Agreement may be terminated by the County immediately upon the occurrence of any one (1) of the following events of default:

20.3.1 Failure of the Operator to perform or comply with any of the terms, covenants, agreements, or conditions hereof and continuance of such failure for more than ten (10) days after written notice thereof from County;

20.3.2 Repeated failure of the Operator to perform or comply with any of the terms, covenants, agreements, or conditions hereof to the extent that such failures, taken together, (i) constitute a general failure to operate the Facility in conformance with standards of the industry for a first class convention center, or (ii) substantially interfere with County's, the Bureau's or the Food & Beverage Contractor's ability to successfully market the Facility, including its Long-Term Sales and food and beverage sales, as applicable;

20.3.3 The occurrence of any act or omission on the part of the Operator that deprives it of the rights, powers, licenses, permits, and authorizations necessary for the lawful and proper conduct and operation of the services and activities authorized;

20.3.4 The filing by or against the Operator of any petitions in bankruptcy under any present or future bankruptcy laws (including but not limited to reorganization proceedings), and such petition is not dismissed within thirty (30) days from the filing thereof, or in the event Operator is adjudged bankrupt;

20.3.5 The assignment for the benefit of creditors is made by Operator;

20.3.6 An appointment, by any court, of a receiver or other court officer of Operator's property and such receivership is not dismissed within thirty (30) days from such appointment;

20.3.7 Operator's estate is taken by execution, attachment or process of law or subjected to any bankruptcy proceeding;

20.3.8 The abandonment or discontinuance by the Operator, without written consent of County, of any or all of the operations and services permitted or required herein;

20.3.9 The use by the Operator of the Facility, without written consent of County, for purposes other than the purposes permitted or required herein;

20.3.10 An execution or other legal process is levied upon the interest of Operator in this Agreement, and the same is not satisfied or dismissed within ten (10) days from such levy;
or

20.3.11 The indictment of Operator or any of its management employees for a criminal or fraudulent act committed at the Facility or while performing the services called for hereunder.

20.4 This Agreement may be terminated by the Operator if County fails to perform or comply with any material terms, covenants, agreements, or conditions hereof and such failure continues for more than forty-five (45) days after written notice from Operator to County, specifying how County has failed to perform or comply with its obligations hereunder; provided, however, that if the nature of County's obligations is such that more than forty-five (45) days are required for performance, then County shall not be in default if County commences performance within such forty-five (45) day period and thereafter diligently pursues the same to completion. Notwithstanding the foregoing, Operator shall not be permitted to exercise its rights of termination as provided for herein, if County's failure to perform or comply with any terms, covenants, agreements or conditions is due to the fault of the Operator, its agents, servants or employees.

20.5 In the event of any termination pursuant to the terms of this Agreement, Operator shall be paid for work performed to the date of such termination, plus any expenses payable hereunder incurred to date of termination, unless such termination is due to Operator's default.

20.6 Upon the effective date of a termination notice pursuant to the terms of this Agreement, the Operator shall (unless the notice directs otherwise); (i) promptly discontinue all services and (ii) deliver or otherwise make available to County all data, documents, procedures, reports, estimates, summaries, and other such information and materials as may have been accumulated by the Operator in performing its obligations, whether completed or in process, unless said information is considered proprietary for the Operator. The Operator shall advise County of the general nature of all information it considers proprietary and shall provide County with an explanation of why it reasonably considers the information to be proprietary. County has the right to challenge the Operator's designation of information as proprietary.

20.7 In the event of any termination pursuant to the terms of this Agreement, County may, in its discretion, assume the work and see that the same is completed by agreement with another party, including subcontractors of Operator, or otherwise, all without liability to Operator.

20.8 In the event of any termination pursuant to the terms of this Agreement, County shall have the right to assume any and all executory contracts entered into with a third party by Operator in the performance of Operator's duties under this Agreement at County's election (without the

assumption of Operator's liability that accrued prior to the date of County's assumption) in accordance with the terms and conditions of this Agreement, and County shall be entitled to receive the benefits of the same.

20.9 In the event of any termination pursuant to the terms of this Agreement, County shall not be liable for, and Operator hereby waives any claims for, lost prospective profits, economic losses, or other consequential damages.

20.10 No remedy set forth in this Agreement 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.

ARTICLE 21 **SURRENDER OF FACILITY**

21.1 Upon expiration or termination of this Agreement, Operator shall surrender and vacate the Facility upon the effective date of such termination. The Facility, and all furnishings, fixtures, and equipment located thereon, shall be returned to the County in good repair and condition, reasonable wear and tear excepted. Notwithstanding the foregoing, Operator, at its sole cost and expense, may remove from the Facility Operator's personal property, furnishings, removable fixtures and equipment that were purchased by Operator with funds other than funds provided to Operator by the County or those generated as Revenues of the Facility. Upon surrender of the Facility, title to any and all remaining improvements, alterations or property within the Facility shall vest in County.

ARTICLE 22 **ANNUAL BUDGETARY FUNDING**

22.1 County is obligated only to make such payments under this Agreement as may be lawfully made from funds budgeted and appropriated by the County for the purpose as set forth in this Agreement during the County's current fiscal year. In the event the County does not so budget and appropriate the funds, the parties shall be relieved from all obligations, without penalty, under this Agreement.

ARTICLE 23 **NON-COMPETE /CONFLICT OF INTEREST**

23.1 Non-Compete. While Operator is providing services under this Agreement, and for a period of one (1) year thereafter, the Operator shall not enter into an agreement for the management of a similar facility within a (sixty-five) 65 mile radius of the Facility without the prior written approval of County. Such approval may be withheld in the County's sole and absolute discretion.

23.2 Conflict of Interest. The Operator represents that it presently has no interest and shall acquire no interest, either direct or indirect, which would conflict in any manner with the performance or services required hereunder, as provided for in Chapter 112, Part III, Florida Statutes and the Palm Beach County Code of Ethics. The Operator further represents that no person having any conflict of interest shall be employed for said performance or services.

The Operator shall promptly notify the County, in writing, of all potential conflicts of interest for any prospective business association, interest or other circumstance which may influence, or appear to influence, the Operator's judgment or quality of services being provided hereunder. Such written notification shall identify the prospective business association, interest or circumstance, the nature of work that the Operator may undertake and request an opinion of the County as to whether the association, interest or circumstance would, in the opinion of the County, constitute a conflict of interest if entered into by the Operator. The County agrees to notify the Operator of its opinion within thirty (30) days of receipt of notification by the Operator. If, in the opinion of the County, the prospective business association, interest or circumstance would not constitute a conflict of interest by the Operator, the County shall so state in the notification and the Operator shall, at its option, enter into said association, interest or circumstance and it shall be deemed not in conflict of interest with respect to services provided to the County by the Operator under the terms of this Agreement.

23.3 Operator shall not materially alter the nature of the services that its company offers in a manner that might impact on the operation at the Facility without the prior written approval of the County. Such approval may be withheld in the County's sole and absolute discretion.

23.4 Operator agrees, in all instances when County is in convention solicitation competition with other areas where Operator has convention center operations, not to become corporately involved on behalf of another destination in attempts to influence the decision making process regarding selection of a convention site. Conversely, Operator shall use best efforts in supporting the County and/or Bureau in all attempts to obtain exhibition and convention bookings for the Facility.

23.5 In the event Operator enters into a management agreement for the operation of a facility other than a similar type facility within a sixty-five (65) mile radius of Palm Beach County, Operator agrees and represents to County that it shall perform such services in a manner so as to show no preference for any facility(ies) with regard to the management, booking and operation of said facility(ies). Further, Operator agrees that it shall incorporate this provision in its entirety, without modification, in any management agreement with said facility.

ARTICLE 24 **MISCELLANEOUS**

24.1 Notices. All notices, consents, approvals, 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 national overnight

delivery service (provided in each case a receipt is obtained), telecopied or faxed, 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 national overnight delivery service, or on the date of transmission with confirmed answer back if telecopier or fax if transmitted before 5PM on a business day and on the next business day if transmitted after 5PM or on a non-business day, 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 designate 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:

(a) If to the County at:

Palm Beach County
County Administrator
301 North Olive Avenue, 11th Floor
West Palm Beach, Florida 33401
Fax: (561) 233-0210

with a copy to:

Palm Beach County Attorney's Office
301 North Olive Avenue, Suite 601
West Palm Beach, Florida 33401
Fax: (561) 355-6461

(b) If to the Operator at:

Global Spectrum, L.P.
3601 South Broad Street
Philadelphia, Pennsylvania 19148
Attn: Chief Operating Officer
Fax: (215) 952-5424

with a copy to:

Comcast Spectacor, L.P.
3601 South Broad Street
Philadelphia, Pennsylvania 19148
Attn: General Counsel
Fax: (215) 389-9461

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

24.2 Independent Contractor. The Operator is, and shall be, in the performance of all work, services, and activities under this Agreement, an Independent Contractor and not an employee, agent, or servant of the 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 the Operator's sole direction, supervision, and control, and shall be paid directly by Operator. The Operator shall exercise control over the means and manner in which it and its employees perform the work, and in all respects the Operator's relationship, and the relationship of its employees, to the County shall be that of an Independent Contractor and not as employees or agents of the County.

The Operator does not have the power or authority to bind the County in any promise, agreement, or representation other than specifically provided for in this Agreement.

