

**FOOD AND BEVERAGE CONCESSION AGREEMENT**

between

**THE LANCASTER COUNTY CONVENTION CENTER AUTHORITY**

and

**PENN SQUARE PARTNERS**

**LANCASTER HOTEL AND CONVENTION CENTER**

**December 20, 2001**

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EXHIBIT A Convention Center Premises

EXHIBIT B Hotel Premises

EXHIBIT C Quality Standard

## FOOD AND BEVERAGE CONCESSION AGREEMENT

THIS FOOD AND BEVERAGE CONCESSION AGREEMENT ("Agreement") made this 20th day of December 2001, by THE LANCASTER COUNTY CONVENTION CENTER AUTHORITY, a body politic and corporate existing under the laws of the Commonwealth of Pennsylvania ("LCCCA"), and PENN SQUARE PARTNERS, a Pennsylvania limited partnership ("PSP") (individually, a "Party" and collectively, the "Parties").

### RECITALS:

WHEREAS, LCCCA owns the Convention Center Premises described on Exhibit A attached hereto and made a part hereof by this reference, and plans to develop the Convention Center on the Convention Center Premises; and

WHEREAS, PSP owns the Hotel Premises described on Exhibit B attached hereto and made a part hereof by this reference, and plans to develop the Hotel on the Hotel Premises; and

WHEREAS, although the Hotel and the Convention Center will be operated as separate business enterprises, they will be constructed in a manner such that they are physically joined, with passageways between them, and with certain shared systems, equipment and facilities, so that they may be efficiently and effectively operated; and

WHEREAS, the Parties desire that PSP provide Catering Services to the Convention Center on the terms and conditions contained in this Agreement.

NOW, THEREFORE, in consideration of the foregoing, the mutual promises herein and other good and valuable consideration the receipt and sufficiency of which, is hereby acknowledged, the Parties agree as follows:

### ARTICLE 1 DEFINITIONS

When used in this Agreement with an initial capital letter or letters, each of the following terms shall have the meaning given it below:

(1) "Approval" or Approved" means prior written approval of the Party from whom such approval is sought, not to be unreasonably withheld, delayed or conditioned.

(2) "Base Amount" means, for any Fiscal Year beginning with the third full Fiscal Year, the lesser of (a) \$250,000 and (b) an amount equal to one hundred twenty percent (120%) of the Compensation received by LCCCA in the immediately preceding Fiscal Year.

(3) "Booking Policy & Room Block Outline" means that certain Outline of Booking Policy and Room Block Agreement Lancaster County Convention Center dated December 20, 2001.

(4) “Catering Services” shall mean providing, preparing, serving and clearing all food and beverages and all appropriate accoutrements, the setting up and taking down of all tables and chairs used by groups receiving the foregoing services, and post-event clean-up, for a fee, to any room of the Convention Center all in accordance with the Quality Standard.

(5) “Compensation” shall have the meaning set forth in Section 3.2 hereof.

(6) “Convention Center” means the planned convention center complex adjoining the Hotel, which shall include, without limitation, approximately 160,000 to 200,000 gross square feet of space, including a grand ballroom, a junior ballroom, exhibition space, meeting rooms, support pre-function and circulation areas and food service and supporting back-of-house areas and related furniture, fixtures, operating supplies and equipment.

(7) “Convention Center Premises” means the parcel of land located in the City of Lancaster, Lancaster County, Pennsylvania, more fully described on Exhibit A attached hereto and made a part hereof, together with all of the rights, easements and appurtenances pertaining to such land.

(8) “Default Rate” means a rate equal to four percent (4%) per annum over the “prime rate” as published in *The Wall Street Journal* under the heading “Prime Rate” on the “Money Rates” page, or in the event *The Wall Street Journal* ceases publication or ceases to publish the prime rate, as published in a comparable publication in which the prime rate is readily ascertainable and Approved by the Parties.