24.3 Public Entity Crimes. As provided in Section 287.131-133, Florida Statutes, by entering into this Agreement or performing any work in furtherance hereof, Operator certifies that it, its affiliates, suppliers, subcontractors and consultants who will perform hereunder, have not been placed on the convicted vendor list maintained by the State of Florida Department of Management Services within the thirty-six (36) months immediately preceding the effective date hereof. This notice is required by Section 287.133(3)(a), Florida Statutes. Operator also certifies that it, its affiliates, suppliers, subcontractors and consultants who will perform hereunder have not been suspended from doing business with Palm Beach County.

24.4 Palm Beach County Office of the Inspector General Audit Requirements. Pursuant to Palm Beach County Code, Sections 2-421 through 2-440, as amended, Palm Beach County's Office of Inspector General is authorized to have the power to review past, present and proposed County contracts, transactions, accounts and records. The Inspector General's authority includes, but is not limited to, the power to audit, investigate, monitor, and inspect the activities of entities contracting with the County, or anyone acting on their behalf, in order to ensure compliance with contract requirements and to detect corruption and fraud. Failure to cooperate with the Inspector General or interfering with or impeding any investigation shall be a violation of Palm Beach County Code, Section 2-421 through 2-440, and punished pursuant to Section 125.69, Florida Statutes, in the same manner as a second degree misdemeanor.

24.5 Palm Beach County Code of Ethics. The Palm Beach County Board of County Commissioners appointees to the Bureau shall comply with the provisions of the Palm Beach County Code of Ethics, Sections 2-411 through 2-448 (as amended from time to time) of the County Code.

Pursuant to the PBC Code of Ethics, a ticket, pass or admission in connection with public events, appearances or ceremonies related to official county or municipal business, if furnished by a nonprofit sponsor organization of such public event, or if furnished pursuant to a contract between the event sponsor and the county or municipality as applicable provided the sponsor organization does not employ a lobbyist, and further provided the ticket, pass or admission is given by a representative of the sponsor organization who is not otherwise a vendor, lobbyist, principal or employer of a lobbyist. Notwithstanding the exception as provided in this

subsection, the ticket, pass or admission must be disclosed in accordance with the gift law reporting requirements of subsections 2-444(f)(1) and (f)(2).

Expenditures made in connection with an event sponsored by a nonprofit organization funded in whole or in part with public funds whose primary function is to encourage and attract tourism or other business opportunities for the benefit of Palm Beach County or the municipalities as applicable, provided the sponsor organization does not employ a lobbyist, and further provided that the invitation to the event is made by a representative of the sponsor organization and the representative is not otherwise a vendor, lobbyist, principal or employer of a lobbyist. Notwithstanding the exception as provided in this subsection, the expenditure must be disclosed in accordance with the gift law reporting requirements of subsections 2-444(f)(1) and (f)(2).

24.6 Waivers And Modifications. No failure or delay by a Party to insist on the strict performance of any term of this Agreement, or to exercise any right or remedy consequent on a breach thereof, shall constitute a waiver of any breach or any subsequent breach of such term. Neither this Agreement nor any of its terms may be changed or modified, waived, or terminated (unless as otherwise provided hereunder) except by an instrument in writing signed by the Party against whom the enforcement of the change, waiver, or termination is sought. No waiver of any breach shall affect or alter this Agreement, but each and every term of this Agreement shall continue in full force and effect with respect to any other then existing or subsequent breach thereof.

24.7 Successors and Assigns. This Agreement and the rights and obligations set forth herein shall be binding, and inure to the benefit of, the parties hereto and each of their respective successors and permitted assigns.

24.8 No Third Party Beneficiary. This Agreement shall not be construed as giving any person, other than the parties hereto and their successors and permitted assigns, any legal or equitable right, remedy or claim under or in respect to this Agreement or any of the provisions herein contained. This Agreement and all provisions and conditions hereof being intended to be, and being, for the sole and exclusive benefit of such parties and their successors and permitted assigns and for the benefit of no other person or entity.

24.9 Amendments To Agreement. No alteration or variation of terms shall be valid unless made in writing and signed by both parties, and no oral understanding or agreement not incorporated therein shall be binding on any of the parties.

24.10 WAIVER OF JURY TRIAL. THE PARTIES HERETO EACH HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EACH MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH, THIS AGREEMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF EITHER PARTY TO THIS AGREEMENT. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE COUNTY AND THE OPERATOR TO ENTER INTO THIS AGREEMENT.

24.11 Applicable Law. This Agreement is entered into under and pursuant to, and is to be construed and enforceable in accordance with, the laws of the State of Florida. Venue shall be located in Palm Beach County, Florida.

24.12 Survival. Notwithstanding anything herein that is or may be construed to the contrary, any provision of this Agreement that is of a continuing nature, or which by its language or nature imposes an obligation or right that extends beyond the Term of this Agreement shall survive the expiration or early termination of this Agreement.

24.13 Time of Essence. Time is of the essence with respect to the performance of every provision of this Agreement in which time of performance is a factor.

24.14 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 article, paragraph, sentence, clause, or provision hereof is held by a court of competent jurisdiction to be invalid, such shall not affect the remaining portions of this Agreement and the same shall remain in full force and effect.

24.15 Severability. If any term of this Agreement or the application thereof to any person or circumstances shall be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement, or the application of such term to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

24.16 Entire Agreement. This Agreement and any Exhibits attached hereto constitute all agreements, conditions, and understandings between County and Operator concerning the Facility. All representations, either oral or written, shall be deemed to be merged into this Agreement. Except as herein otherwise provided, no subsequent alteration, waiver, change, or addition to this Agreement shall be binding upon County or Operator unless reduced to writing and signed by them.

24.17 Recording. Operator shall not record this Agreement, or any memorandum or short form thereof, in the public records of Palm Beach County.

24.18 Incorporation by Reference. The Recitals and all Exhibits attached hereto and referenced herein shall be deemed to be incorporated into this Agreement by reference.

24.19 Effective Date of Agreement. This Agreement is expressly contingent upon the approval of the Palm Beach County Board of County Commissioners, and shall become effective only when signed by all parties and approved by the Palm Beach County Board of County Commissioners (the "Effective Date").

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

ATTEST:

SHARON R. BOCK
CLERK & COMPTROLLER

PALM BEACH COUNTY, a political
subdivision of the State of Florida

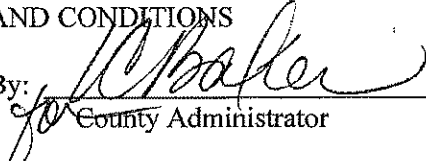
By: _____
Deputy Clerk

By: _____
Shelley Vana, Chair

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

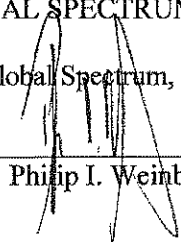
APPROVED AS TO TERMS
AND CONDITIONS

By: _____
Assistant County Attorney

By:  _____
County Administrator

GLOBAL SPECTRUM, L.P.

By: Global Spectrum, Inc., its general partner

By:  _____
Philip I. Weinberg, President

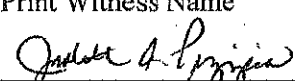


Witness Signature

(SEAL)