(9) “Early Termination Notice” shall have the meaning set forth in Article 12 hereof.

(10) “Event of Default” shall have the meaning set forth in Section 8.1 hereof.

(11) “Facility” means either the Convention Center or the Hotel, as the context suggests or requires. When used with respect to LCCCA, “Facility” means the Convention Center and, when used with respect to PSP, “Facility” means the Hotel. “Facilities” mean the Convention Center and the Hotel, collectively.

(12) “First Priority Event” shall have the meaning set forth in the Booking Policy & Room Block Outline.

(13) “Fiscal Year” means the calendar year.

(14) “Force Majeure” means any of the following which may have a Material Adverse Effect on the Facility or market in which the Facility operates (i) an act of God, (ii) acts of war, (iii) acts of terrorism, (iv) civil disturbance, (v) labor disputes among Facility employees or providers of services, material or equipment, (vi) reasonably unforeseeable weather conditions, (vii) reasonably unforeseeable unavailability of materials, supplies or equipment and delays in transportation, (viii) governmental action (including revocation of any license or permit necessary for the development, construction and/or operation of the Facility not caused by the act or omission of the Party owning such Facility), or (ix) any other causes, other than downturns in the local or national economy, that are beyond the control of either Party.

(15) “Governmental Requirements” means all laws, statutes, codes, acts, constitutions, ordinances, judgments, decrees, injunctions, orders, resolutions, rules, regulations, permits licenses, authorizations, administrative orders and other requirements of any federal, state, county, municipal or other government or any subdivision, agency, authority, department, court, commission, board, bureau or instrumentality of any of them having jurisdiction over LCCCA, PSP and the Facilities, or any of them.

(16) “Gross Catering Revenues” means all revenue collected by PSP from the provision of Catering Services, including Catering Services provided in the Hotel Facilities Area, but does not include service charges, gratuities or any revenue collected by PSP in connection with any food and beverage service to or in the Hotel or any part of the Hotel.

(17) “Hotel” means the business-class hotel, having approximately two hundred ninety-four (294) guest rooms, on or about the Hotel Premises, to include, at the discretion of PSP, guestrooms and suites, retail space, appropriate support facilities such as a restaurant(s), a lounge(s) or bar(s), and supporting back-of-the-house areas, together with such other amenities and features characteristic of a business-class hotel.

(18) “Hotel Facilities Area” means the junior ballroom and adjoining meeting space in the Convention Center containing an aggregate of approximately 12,000 to 15,000 square feet, as identified in the Hotel Facilities Area Lease Agreement.

(19) “Hotel Facilities Area Lease Agreement” means that certain lease agreement between the Parties dated December 20, 2001, pursuant to which LCCCA leases the Hotel Facilities Area to PSP (as the same may be amended, modified, supplemented or replaced).

(20) “Hotel License Agreement” means that certain Marriott Hotel License Agreement between Marriott International, Inc. (and any successor or replacement franchisor) and PSP dated September 25, 2001 (as the same may be amended, modified, supplemented or replaced).

(21) “Hotel Premises” means the parcel of land located in the City of Lancaster, Lancaster County, Pennsylvania, more fully described on Exhibit B attached hereto and made a part hereof, together with all of the rights, easements and appurtenances pertaining to such land.

(22) “Kitchen Facilities” shall have the meaning set forth in Section 2.3(b) hereof.

(23) “Material Adverse Effect” means any circumstance or event which individually or in the aggregate could have a material adverse effect on the Facilities, or either of them, or their use, occupancy or operation.

(24) “Person” means an individual, partnership, limited liability company, limited liability partnership, unincorporated association, corporation, business trust, or any other form of business or government entity or authority.

(25) “Quality Standard” means the standards of use, operation, maintenance, repair and housekeeping for the Facilities pursuant to the Hotel License Agreement, including but not limited to standards regarding daily maintenance and routine upkeep, security, signage,

temperature control and lighting, more fully described on Exhibit C attached hereto and made a part hereof.