Brian P. Rothenberg

Print Witness Name



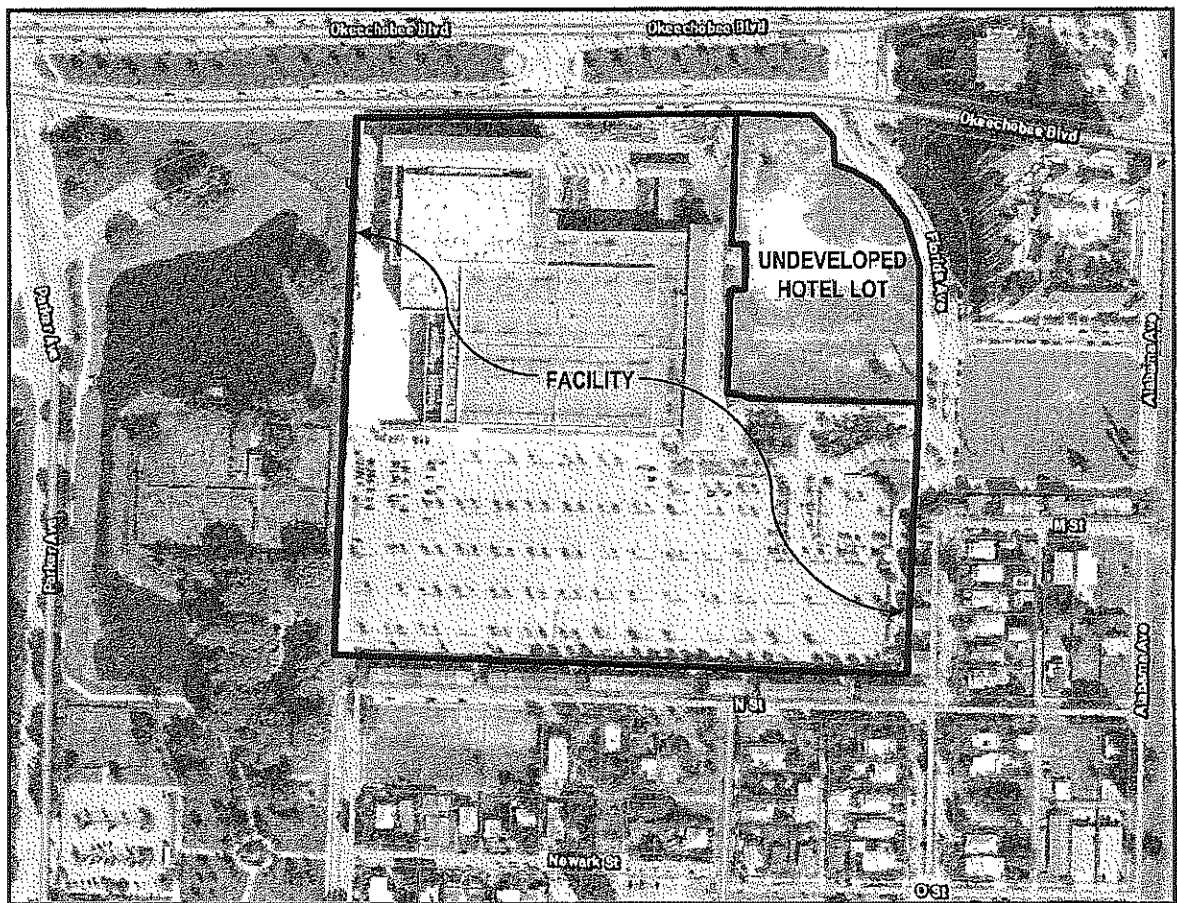
Witness Signature

JUDITH A. PIZZICA

Print Witness Name

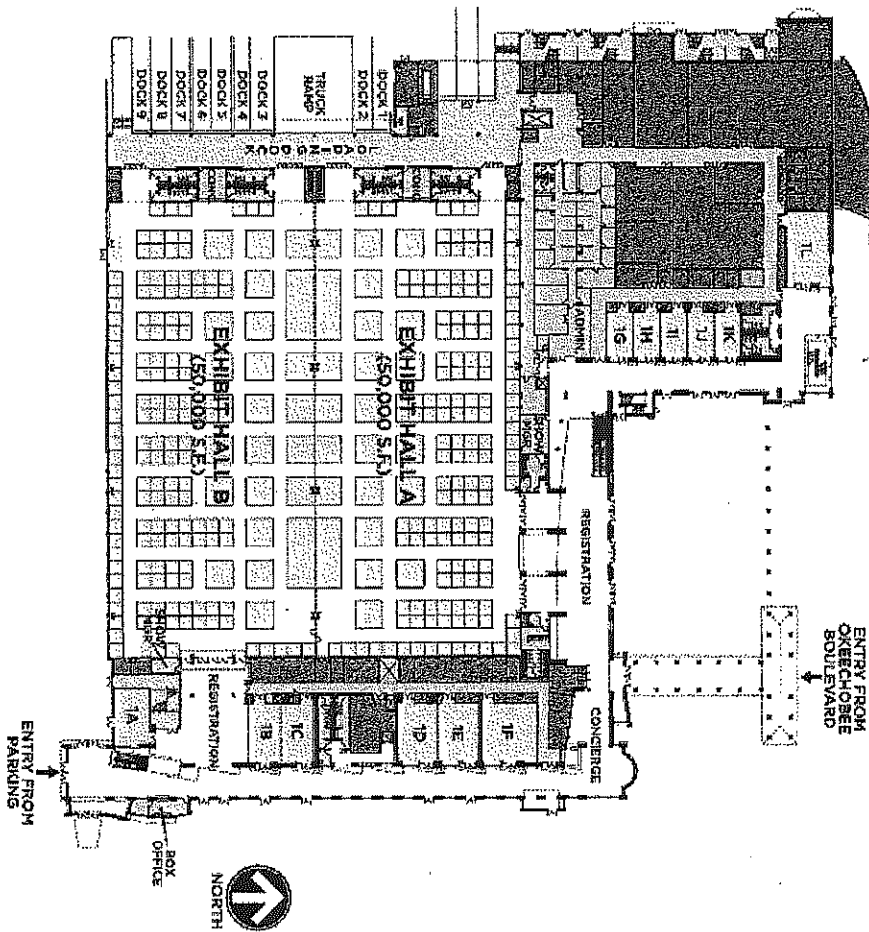
CONVENTION CENTER OPERATING AGREEMENT
EXHIBIT "A"

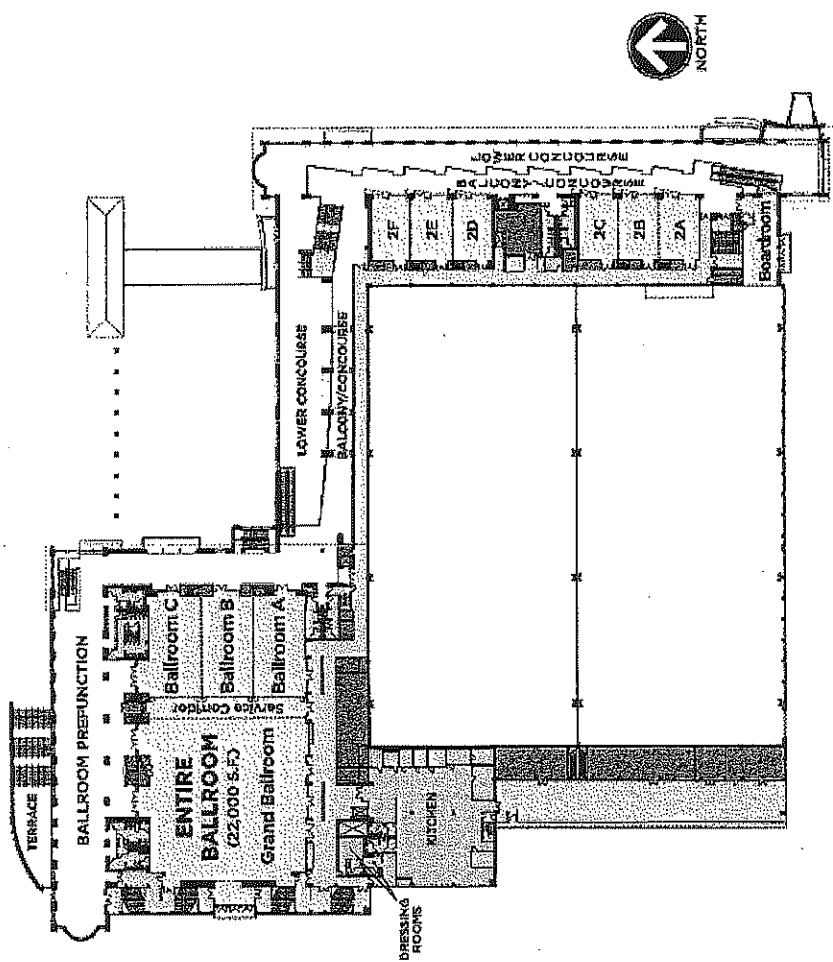
DEPICTION OF THE FACILITY



CONVENTION CENTER OPERATING AGREEMENT
EXHIBIT "A-1"

DIAGRAM OF FACILITY





LEVEL 1 (GROUND FLOOR)

Room No.	Area (sq. m)	Perimeter (m)	Volume (cu. m)	Volume (cu. ft)
101	42.30	28.7	128.0	4538
102	43.80	29.2	133.0	4728
103	43.80	29.2	133.0	4728
104	43.80	29.2	133.0	4728
105	43.80	29.2	133.0	4728

Room No.	Area (sq. m)	Perimeter (m)	Volume (cu. m)	Volume (cu. ft)
106	43.80	29.2	133.0	4728
107	43.80	29.2	133.0	4728
108	43.80	29.2	133.0	4728
109	43.80	29.2	133.0	4728
110	43.80	29.2	133.0	4728
111	43.80	29.2	133.0	4728
112	43.80	29.2	133.0	4728
113	43.80	29.2	133.0	4728
114	43.80	29.2	133.0	4728
115	43.80	29.2	133.0	4728
116	43.80	29.2	133.0	4728
117	43.80	29.2	133.0	4728
118	43.80	29.2	133.0	4728
119	43.80	29.2	133.0	4728
120	43.80	29.2	133.0	4728

LEVEL 2

Room No.	Area (sq. m)	Perimeter (m)	Volume (cu. m)	Volume (cu. ft)
201	12.31	20.0	40.6	1441
202	12.31	20.0	40.6	1441
203	12.31	20.0	40.6	1441
204	12.31	20.0	40.6	1441
205	12.31	20.0	40.6	1441
206	12.31	20.0	40.6	1441
207	12.31	20.0	40.6	1441
208	12.31	20.0	40.6	1441
209	12.31	20.0	40.6	1441
210	12.31	20.0	40.6	1441
211	12.31	20.0	40.6	1441
212	12.31	20.0	40.6	1441
213	12.31	20.0	40.6	1441
214	12.31	20.0	40.6	1441
215	12.31	20.0	40.6	1441
216	12.31	20.0	40.6	1441
217	12.31	20.0	40.6	1441
218	12.31	20.0	40.6	1441
219	12.31	20.0	40.6	1441
220	12.31	20.0	40.6	1441

Room No.	Area (sq. m)	Perimeter (m)	Volume (cu. m)	Volume (cu. ft)
221	12.31	20.0	40.6	1441
222	12.31	20.0	40.6	1441
223	12.31	20.0	40.6	1441
224	12.31	20.0	40.6	1441
225	12.31	20.0	40.6	1441
226	12.31	20.0	40.6	1441
227	12.31	20.0	40.6	1441
228	12.31	20.0	40.6	1441
229	12.31	20.0	40.6	1441
230	12.31	20.0	40.6	1441
231	12.31	20.0	40.6	1441
232	12.31	20.0	40.6	1441
233	12.31	20.0	40.6	1441
234	12.31	20.0	40.6	1441
235	12.31	20.0	40.6	1441
236	12.31	20.0	40.6	1441
237	12.31	20.0	40.6	1441
238	12.31	20.0	40.6	1441
239	12.31	20.0	40.6	1441
240	12.31	20.0	40.6	1441

**CONVENTION CENTER OPERATING AGREEMENT
EXHIBIT "B"**

**SMALL BUSINESS ENTERPRISE PROGRAM ORDINANCE AND LOCAL
PREFERENCE IN PURCHASING ORDINANCE AS CODIFIED IN THE
PALM BEACH COUNTY CODE**

SMALL BUSINESS ENTERPRISE PROGRAM- Sections 2-80.21-25, 2-80.27, 2-80.29

Sec. 2-80.21 - Definitions.

Acting as a conduit means, in part, not acting as a regular dealer by making sales of material, goods or supplies from items bought, kept in stock and regularly sold to the public, as opposed to only government agencies, in the usual course of business. Brokers, manufacturer's representatives, sales representatives and non-stocking distributors are considered as conduits that do not perform a commercially useful business function.

Affiliation means that the entity applying for SBE certification controls, has the power to control, or is controlled by another entity or entities, or an identity of interest exists between the entity applying for SBE certification and another entity or entities. In determining whether an affiliation exists, it is necessary to consider factors including, but not limited to, common ownership, common management, common use of facilities, equipment, and employees, contractual obligations and family interest in the business. Affiliated entities must be considered together in terms of gross receipts in determining whether a business entity meets SBE eligibility criteria.

Board means the board of county commissioners of Palm Beach County, Florida.

Business category means construction; professional services procured pursuant to the Competitive Consultant Negotiations Act (CCNA); other professional services, and commodities. For purposes of SBE eligibility criteria, a business entity shall be considered for eligibility in the business category in which it performs the largest portion of its work.

Certification means the process by which the office of small business assistance determines a business meets the criteria for a small, minority or woman business enterprise.

Certified small business enterprise (SBE) means a business which has been certified by the office of small business assistance (SBA).

Code means the Palm Beach County Code.

Commercially useful business function means adding value to the goods and services supplied under a contract.

Committee means the small business advisory committee.

County means Palm Beach County.

Days means business days, unless specified otherwise.

Domiciled in the county means the business holds a valid Palm Beach County business tax receipt and has a permanent place of business in the county. In order to establish a permanent place of business in the county, the business must:

- (1) Demonstrate business activity during the preceding twelve (12) months at the county location, and sufficient full-time employees in the county to perform the contracted work;
- (2) The county business tax receipt bears the county address, and the county location is in an area zoned for the conduct of such business;
- (3) The county location must be verifiable through documentation such as lease agreement, utility bills, client invoices, payroll records or other appropriate documentation; and
- (4) The county location must be identifiable through signage, telephone book listing, or other appropriate means. On-site visits may be conducted prior to and during the certification term to determine continued adherence to the domicile requirements and other requirements of the code. Additional backup documentation may be requested on a case-by-case basis. A county telephone number or post office box in the county shall not be sufficient to establish domicile in Palm Beach County.

Front shall mean a business which purports to be a small business but which is actually owned and/or controlled in a manner which does not comply with the county's requirements of certification.

Goals means annual small business goals expressed as percentages of total dollar volume for participation of small businesses in the county's procurement of goods, services and construction.

Gross receipts means the total annual sales for the applicant as stated on its federal income tax return, or for a new business that has not yet filed a federal income tax return, on its audited financial statements before deductions for returned items, allowances and discounts.

Home business means a small business that operates from the business owner's home. Home businesses usually have a very small number of employees that are often members of the business owner's family. A home business is not affiliated with, nor a subsidiary of another company located outside of the home. Home businesses meeting this definition are eligible for certification as a small business, provided they meet all other certification criteria. Home offices

of an employee working for a company located in another county do not establish domicile in Palm Beach County.

Joint venture means an association of two (2) or more persons or businesses registered with the State of Florida to carry out a single business enterprise for profit for which purpose they combine their property, capital, efforts, skills and knowledge.

Minority person means an individual who is a citizen or lawful permanent resident of the United States who is:

- (1) A "black American," a person having origins in any of the black racial groups of Africa.
- (2) A "Hispanic American," a person of Spanish or Portuguese culture with origins in Mexico, Central or South America, or the Caribbean, regardless of race.
- (3) An "Asian American," a person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands.
- (4) A "Native American," a person who is a member of, or is eligible to be a member of, a federally recognized Indian tribe. A "federally recognized Indian tribe" means an Indian tribe, band, nation, rancheria, pueblo, colony or other organized group or community, including any Alaska native village, which was recognized by the secretary of the interior on October 1, 1985, as having special rights and is recognized as eligible for the services provided by the United States to Indians because of their status as Indians, and any tribe that has a pending application for federal recognition on October 1, 1985, as having special rights and is recognized as eligible for the services provided by the United States to Indians because of their status as Indians, and any tribe that has a pending application for federal recognition on October 1, 1985.

M/WBE means a minority-owned business enterprise or a women-owned business enterprise or a combination minority and women-owned business enterprise. A M/WBE is any small business concern which is organized to engage in commercial transactions, which is domiciled in Palm Beach County, and which is at least fifty-one (51) percent owned by minority persons and/or women who are members of an insular group that is of a particular racial, ethnic or national origin makeup or gender, which has been subjected historically to disparate treatment due to identification in and with that group resulting in an under-representation of commercial enterprises under the group's control, and whose management and daily operations are controlled by such persons.

Manufacturer means a firm or business entity that produces an item from raw materials or who substantially alters the form of a product in order to make it suitable for a particular use.

Owned, for the purpose of determining whether a business is a minority or women business enterprise, shall mean that the minorities or women, as the context requires, shall possess an ownership interest of at least fifty-one (51) percent.

Prime contractor means any person who has a contract with the county to provide specific construction services, sales, supplies, materials, professional services, labor and/or equipment.

Professional services means any narrow discipline wherein a known practitioner has through education and experience developed expert advisory and programming skills as a vocation; any service performed primarily by vocational personnel which requires the analysis or certification of a professional before the services are acceptable to the user of the service; or any other advisory study, or programming activity where the director of purchasing determines that the level of skills and/or creativity of the potential or known practitioner(s) warrants a competitive proposal or submittal process.

Project goal means SBE goals expressed as percentages of total dollar volume for participation of small businesses, on individual county contracts.

SBE means small business enterprise certified by Palm Beach County.

Sheltered market program means a program under which certain contracting opportunities are made available only to certified SBEs.

Small business means a business domiciled in Palm Beach County and certified by the county which is an independently owned and operated for profit business concern organized to engage in commercial transactions and whose adjusted gross margin does not exceed the following:

- (1) For a provider of construction the annual gross receipts may not exceed nine million dollars (\$9,000,000.00) (averaged over the previous three (3) years, or if in business, less than three (3) years, averaged during duration of business).
- (2) For a supplier of commodities the annual gross receipts may not exceed five million dollars (\$5,000,000.00) (averaged over the previous three (3) years, or if in business, less than three (3) years, averaged during duration of business).
- (3) For a supplier of professional services procured pursuant to the CCNA statute the annual gross receipts may not exceed five million dollars (\$5,000,000.00)(averaged over the previous three (3) years or if in business less than three (3) years, averaged during duration of business).
- (4) For a supplier of other professional services, the annual gross receipts may not exceed four million dollars (\$4,000,000.00) (averaged over the previous three (3) years, or if in business less than three (3) years, averaged during the duration of the business.)

A small business must be owned and controlled by an individual who is a citizen or a lawful permanent resident of the United States.

Small and minority/women business directory means a compilation of certified small businesses and M/WBEs which is maintained electronically by the office of small business assistance and made available to contractor(s) or vendor(s) for use in identifying subcontractors, material suppliers, etc.

Subsidiary means a company whose controlling interest is owned by another company. A subsidiary cannot be considered an independent business.

All terms not specifically defined herein, but defined in the county's purchasing ordinance, chapter 2, article III, division 2, part A of the County Code, as may be amended, shall carry the definition therein described.

(Ord. No. 02-064, § 1, 9-10-02; Ord. No. 04-071, § 1, 12-21-04; Ord. No. 05-048, §§ 1, 2, 11-15-05; Ord. No. 08-014, § I, 5-20-08; Ord. No. 2009-024, § I, 8-18-09)

Sec. 2-80.22 - Scope.

This part shall apply to the solicitation of all goods, services and construction by the county which are governed by the county purchasing ordinance (sections 2-51—2-57 of the County Code, as may be amended). Whenever possible, the county shall utilize a solicitation process which encourages SBE participation even on those items which are exempted from the requirements of the purchasing ordinance.

(Ord. No. 02-064, § 2, 9-10-02)

Sec. 2-80.23 - Goals.

- (a) Annual goals: The annual SBE goal for county procurement of construction, professional services and commodities shall be a minimum of fifteen (15) percent. The annual goal shall be applied to each individual county procurement of goods, services or construction unless otherwise approved by the county administrator.
- (b) Evaluation of goal attainment: The goal shall be applied to the full monetary value of the contract and be reflected in the full monetary portion spent on subcontracts for supplies, consulting or construction services to be awarded to those SBEs meeting contract specifications.

In case of a certified SBE submitting a bid as a prime contractor, the SBE will be credited with meeting the percentage of the goal that the SBE will be performing with its own forces plus the percentage of subcontracts awarded to certified SBEs.

A joint venture consisting of a small business and non-small business functioning together as a prime contractor will be credited with small business participation on the basis of the percentage of participation in the work, risk and profit by the small business.

Bidders will receive credit for goal attainment only for subcontractors who are certified and licensed, if required, in the specific area of expertise for which credit is sought at the time of bid opening.