(26) “Reciprocal Easement, Operating and Use Agreement” means that certain Reciprocal Easement, Operating and Use Agreement between LCCCA and PSP dated December 20, 2001 (as the same may be amended, modified, supplemented or replaced).

(27) “Revenue Threshold” means an amount equal to \$7,300,000 per Fiscal Year (prorated for any partial Fiscal Year), which amount shall increase by three percent (3%) per annum, compounded annually, commencing in the Fiscal Year immediately following the first Fiscal Year in which Gross Catering Revenues are equal to or higher than \$7,300,000. For example, if Gross Catering Revenues equal \$7,300,000 in the third Fiscal Year of the term of this Agreement, then the Revenue Threshold would equal \$7,300,000 for Fiscal Years one (1) through three (3), \$7,519,000 for Fiscal Year four (4), \$7,744,570 for Fiscal Year five (5), and so on.

(28) “Second Priority Event” shall have the meaning set forth in the Booking Policy & Room Block Outline.

(29) “Shortfall” shall have the meaning set forth in Article 12 hereof.

(30) “Shortfall Notice” shall have the meaning set forth in Article 12 hereof.

(31) “Shortfall Year” shall have the meaning set forth in Article 12 hereof.

## ARTICLE 2 CATERING SERVICES

SECTION 2.1. Grant. LCCCA hereby grants to PSP the exclusive right and privilege to provide Catering Services to the Convention Center during the term of this Agreement.

SECTION 2.2. Personnel. Subject to Article 9 hereof, PSP, at its own expense, shall provide trained personnel to perform the Catering Services including all required purchasers of goods, cooks, dishwashers, kitchen staff, servers, bartenders, bussers, set up/break down personnel, cloak room personnel, cleaning personnel and supervisory personnel, and all such personnel shall be employees of PSP, the manager of the Hotel or their respective designee. PSP shall supply personnel to perform the Catering Services sufficient in number and with sufficient training to comply with the Quality Standard. Said employees shall have a duty to cooperate with Convention Center employees and to carry out the Catering Services in a manner that will not disrupt the operation of the Convention Center.

SECTION 2.3. Products and Equipment. Except as the Parties may otherwise mutually agree in connection with the provision of Catering Services pursuant to this Agreement:

- (a) PSP shall provide all food and beverages;

(b) LCCCA shall provide the kitchen facilities, including the kitchen space and all equipment, appliances, cookware, utensils and other items used in connection with food and beverage preparation (collectively, the "Kitchen Facilities"), and shall maintain and replace the Kitchen Facilities in accordance with the terms of the Reciprocal Easement, Operating and Use Agreement; and

(c) LCCCA and PSP shall each provide its own soft goods, including but not limited to linens, china, stemware, flatware, serving equipment, vases, candle holders and other such sundry items used in connection with table service to patrons.

SECTION 2.4. Menus. PSP shall establish banquet and concessions menus and pricing policies and shall offer to groups using the Convention Center a variety and selection of high-quality menu items consistent with the Quality Standard, and such selection shall include a sufficient range of items and prices to attract and satisfy the various types of groups that may desire to use the Convention Center.

SECTION 2.5. Standards. PSP shall establish and implement service standards and procedures consistent with the Quality Standard and shall establish and implement a quality control/guest satisfaction measurement system.

SECTION 2.6. Refuse Removal. PSP's employees shall remove from the rooms of the Convention Center all garbage and trash resulting from the Catering Services and shall deposit same in the proper receptacles in the trash storage area for the Convention Center.

SECTION 2.7. Invoices. PSP shall prepare invoices for Catering Services rendered and shall submit such invoices to the Hotel manager or the Convention Center manager, as appropriate, for processing and collection.

### ARTICLE 3. COMPENSATION

SECTION 3.1. PSP. For all Catering Services, PSP shall charge amounts on a per-person-served basis for food and non-alcoholic beverages, and amounts on a per bottle, per drink, per event, per hour or partial hour, or cash-bar basis for alcoholic beverages. Prices charged by PSP for the Catering Services shall be competitive and comparable to similar services in the marketplace, subject to PSP's obligation to maintain the Quality Standard. Gratuities may be added. All contracts for Catering Services will be exclusively between PSP, the manager or the Hotel or their respective designee and the group to be served, and PSP shall receive payment for the Catering Services directly from the contracting group. Except as set forth in Section 3.2 below, LCCCA shall not be entitled to any payment, remuneration or other compensation related to the Catering Services provided hereunder.

SECTION 3.2. LCCCA. PSP shall pay to LCCCA monthly in arrears (a) five percent (5%) of the Gross Catering Revenues up to the Revenue Threshold (expressed as a monthly dollar amount), and (b) ten percent (10%) of the Gross Catering Revenues in excess of the Revenue Threshold (expressed as a monthly dollar amount). The amounts to be paid to LCCCA pursuant to this Agreement shall be due and payable by PSP by the twenty-fifth (25th) day of



each month, or such other date mutually agreed upon by the Parties, for all Catering Services provided to the Convention Center for the prior month. PSP shall include with such payment copies of all relevant contracts for Catering Services along with sufficient additional records and evidence to permit LCCCA to determine the accuracy of the amount paid.

ARTICLE 4.  
TERM.

The term of this Agreement shall be twenty (20) years commencing on the date the Convention Center is opened to the public and ending, without the necessity of notice from either Party to the other, on the twentieth anniversary of the commencement date.

ARTICLE 5.  
COMPLIANCE WITH LAWS AND REGULATIONS.

In providing Catering services hereunder, PSP shall comply with all applicable Governmental Requirements. PSP will (a) procure and maintain all licenses, permits and governmental approvals required to provide the Catering Services, and (b) obtain and maintain all required workers' compensation insurance required by Pennsylvania law for its employees in the performance of this Agreement and, upon request will provide LCCCA with certificates evidencing such insurance.

ARTICLE 6  
RELATIONSHIP BETWEEN PARTIES.

Nothing in this Agreement shall be construed to render or constitute a Party in any way or for any purpose a partner, joint venturer or associate in any relationship with the other Party, nor shall this Agreement be construed to authorize either Party to act as agent for the other Party except as expressly provided in this Agreement. All personnel who are employed to provide Catering Services shall be employees of PSP, the manager of the Hotel or their respective designee and such party shall make deductions and withhold funds from compensation paid to its employees as required by applicable law.

ARTICLE 7.  
INDEMNIFICATION.

Each Party agrees to defend, protect, indemnify and hold harmless the other Party and such Party's partners, members, shareholders, officers, directors, employees and agents from and against all claims or demands, including any action or proceedings brought thereon, and all costs, losses, expenses and liability of any kind relating thereto, including reasonable attorneys' fees and costs of suit, arising out of or resulting from any breach or default by either Party in the performance of its obligations under this Agreement; provided, however, the forgoing obligation shall not apply to claims caused by the negligence or willful misconduct of such other Party, its

agents, licensees, concessionaires, servants or employees, or the agents, servants or employees of any licensee or concessionaire thereof.

ARTICLE 8.  
DEFAULT.

SECTION 8.1. Events of Default. . The occurrence of any of the following events, acts or circumstances shall be and constitute an “Event of Default” with respect to the Party who commits such event or act or to whom such event, act or circumstance occurs:

(a) Failure by a Party to pay in full any amount payable by it under this Agreement when due, and the continuance of such failure for ten (10) days after the other Party gives written notice of such failure to the failing Party; or

(b) Failure by a Party to observe, perform or comply with any of the terms, covenants, agreements or conditions contained in this Agreement (other than as specified in Section 8.1(a)), and the continuance of such failure for thirty (30) days after the other Party gives written notice of such failure to the failing Party, or, when the cure reasonably requires more than thirty (30) days, the failure of a Party to commence to cure such failure within such period of thirty (30) days and diligently and continuously to prosecute it to completion; or