Bidders utilizing SBE suppliers will receive credit for goal attainment at sixty (60) percent of the contract for supplies.

- (c) In the event annual goals are not achieved, the county may implement programs, including, but not limited to a sheltered market program for contracts under two hundred fifty thousand dollars (\$250,000.00), to achieve goal attainment. Any programs, other than sheltered markets, must be approved by the board prior to implementation.

(Ord. No. 02-064, § 3, 9-10-02; Ord. No. 08-014, § II, 5-20-08)

Sec. 2-80.24 - Contract compliance requirements.

The office of small business assistance will establish procedures for monitoring and evaluating program performance and compliance, subject to the county administrator's approval. In addition to the remedies of suspension or debarment as provided in section 2-80.26 of the Code, any contractor or firm that falsely represents to the county, pursuant to a county contract, that it is an SBE, or that it will utilize the services or commodities of an SBE and subsequently does not do so without the prior written approval of the county, may be in breach of contract. Upon determination that a breach of contract has occurred, the county shall have all available remedies for breach of contract. In addition, all amounts paid to the contractor or firm under the contract intended for expenditure with SBEs will be forfeited and recoverable by the county. The county, at its sole discretion, may waive the breach and available remedies; however any such waiver shall not constitute a waiver of rights for breach of any provision of the contract.

(Ord. No. 02-064, § 4, 9-10-02; Ord. No. 08-014, § III, 5-20-08)

Sec. 2-80.25 - Ranking of responsive bidders.

When evaluating competitive bids/quotes of up to one million dollars (\$1,000,000.00) in which the apparent low bidder is determined to be nonresponsive to SBE requirements, the contract shall be awarded to the low bidder responsive to SBE requirements, or in the event there are no bidders responsive to the SBE requirements, to the bidder with the greatest SBE participation in excess of seven (7) percent participation, as long as the bid does not exceed the low bid amount by ten (10) percent.

In cases where the low bid exceeds one million dollars (\$1,000,000.00), the contract shall be awarded to the low bidder responsive to the SBE requirements, or in the event there are no bidders responsive to the SBE requirements, to the bidder with the greatest SBE participation in excess of seven (7) percent participation, provided that such bid does not exceed the low bid otherwise responsive to the bid requirements by more than one hundred thousand dollars

(\$100,000.00) plus three (3) percent of the total bid in excess of one million dollars (\$1,000,000.00).

This section applies only when price is the determining factor.

(Ord. No. 02-064, § 5, 9-10-02; Ord. No. 08-014, § IV, 5-20-08)

Sec. 2-80.27 - Prompt payment.

Pursuant to the provisions of F.S. § 218.735(6), as may be amended, when a prime contractor receives payment from the county for labor, services or materials furnished by subcontractors or suppliers hired by the prime contractor, the prime contractor shall remit payment due to those subcontractors and suppliers within ten (10) days after the prime contractor's receipt of payment. When a subcontractor receives payment from a prime contractor for labor, services or materials furnished by sub-subcontractors and suppliers hired by the subcontractor, the subcontractor shall remit payment due to those sub-subcontractors and suppliers within seven (7) days after the subcontractor's receipt of payment from the prime contractor.

Every contract let by the county for the performance of work shall contain a provision requiring the prime contractor to certify in writing that all subcontractors, subconsultants and suppliers have been paid for work and materials from previous progress payments received, less any retainage, by the prime contractor prior to receipt of any further progress payments. During the contract and upon completion of the contract, the County may request documentation to certify payment to subcontractors, subconsultants or suppliers. Nothing herein shall prohibit a prime contractor or subcontractor from disputing, pursuant to the terms of a relevant contract, all or any portion of a payment alleged to be due to another party. In the event of such dispute, the prime contractor or subcontractor may withhold the disputed portion of any such payment if the prime contractor or subcontractor notifies the party whose payment is disputed, in writing, of the amount in dispute and the actions required to cure the dispute. The prime contractor or subcontractor must pay all undisputed amounts due within the time limits imposed by this section. All payments not made within the time periods herein specified shall bear interest at the rate of one (1) percent per month, or the rate specified by the contract, whichever is greater.

This provision in no way creates any contractual relationship between any subcontractor, subconsultant or supplier and the county or any liability on the county for the prime contractor's failure to make timely payment to the subcontractor, subconsultant or supplier.

(Ord. No. 02-064, § 7, 9-10-02; Ord. No. 08-014, § VI, 5-20-08)

Sec. 2-80.29 - Professional services.

The county will provide contracting opportunities for SBEs and M/WBEs in the area of professional services pursuant to F.S. § 287.055, as amended, known as the "Consultant's

Competitive Negotiation Act". The county will impose small business requirements on the solicitation of all other professional services not covered by the Consultant's Competitive Negotiation Act.

A summary of small business program procedures will be included in each solicitation. A point system will be utilized to determine the recipient of the contract award.

Businesses submitting proposals to provide professional services to the county will be eligible to receive points, not to exceed ten (10) percent of the total number of possible points awarded, for SBE participation. The distribution of points shall be stated in the request for proposal or otherwise made available to proposers or potential proposers upon request. Maximum points shall be awarded when the proposer is a certified SBE.

The provisions within this section pertaining to professional services are not intended to be used to the exclusion of other provisions of this part in the procurement of professional services.

(Ord. No. 02-064, § 9, 9-10-02)

LOCAL PREFERENCE IN PURCHASING-Sections 2-80.41-44, 2-80.46, 2-80.47

Sec. 2-80.41 - Title.

The provisions of this part shall be known and cited as the county local preference in purchasing ordinance.

(Ord. No. 02-065, § 1, 9-10-02)

Sec. 2-80.42 - Definitions.

- (a) "Glades" means the area from the Broward County line north along Canal L-36 to the Loxahatchee National Wildlife Refuge, thence north to Southern Boulevard along Canal L-40, thence west along Southern Boulevard to a north-south line 1½ miles west of Canal L-8, which coincides with a private agricultural road heading north from Southern Boulevard at that point where State Road 880 intersects Southern Boulevard from the South, thence north along the line of this north-south road to the boundary of the J.W. Corbett Wildlife Management Area, thence east and north along the boundary of the J.W. Corbett Wildlife Management Area to the Martin County line.
- (b) "Glades business" means a bidder or proposer which has a permanent place of business within the Glades and which holds a business tax receipt issued by the county that authorizes the bidder or proposer to provide the goods, services, or construction to be built and which is issued prior to the issuance of the invitation for bids/request for proposals for which a preference is sought. If the business is a

joint venture/partnership, it is sufficient for qualification as a Glades business if at least one (1) of the joint venturers/partners meets the requirements set forth in this subsection.

- (c) "Glades subcontractor" means a subcontractor participating in a bid or proposal for goods, services or construction which has a permanent place of business within the Glades and which holds a business tax receipt issued by the county that authorizes the Glades subcontractor to provide goods, services or construction services and which is issued prior to the issuance of the invitation for bids/request for proposals for which a preference is sought. If the subcontractor is a joint venture/partnership, it is sufficient for qualification as a Glades subcontractor if at least one (1) of the joint venturers/partners meets the requirements set forth in this subsection.
- (d) "Local business" means a bidder or proposer which has a permanent place of business within the county and which holds a business tax receipt issued by the county that authorizes the bidder or proposer to provide the goods, services, or construction to be purchased and which is issued prior to the issuance of the invitation for bids/request for proposals for which a preference is sought. If the business is a joint venture/partnership, it is sufficient for qualification as a local business if at least one (1) of the joint ventures/partners meets the test set forth in this subsection.
- (e) "Non-local business" means a bidder or proposer which is not a local business.
- (f) "Permanent place of business" means headquarters which are located within the county or within the Glades for Glades businesses, or a permanent office or other site located within Palm Beach County or within the Glades for Glades businesses, from which a bidder or proposer will produce a substantial portion of the goods or perform a substantial portion of the services to be purchased and which was in existence prior to the issuance of the invitation for bids/request for proposals. A post office box or location at a postal service center shall not constitute a permanent place of business.

All other terms and definitions used herein shall have the same meaning as set forth in the purchasing ordinance, as it may be amended.

(Ord. No. 02-065, § 2, 9-10-02; Ord. No. 2009-025, §§ 2—4, 8-18-09; Ord. No. 2010-011, § 2, 4-20-10)

Sec. 2-80.43 - Reserved.

Sec. 2-80.44 - Preference for local businesses.

In the event the lowest responsive, responsible bidder or the highest ranked responsive, responsible proposer in the procurement of goods, services or the construction of public works projects is a non-local business, the bids or proposals of all responsive, responsible local businesses may be adjusted by five (5) percent, solely for the purpose of determining bid award. The bid price of local businesses will be adjusted downward by five (5) percent for purposes of

ranking bidders. The proposal score of local businesses will be adjusted upward by five (5) percent of the total possible points for purposes of ranking proposers. In no event, however, shall the application of this adjustment change the actual bid amount.

The determination as to whether a bidder or proposer is a local business shall be made by county staff based upon documentation submitted by the bidder or proposer at the time of bid or proposal submission and pursuant to this division and to any rules and regulations promulgated by the purchasing department. County staff may require a bidder or proposer to provide additional information at any time prior to the award of the contract.

(Ord. No. 02-065, § 4, 9-10-02; Ord. No. 2009-025, § 4, 8-18-09; Ord. No. 2010-011, § 4, 4-20-10)

Sec. 2-80.44.1 - Preference for Glades businesses.