(c) A Party ceases operation of a Facility (other than due to an event of Force Majeure, condemnation or casualty) and does not cure such failure by commencing operation of such Facility within fifteen (15) days after written notice from the other Party; or

(d) Any petition is filed by or against a Party under any section or chapter of the Federal Bankruptcy Act or any other applicable Federal or State bankruptcy, insolvency or other similar law, and such petition is not dismissed within sixty (60) days after the date of such filing; if a Party shall become insolvent or transfer property to defraud creditors; if a Party shall make an assignment for the benefit of creditors; or if a receiver is appointed for all or a material portion of a Party’s assets; or

(e) Failure of PSP to maintain the Quality Standard in the provision of Catering Services under this Agreement and the continuance of such failure for thirty (30) days after LCCCA gives written notice of such failure to PSP, or, when the cure reasonably requires more than thirty (30) days, the failure of PSP to commence to cure such failure within such period of thirty (30) days and diligently and continuously to prosecute it to completion; or

(f) A Party engages in any illegal business within the Convention Center or on the Convention Center Premises; or

(g) Failure by a Party to pay in full when due any legitimate invoice from a third party vendor providing services anywhere within the Convention Center, and the continuance of such failure for ten (10) days after the other Party or such third party vendor gives written notice of such failure to the failing Party; provided, however, that no Event of Default shall be deemed to have occurred hereunder if the failing Party is contesting or challenging any such invoice in good faith.

SECTION 8.2. Remedies. Upon the occurrence and continuation of any Event of Default described in Sections 8.1, the non-defaulting party may elect one or more of the following remedies:

(a) To pay whatever amount or perform whatever act the defaulting party failed to pay or to perform for and on behalf of the defaulting party and the defaulting party shall reimburse the non-defaulting party immediately upon demand for any sums thus paid and all costs and expenses incurred in connection with the making of such payment or the proper performance of any such act together with interest on such sum, costs and expenses at the Default Rate; and

(b) To terminate this Agreement by giving written notice of such termination to the defaulting party and this Agreement shall terminate as of the date specified in such notice (which date shall be on or after the date of the notice of termination). In addition to the remedies described above, the non-defaulting party shall have the right to recover its actual damages (but not consequential damages) as a result of the Event of Default. All remedies under this Agreement shall be cumulative and not restrictive of other remedies.

#### ARTICLE 9. SUBCONTRACTING.

PSP shall have the right to subcontract the Catering Services and to delegate its responsibilities under this Agreement in part or in their entirety to the manager of the Hotel, and, with the Approval of LCCCA, to any other entity, provided that such party shall at all times comply with the provisions of this Agreement applicable to PSP, including but not limited to the provisions set forth in Article 2 hereof.

#### ARTICLE 10. ALTERNATIVE DISPUTE RESOLUTION.

Any dispute which arises under Agreement shall be immediately (and in no event later than five (5) days after actual notice that the dispute has occurred) submitted to a panel of three (3) arbitrators of the American Arbitration Association to conduct a binding arbitration in Lancaster, Pennsylvania of such dispute, with no right of judicial appeal, pursuant to The Uniform Arbitration Act of 1980 (P.L. 693, No. 142), 42 Pa. C.S.A. §§ 7302 et seq. (2001) (the "Act"). Each of the three (3) arbitrators shall have at least five (5) years' experience in convention center and hotel operation, management or ownership, one (1) to be appointed by each Party and the third (3<sup>rd</sup>) to be appointed by the American Arbitration Association. If the Parties have not jointly initiated arbitration within such five (5) days, the arbitration may be initiated by either Party by giving notice to the other of the date, which shall be not less than (5) days after delivery of notice, in which event the American Arbitration Association shall select two (2) of the three (3) arbitrators. The Parties hereby agree that such arbitration proceeding shall be prosecuted without delay and that such proceeding shall be concluded and decision rendered thereon within thirty (30) days after the commencement thereof, it being recognized and agreed that any delay will have a Material Adverse Effect on the Convention Center and the Hotel. Any arbitration under this Agreement shall take be in accordance with the rules of the

American Arbitration Association. The decision of the arbitrators shall be binding upon the Parties and no appeal of any kind of the decision shall be made by either Party, except as required by the Act. The costs and expenses of the arbitration proceedings shall be paid by the non-prevailing Party.