For any good or service to be utilized in the Glades and for any construction project located in the Glades, the preference described in this section shall apply and take precedence over the local preference in section 2-80.44. The bids or proposals of all responsive, responsible Glades businesses may be adjusted by five (5) percent, solely for the purpose of determining bid award. The bid price of all responsive, responsible Glades businesses will be adjusted downward by five (5) percent for purposes of ranking bidders. The proposal score of all responsive, responsible Glades businesses will be adjusted upward by five (5) percent of the total possible points for purposes of ranking proposers. In no event, however, shall the application of this adjustment change the actual bid amount. A local business which is not a Glades business, but which utilizes Glades subcontractors may be eligible for the preference set forth in section 2-80.44.2.

The determination as to whether a bidder or proposer is a Glades business shall be made by county staff based upon documentation submitted by the bidder or proposer at the time of bid or proposal submission and pursuant to this division and to any rules and regulations promulgated by the purchasing department. County staff may require a bidder or proposer to provide additional information at any time prior to the award of the contract.

(Ord. No. 2009-025, § 5, 8-18-09; Ord. No. 2010-011, § 5, 4-20-10)

Sec. 2-80.44.2 - Preference for use of Glades subcontractors by local businesses.

For any construction project located in the Glades, the preference described in this section shall apply and take precedence over the local preference in section 2-80.44. A bidder or proposer in the procurement of construction of public works projects who is a local business but not a Glades business and who utilizes Glades subcontractors for a minimum of fifteen (15) percent of the work may receive a local preference of three (3) percent, solely for the purpose of determining bid award. The bid price of local businesses utilizing Glades subcontractors for a minimum of fifteen (15) percent of the work will be adjusted downward by three (3) percent for purposes of ranking bidders. The proposal score of local businesses utilizing Glades

subcontractors for a minimum of fifteen (15) percent of the work will be adjusted upward by three (3) percent of the total possible points for purposes of ranking proposers. In no event, however, shall the application of this adjustment change the actual bid amount.

A bidder or proposer in the procurement of construction of public works projects who is a local business and who utilizes Glades subcontractors for a minimum of thirty (30) percent of the work may receive a local preference of four (4) percent, solely for the purpose of determining bid award. The bid price of local businesses utilizing Glades subcontractors for a minimum of thirty (30) percent of the work will be adjusted downward by four (4) percent for purposes of ranking bidders. The proposal score of local businesses utilizing Glades subcontractors for a minimum of thirty (30) percent of the work will be adjusted upward by four (4) percent of the total possible points for purposes of ranking proposers. In no event, however, shall the application of this adjustment change the actual bid amount.

For the purposes of determining Glades subcontractor participation under this section, the total of Glades subcontractor participation described below will apply:

- (1) The local business may count towards its preference only that portion of the total dollar value of a contract performed by a Glades subcontractor;
- (2) The local business may count towards its preference the entire expenditures for materials and equipment purchased by a Glades subcontractor provided that the Glades subcontractor has the responsibility for the installation of the purchased materials and equipment;
- (3) The local business may count towards its preference the entire expenditure to a Glades subcontractor who is a manufacturer (i.e., a supplier that produces goods from raw materials or substantially alters the goods before resale);
- (4) The local business may count towards its preference sixty (60) percent of its expenditures to Glades subcontractors that supply the material but do not manufacture or substantially alter the material; and
- (5) The local business may count towards its preference second and third tiered Glades subcontractors, provided that the local business identifies the Glades subcontractors as second and third tier subcontractors in its bid/proposal.

The determination as to whether a subcontractor is a Glades subcontractor shall be made by county staff based upon documentation submitted by the local bidder or proposer at the time of bid or proposal submission and pursuant to this division and any rules and regulations promulgated by the purchasing department. County staff may require a bidder or proposer to provide additional information at any time prior to the award of the contract with regard to the subcontractor's place of business when a preference is being applied.

(Ord. No. 2009-025, § 6, 8-18-09; Ord. No. 2010-011, § 6, 4-20-10)

Sec. 2-80.46 - Waiver.

The application of this part to any particular purchase may be waived by the board of county commissioners where such waiver would be in the best interests of the county.

(Ord. No. 02-065, § 6, 9-10-02)

Sec. 2-80.47. - Limitations.

- (a) The provisions of this division shall apply only to procurements which are above the formal bid threshold as set forth in the Palm Beach County Code.
- (b) The provisions of this division shall not apply where prohibited by federal, state or Florida law or where prohibited under the conditions of any grant.
- (c) The provisions of this division shall not apply to any purchase exempted from the provisions of the county purchasing code.
- (d) The provisions of this division shall in no way limit the right of the board of county commissioners to compare the quality of the goods and/or services proposed for purchase and the qualifications, character, responsibility and fitness of any person or entity submitting bids or proposals or to make an award it deems to be in the best interest of the county.
- (e) In procurements where price is the only factor for selection, the provisions of this division shall not be applied where its application would result in an award which exceeds the otherwise lowest responsive, responsible bid by one hundred thousand dollars (\$100,000.00).
- (f) The provisions of this division shall not apply to contracts made under the Consultant's Competitive Negotiation Act (CCNA), F.S. § 287.055, as may be amended from time to time.
- (g) A local business or a Glades business or a local business utilizing Glades subcontractors receiving a preference under the county small business enterprise ordinance for a particular purchase shall not be eligible to receive the preferences established in this division for that same purchase. In case of any inconsistency between the provisions of this division and the small business enterprise ordinance, the small business enterprise ordinance shall take precedence.
- (h) Decisions concerning the application of this division shall be made by the department of purchasing pursuant to this division and any rules and regulations promulgated by the county administrator or his/her designee and shall be final as to the county provided such decision may be protested pursuant to the protest process set forth in the purchasing code.
- (i) The provisions of this division shall not be applied to any procurement where the local nature of a business has been addressed through the scoring criteria.
- (j) The provisions of this division shall not be applied to purchases made pursuant to the alternative source selection for Glades Utility Authority ("GUA") purchases under one hundred thousand dollars (\$100,000.00) as set forth in the purchasing code.

(Ord. No. 02-065, § 7, 9-10-02; Ord. No. 2009-025, § 7, 8-18-09; Ord. No. 2010-011, § 10, 4-20-10)

**CONVENTION CENTER OPERATING AGREEMENT
EXHIBIT "C"**

FORM OF PERFORMANCE BOND

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS: That _____
(hereinafter called Principal), as Principal, and _____, a corporation
duly organized under the laws of the State of _____ and duly authorized
and licensed to do business in the State of Florida (hereinafter called Surety), as Surety, are held
and firmly bound unto Palm Beach County, a political subdivision of the State of Florida
(hereinafter called the Obligee), as Obligee, in the full and just sum of _____
Dollars (\$ _____) lawful money of the United States of America to be paid to the
Board of County Commissioners of Palm Beach County to which payment will and truly to be
made, the said Principal and Surety bind themselves and each of their administrators, executors,
successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the above bound Principal has entered into a certain written agreement with
the above mentioned Obligee, dated _____, to operate and manage the Palm
Beach County Convention Center, Agreement No. _____, which agreement is
hereby referred to and made a part hereof as fully and to the same extent as if copied at length
herein; and

WHEREAS, the Obligee has agreed to accept a bond guaranteeing the performance of
said agreement.

NOW THEREFORE, the conditions of this obligation are such that if Principal shall
faithfully perform such agreement within the time therein specified, and shall in every respect
fulfill its obligations thereunder, and shall indemnify and save harmless the Obligee against or
from all claims, costs, expenses, damages, injury or loss, including contingent costs to carry out
and execute all the provisions of said agreement, within the time therein specified, then this
obligation shall be void; otherwise, it shall remain in full force and effect.

IN WITNESS WHEREOF, the Principal and Surety have executed these presents this
_____ day of _____, 2012.

ATTEST:

PRINCIPAL

By: _____
(Signature of Other Corporate Officer)

_____, a corporation
of the State of _____

Principal Address:

By: _____
President/Vice President

SURETY

Witness Signature

By: _____
It's Attorney-in-Fact

Print Name

Witness Signature

(Attach Power of Attorney)

Print Name

Surety Address:

DISCLOSURE OF BENEFICIAL INTERESTS STATEMENT

TO: PALM BEACH COUNTY CHIEF OFFICER, OR HIS OR HER OFFICIALLY DESIGNATED REPRESENTATIVE

STATE OF FLORIDA
COUNTY OF PALM BEACH

BEFORE ME, the undersigned authority, this day personally appeared Frank Russo, hereinafter referred to as "Affiant", who being by me first duly sworn, under oath, deposes and states as follows:

1. Affiant is the Senior VP (position - i.e. president, partner, trustee) of Global Spectrum, L.P. (name and type of entity - i.e. ABC Corporation, XYZ Limited Partnership), (the "Operator") which entity is providing operation and management services at the Palm Beach County Convention Center located at 650 Okeechobee Boulevard, West Palm Beach, Florida (the "Facility").

2. Affiant's address is: 41-B New London Turnpike
Glastonbury, CT 06033

3. Attached hereto, and made a part hereof, as Exhibit "A" is a complete listing of the names and addresses of every person or entity having a five percent (5%) or greater beneficial interest in the Operator and the percentage interest of each such person or entity. Disclosure does not apply to non-profit corporations, government agencies, or to an individual's or entity's interest in an entity registered with the Federal Securities Exchange Commission or registered pursuant to Chapter 517 Florida Statutes, whose interest is for sale to the general public. If any of the foregoing exceptions to the disclosure requirement apply, Affiant shall execute this instrument below and insert on Exhibit "A" the exception that applies.

4. Affiant further states that Affiant is familiar with the nature of an oath and with the penalties provided by the laws of the State of Florida for falsely swearing to statements under oath.

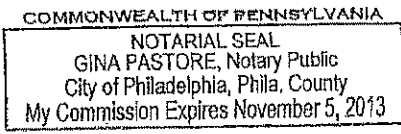
5. Under penalty of perjury, Affiant declares that Affiant has examined this Affidavit and to the best of Affiant's knowledge and belief it is true, correct, and complete, and will be relied upon by Palm Beach County relating to its entering into the Convention Center Operating Agreement for the Facility.

FURTHER AFFIANT SAYETH NAUGHT,
Frank C. Russo, Jr., Affiant
Print Affiant Name: Frank Russo

The foregoing instrument was sworn to, subscribed and acknowledged before me this 30th day of April, 2012, by Frank C. Russo, Jr. as [] who is personally known to me or [] who has produced identification and who did take an oath.

Gina Pastore
Notary Public
Gina Pastore
(Print Notary Name)

NOTARY PUBLIC PA
State of Florida at Large
My Commission Expires: 11/5/2013



**EXHIBIT "A" TO
DISCLOSURE OF BENEFICIAL INTERESTS STATEMENT**

**SCHEDULE TO BENEFICIAL
INTERESTS**

Operator is only required to identify five percent (5%) or greater beneficial interest holders. If none, so state. Operator must identify individual interest holders. If, by way of example, Operator is wholly or partially owned by another entity, such as a corporation, Operator must identify such other entity, its address and percentage interest, as well as such information for the individual interest holders of such other entity. Disclosure does not apply to non-profit corporations, government agencies, or to an individual's or entity's interest in an entity registered with the Federal Securities Exchange Commission or registered pursuant to Chapter 517 Florida Statutes, whose interest is for sale to the general public. If any of the foregoing exceptions to the disclosure requirement apply, Affiant shall state below the exception that applies.

NAME	ADDRESS	PERCENTAGE OF INTEREST
Comcast Spectacor Ventures, LLC	3601 S. Broad Street Philadelphia, PA 19148	92.375%
Globe Facility Services, Inc.	111 Second Avenue, N.E. St. Petersburg, FL 33703	6.625%
Comcast Spectacor, L.P.	3601 S. Broad Street Philadelphia, PA 19148	95% (Indirect interest)
Edward M. Snider	3601 S. Broad Street Philadelphia, PA 19148	21.5% (Indirect interest)
Comcast Spectacor Holding Company, Inc.	1701 John F. Kennedy Blvd. Philadelphia, PA 19103	67.2% (Indirect interest)
Comcast Holdings Corporation	1701 John F. Kennedy Blvd. Philadelphia, PA 19103	67.2% (Indirect interest)
*Comcast Corporation	1701 John F. Kennedy Blvd. Philadelphia, PA 19103	67.2% (Indirect interest)

* Public company registered with the Federal SEC.

UNANIMOUS WRITTEN CONSENT
OF THE SOLE DIRECTOR
OF
GLOBAL SPECTRUM, INC.

The undersigned, being the sole director (the "Sole Director") of Global Spectrum, Inc., a Pennsylvania corporation (the "Corporation"), does hereby vote for, consent to, authorize and adopt the following resolutions, with the same force and effect as if the undersigned had been present at a meeting of the Directors of the Corporation and had voted for the same.

WHEREAS, the Corporation is the sole General Partner of Global Spectrum, L.P., a Delaware limited partnership (the "Partnership"); and

WHEREAS, there has been presented to the Sole Director of the Corporation a Convention Center Operating Agreement between the Partnership and Palm Beach County, a copy of which is attached hereto (the "Operating Agreement"); and

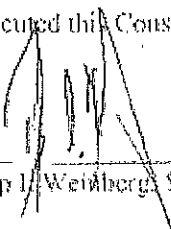
WHEREAS, the Sole Director of the Corporation believes that it is in the best interests of the Corporation and the Partnership for the Partnership to enter into the Operating Agreement in the form attached hereto.

NOW, THEREFORE, BE IT RESOLVED, that the Sole Director of the Corporation hereby approves the execution and delivery of the Operating Agreement by the Partnership; and

BE IT FURTHER RESOLVED, that Philip Weinberg, as President of the Corporation, is hereby authorized, directed and empowered to execute the Operating Agreement on behalf of the Corporation, acting in its capacity of General Partner of the Partnership;

BE IT FURTHER RESOLVED, that Philip Weinberg, and any other proper officers of the Corporation, acting in its capacity of general partner of the Partnership, are hereby authorized, directed and empowered for and on behalf of and in the name of the Corporation, now and from time to time hereafter, as they, in their sole discretion, deem advisable, necessary, expedient, convenient or proper, to take any action in furtherance of the resolutions herein adopted,

IN WITNESS WHEREOF, the undersigned has executed this Consent as of the 9th day of July, 2012.


Philip J. Weinberg, Sole Director



CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)
07/10/2012

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Aon Risk Services Central, Inc. Philadelphia PA office One Liberty Place 1650 Market Street Suite 1000 Philadelphia PA 19103 USA	CONTACT NAME: PHONE (A/C No. Ext): (215) 255-2000 FAX (A/C No.): (215) 255-1888	
	E-MAIL ADDRESS:	
INSURED Global Spectrum, LP Global Spectrum Facility Management, LP 3601 S. Broad Street Philadelphia PA 19148 USA	INSURER(S) AFFORDING COVERAGE	
	INSURER A: National Union Fire Ins Co of Pittsburgh 19445	
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	

Holder Identifier :

COVERAGES **CERTIFICATE NUMBER: 570047006410** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT 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. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. Limits shown are as requested

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOG						EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION			BE016115116	06/30/2012	06/30/2013	EACH OCCURRENCE \$25,000,000 AGGREGATE \$25,000,000
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y/N	N/A			<input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT E.L. DISEASE-EA EMPLOYEE E.L. DISEASE-POLICY LIMIT

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
Palm Beach County Board of County Commissioners, A Political Subdivision of the State of Florida, its officers, employees and agents are included as additional insureds only with respect to liability caused by the negligence of the named insured but only with respect to the named insured's operations at the Palm Beach County Convention Center.

CERTIFICATE HOLDER**CANCELLATION**

Palm Beach County Board of County Commissioners, A Political Subdivision of the State of Florida 301 North Olive Avenue, 11th Floor West Palm Beach FL 33401 USA	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE <i>Aon Risk Services Central, Inc.</i>

Certificate No : 570047006410

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ACORD 25 (2010/05)

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Client#: 84252

1GLOBSPE

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
4/06/2012

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER: Willis of Pennsylvania, Inc. 100 Matsonford Road Bldg. 5 Suite 200 Radnor, PA 19087
CONTACT NAME:
PHONE (A/C, No, Ext): 610 964-8700 FAX (A/C, No): 610-254-5600
INSURER(S) AFFORDING COVERAGE: INSURER A: Philadelphia Insurance Company NAIC #: 18058
INSURER B: Gemini Insurance Company 10833

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT 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. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

Table with columns: INSR LTR, TYPE OF INSURANCE, POLICY NUMBER, POLICY EFF, POLICY EXP, LIMITS. Rows include GENERAL LIABILITY, AUTOMOBILE LIABILITY (Policy # PHPK784900), UMBRELLA LIAB, WORKERS COMPENSATION AND EMPLOYERS' LIABILITY, and Professional Liability (Policy # VPPL005603).

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
Palm Beach County Board of County Commissioners, a political subdivision of the State of Florida, County Administrator, Palm Beach County, and it's officers, employees and agents, are included as Additional Insured for Automobile liability, as required by written contract, solely with respect to the operations of the Named Insured at the Palm Beach County Convention Center.

CERTIFICATE HOLDER: Palm Beach County Board of County Commissioners County Admin Palm Beach Co; 301 North Olive Ave, 11th Fl West Palm Beach, FL 33401
CANCELLATION: SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

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CERTIFICATE OF PROPERTY INSURANCE

DATE (MM/DD/YYYY)
04/02/2012

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

If this certificate is being prepared for a party who has an insurable interest in the property, do not use this form. Use ACORD 27 or ACORD 28.