ARTICLE 11  
VENDORS

All agreements between PSP and third party vendors providing any services in connection with the provision of Catering Services under this Agreement shall be in writing and shall provide that (a) neither LCCCA nor its affiliates or agents are in any way responsible for payment for such services, and (b) LCCCA shall receive a copy of any notice of default sent pursuant to such agreement. Upon request, PSP shall provide copies of such agreements to LCCCA.

ARTICLE 12  
EARLY TERMINATION

In addition to LCCCA's right to terminate this Agreement upon an Event of Default of PSP, commencing in the fifth Fiscal Year of the term of this Agreement, LCCCA shall have the right to terminate this Agreement if in any two consecutive Fiscal Years beginning with the third full Fiscal Year (each, a "Shortfall Year") the amount of Compensation received by LCCCA is not equal to or greater than the Base Amount for such Fiscal Years and PSP has elected not to pay to LCCCA the difference between the Base Amount and the Compensation received by LCCCA for each Shortfall Year (the "Shortfall"). If LCCCA desires to terminate this Agreement pursuant to this Article 12, LCCCA shall send a written notice to PSP within thirty (30) days of the end of the second Shortfall Year advising PSP of the amount of the Shortfall for each Shortfall Year and providing a calculation thereof (the "Shortfall Notice"). If LCCCA fails to provide the Shortfall Notice within such thirty (30) day period, LCCCA shall be deemed to have waived its right to terminate this Agreement pursuant to this Article 12. Within thirty (30) days after its receipt of the Shortfall Notice, PSP shall send a written notice to LCCCA advising LCCCA that either (i) PSP shall not pay the Shortfall for the Shortfall Years, or (ii) PSP shall pay the Shortfall for the Shortfall Years and in such case PSP shall include such payment with its notice and LCCCA shall have no right to terminate this Agreement pursuant to this Article 12. If PSP fails to provide its notice to LCCCA within such thirty (30) day period, PSP shall be deemed to have elected not to pay the Shortfall for the Shortfall Years. If PSP elects not to pay the Shortfall for the Shortfall Years, LCCCA shall have the right to terminate this Agreement by giving written notice of such termination to PSP within sixty (60) days of the date of the Shortfall Notice (the "Early Termination Notice") and this Agreement shall terminate as of the date specified in the Early Termination Notice, which date shall be on or after the date of the Early Termination Notice. If LCCCA fails to provide the Early Termination Notice within such sixty (60) day period, LCCCA shall be deemed to have waived its right to terminate this Agreement pursuant to this Article 12. Notwithstanding anything to the contrary contained herein, LCCCA shall not have the right to terminate this Agreement pursuant to this Article 12

unless no less than an aggregate of thirty (30) First Priority Events and Second Priority Events has occurred in each Shortfall Year.

ARTICLE 13  
RIGHT OF FIRST NEGOTIATION

No later than twelve (12) months before the expiration of the term of this Agreement, LCCCA and PSP, if PSP so elects, shall enter into good faith negotiations for a new food and beverage concession agreement. If the Parties have not reached an agreement after negotiating in good faith by the date which is six (6) months before the scheduled expiration date of this Agreement, then LCCCA may negotiate and enter into a new food and beverage concession agreement with any third party that is experienced in providing food and beverage concessions in convention centers, subject to the Approval of PSP; provided that the foregoing shall not impose any obligation on either Party to extend this Agreement or enter into a new food and beverage concession agreement.