PRODUCER Aon Risk Services Central, Inc. Philadelphia PA Office One Liberty Place 1650 Market Street Suite 1000 Philadelphia PA 19103 USA		CONTACT NAME: PHONE (A/G. No. Ext): (215) 255-2000 FAX (A/G. No.): (215) 255-1888 EMAIL ADDRESS: PRODUCER CUSTOMER ID #: 10221355	
INSURED Global Facilities, LP/Global Spectrum, LP Global Spectrum - NEC, L.L.C. 3601 South Broad Street Philadelphia PA 19148-5290 USA		INSURER(S) AFFORDING COVERAGE INSURER A: Zurich American Ins Co NAIC # 16535 INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	

Holder Identifier :

COVERAGES CERTIFICATE NUMBER: 570045780570 REVISION NUMBER:

LOCATION OF PREMISES/ DESCRIPTION OF PROPERTY (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

THIS IS TO CERTIFY THAT 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. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE		POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	COVERED PROPERTY	LIMITS
	PROPERTY	DEDUCTIBLES				BUILDING	
	CAUSES OF LOSS	BUILDING				PERSONAL PROPERTY	
	BASIC	CONTENTS				BUSINESS INCOME w/ Extra Expense	
	BROAD					EXTRA EXPENSE	
	SPECIAL					RENTAL VALUE	
	EARTHQUAKE					BLANKET BUILDING	
	WIND					BLANKET PERS PROP	
	FLOOD					BLANKET BLDG & PP	
	INLAND MARINE		TYPE OF POLICY				
	CAUSES OF LOSS		POLICY NUMBER				
	NAMED PERILS						
A	X	CRIME	MPL3739206-08	04/01/2012	04/01/2013	X Employee Dishonesty	\$1,000,000
		TYPE OF POLICY				X Deductible	\$25,000
		Crime - Primary					
		BOILER & MACHINERY / EQUIPMENT BREAKDOWN					

CERTIFICATE NUMBER: 570045780570

SPECIAL CONDITIONS / OTHER COVERAGES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER Palm Beach County Board of County Commissioners, A Political Subdivision of the State of Florida 301 North Olive Avenue, 11th Floor West Palm Beach FL 33401 USA	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
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Policy Number: FID 3739208 -- 08

CR 10 47 01 89

Policy Effective: April 1, 2012

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

JOINT LOSS PAYABLE

This endorsement applies only to
COVERAGE FORM A
COVERAGE FORM O
COVERAGE FORM P

A. PROVISIONS

You agree that any loss payable under the Coverage Form indicated above shall be paid jointly to you and the Loss Payee designated below:

(NAME OF LOSS PAYEE)

Palm Beach County Board of County Commissioners

(ADDRESS OF LOSS PAYEE)

and any such payment shall constitute payment to you. We agree that we will make all such payments jointly to you and the Loss Payee, and we will not make any payment solely to you unless we receive a request in writing from the Loss Payee to make such payment to you.

- B. Our liability under the Coverage Form indicated above as extended by this endorsement shall not be cumulative.
- C. No rights or benefits are bestowed on the Loss Payee other than payment of loss as set forth herein.



CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)
07/12/2012

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Aon Risk Services Central, Inc. Philadelphia PA Office One Liberty Place 1650 Market Street Suite 1000 Philadelphia PA 19103 USA	CONTACT NAME: PHONE (A/C. No, Ext): (215) 255-2000 FAX (A/C. No.): (215) 255-1888		
	E-MAIL ADDRESS:		
INSURED Global Spectrum, LP 3601 South Broad Street Philadelphia PA 19148 USA	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A: Nautilus Insurance Company		17370
	INSURER B: Great Divide Insurance Co		25224
	INSURER C:		
	INSURER D:		
	INSURER E:		

COVERAGES CERTIFICATE NUMBER: 670047038627 REVISION NUMBER:

THIS IS TO CERTIFY THAT 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. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. Limits shown are as requested

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC					EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS					COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION					EACH OCCURRENCE AGGREGATE
A B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	WCA103669314 WCA103669414	03/30/2012 03/30/2012	03/30/2013 03/30/2013	X WC STATU-TORY LIMITS OTH-ER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE EA EMPLOYEE \$1,000,000 E.L. DISEASE-POLICY LIMIT \$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

RE: Palm Beach County Convention Center; 650 Okeechobee Blvd.; West Palm Beach, FL 33401. waiver of subrogation is granted to Palm Beach County under the Workers Compensation policy prior to a loss where required by written contract.

CERTIFICATE HOLDER Palm Beach County County Administrator 301 North Olive Avenue, 11th Floor West Palm Beach FL 33401 USA	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Aon Risk Services Central, Inc.</i>
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CONVENTION CENTER OPERATING AGREEMENT

EXHIBIT "C" BOND # 58693428

FORM OF PERFORMANCE BOND

TERM OF THIS BOND: OCTOBER 1, 2012 THROUGH SEPTEMBER 30, 2013. PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS: That Global Spectrum, LP (hereinafter called Principal), as Principal, and Western Surety Company, a corporation duly organized under the laws of the State of SD and duly authorized and licensed to do business in the State of Florida (hereinafter called Surety), as Surety, are held and firmly bound unto Palm Beach County, a political subdivision of the State of Florida (hereinafter called the Obligee), as Obligee, in the full and just sum of One Million--00/100 Dollars (\$ 1,000,000.00) lawful money of the United States of America to be paid to the Board of County Commissioners of Palm Beach County to which payment will and truly to be made, the said Principal and Surety bind themselves and each of their administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the above bound Principal has entered into a certain written agreement with the above mentioned Obligee, dated _____, to operate and manage the Palm Beach County Convention Center, Agreement No. _____, which agreement is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein; and Description: Operate and Mange The Palm Beach County Convention Center for the term of October 1, 2012 through September 30, 2013. WHEREAS, the Obigee has agreed to accept a bond guaranteeing the performance of said agreement.

NOW THEREFORE, the conditions of this obligation are such that if Principal shall faithfully perform such agreement within the time therein specified, and shall in every respect fulfill its obligations thereunder, and shall indemnify and save harmless the Obligee against or from all claims, costs, expenses, damages, injury or loss, including contingent costs to carry out and execute all the provisions of said agreement, within the time therein specified, then this obligation shall be void; otherwise, it shall remain in full force and effect.

IN WITNESS WHEREOF, the Principal and Surety have executed these presents this 22nd day of June, 2012.

ATTEST:

By: [Signature] (Signature of Other Corporate Officer)

Principal Address: 3601 S. Broad Street Philadelphia, Pa. 19148

[Signature] Witness Signature Theresa Bassett

Print Name

[Signature] Witness Signature Arlene Ostroff

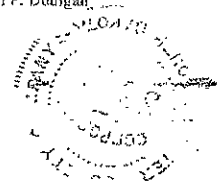
Print Name

Surety Address: 2 Paoli Office Park Paoli, Pa. 19301

PRINCIPAL GLOBAL SPECTRUM, LP _____, a corporation of the State of _____ By: [Signature] V.P. President/Vice President

SURETY WESTERN SURETY COMPANY By: [Signature] It's Attorney-in-Fact Daniel P. Duigan

(Attach Power of Attorney)



Western Surety Company

POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That WESTERN SURETY COMPANY, a South Dakota corporation, is a duly organized and existing corporation having its principal office in the City of Sioux Falls, and State of South Dakota, and that it does by virtue of the signature and seal herein affixed hereby make, constitute and appoint

William F Simkiss, Richard J Decker, Daniel P Dunigan, Joseph W Kolok Jr, Brian C Block, James L Hahn, Individually

of Paul, P.A. its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind it thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the corporation and all the acts of said Attorney, pursuant to the authority hereby given, are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Law printed on the reverse hereof, duly adopted, as indicated, by the shareholders of the corporation.

In Witness Whereof, WESTERN SURETY COMPANY has caused these presents to be signed by its Senior Vice President and its corporate seal to be hereto affixed on this 21st day of June, 2010.

WESTERN SURETY COMPANY

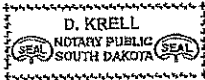


Paul T. Bruffat
Paul T. Bruffat, Senior Vice President

State of South Dakota }
County of Minnehaha } ss

On this 21st day of June, 2010, before me personally came Paul T. Bruffat, to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is the Senior Vice President of WESTERN SURETY COMPANY described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.

My commission expires
November 30, 2012



D. Krell
D. Krell, Notary Public

CERTIFICATE

I, L. Nelson, Assistant Secretary of WESTERN SURETY COMPANY do hereby certify that the Power of Attorney hereinabove set forth is valid in force, and further certify that the By-Law of the corporation printed on the reverse hereof is still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said corporation this 22nd day of June, 2012.



WESTERN SURETY COMPANY

L. Nelson
L. Nelson, Assistant Secretary

Authorizing By-Law

ADOPTED BY THE SHAREHOLDERS OF WESTERN SURETY COMPANY

This Power of Attorney is made and executed pursuant to and by authority of the following By-Law duly adopted by the shareholders of the Company.

Section 7. All bonds, policies, undertakings, Powers of Attorney, or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, and Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or agents who shall have authority to issue bonds, policies, or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile.

WESTERN SURETY COMPANY
 Sioux Falls, South Dakota
 Statement of Not Admitted Assets and Liabilities
 December 31, 2011

ASSETS

Bonds	\$ 1,403,423,537
Stocks	22,716,363
Cash and short-term investments	66,857,340
Uncollected premiums and agents' balances	34,207,619
Funds held by or deposited with reinsured companies	13,980,084
Net deferred tax asset	25,802,839
Investment income due and accrued	17,647,175
Other assets	2,489,406
Total Assets	\$ 1,587,129,780

LIABILITIES AND SURETIES

Loans	\$ 296,352,421
Loss adjustment expense	92,551,462
Contingent and other commitments payable	5,246,025
Other expense	38,131,919
Taxes, licenses and fees	1,925,642
Federal and foreign income taxes payable	5,637,067
Unearned premiums	247,814,064
Other liabilities	29,286,547
Total Liabilities	697,645,147

Surplus Account:		
Capital paid up	4,000,000	
Gross paid in and contributed surplus	176,435,232	
Special Surplus	7,321,616	
Unassigned funds	701,727,285	
Surplus as regards policyholders		\$ 889,484,633
Total Liabilities and Capital		\$ 1,587,129,780

I, Amy M. Smith, Assistant Vice President of Western Surety Company hereby certify that the above is an accurate representation of the financial statement of the Company dated December 31, 2011, as filed with the various Insurance Departments and is a true and correct statement of the condition of Western Surety Company as of that date.

Western Surety Company
 By Amy M. Smith
 Assistant Vice President

Subscribed and sworn to me this 12th day of March, 2012.

My commission expires: Kathleen Schroeder
 Notary Public