ARTICLE 14  
MISCELLANEOUS

SECTION 14.1. Applicable Law. This Agreement shall be governed by and interpreted and construed under the laws of the Commonwealth of Pennsylvania.

SECTION 14.2. References; Headings. Unless expressly provided otherwise in this Agreement, each reference in this Agreement to a particular Article, Section, Subsection, paragraph or clause shall be to such Article, Section, Subsection, paragraph or clause of this Agreement. Headings of Articles and Sections are inserted only for convenience and are not, and shall not be deemed, a limitation on the scope of the particular Articles, Sections or Subsections to which they refer.

SECTION 14.3. No Construction Against Drafting Party. No provision of this Agreement shall be construed against or interpreted to the disadvantage of either LCCCA or PSP by any court or other governmental or judicial authority by reason of such Party having or being deemed to have drafted, structured or dictated such provision.

SECTION 14.4. Exhibits. Each exhibit referred to in this Agreement is attached to and incorporated by reference in this Agreement.

SECTION 14.5. Notices. Any notice, consent, approval, statement, demand or other communication which is provided for or required by this Agreement must be in writing and may be, at the option of the party giving notice, delivered in person (including delivery by national overnight couriers such as Federal Express) to any Party or may be sent by registered or certified U.S. mail, with postage prepaid, return receipt required. Any such notice or other written communications shall be deemed to have been given (i) in the case of personal delivery, on the date of delivery to the Person to whom such notice is addressed as evidenced by a written receipt signed by such Person, (ii) in the case of overnight delivery, on the next business day following the day it shall have been deposited with a national overnight courier, and (iii) in the case of

registered or certified mail, three (3) business days following the day it shall have been posted. For purposes of notice or other written communications, the addresses may be changed at any time by written notice given in accordance with this provision:

(1) If to LCCCA:

The Lancaster County Convention Center Authority  
P.O. Box 1622  
Lancaster, PA 17608  
Attention: James O. Pickard, Chairman

with a copy to:

Stevens & Lee  
P.O. Box 11670  
Harrisburg, PA 17108-1670  
Attention: Christopher M. Cicconi, Esquire

(2) If to PSP:

Penn Square Partners  
1853 William Penn Way  
Lancaster, PA 17605-0008  
Attention: Thomas D. Smithgall, Vice President

with a copy to:

Ballard Spahr Andrews & Ingersoll, LLP  
1735 Market Street, 51st Floor  
Philadelphia, PA 19103  
Attention: Howard I. Grossman, Esquire

LCCCA and PSP each agree that upon giving of any notice, it shall use its reasonable efforts to advise the other by telephone or facsimile that a notice has been sent hereunder. Such telephonic or faxed advice shall not, however, be a condition to the effectiveness of notice hereunder.

SECTION 14.6. Waiver. The failure of either Party to insist upon strict performance of any of the terms or provisions of this Agreement or to exercise any option, right or remedy contained in this Agreement, shall not be construed as a waiver or as a relinquishment for the future of such term, provision, option, right or remedy. No waiver by either Party of any term or provision of this Agreement shall be deemed to have been made unless expressed in writing and signed by such Party.

SECTION 14.7. Amendments. This Agreement and its provisions may be changed, waived, discharged or terminated only by an instrument in writing signed by the Party against whom enforcement of the change, waiver, discharge or termination is sought.

SECTION 14.8. Severability. If any provision of this Agreement or the application of any provision to any person or circumstance is or becomes invalid or unenforceable to any extent, then the remainder of this Agreement and the application of such provisions to any other any other person or circumstances shall not be affected by such invalidity or unenforceability and shall be enforced to the greatest extent permitted by law.

SECTION 14.9. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to an original and all of which together shall comprise but a single document.

SECTION 14.10. Binding Effect. This Agreement shall inure to the benefit of and be binding on the Parties and their respective legal representatives, successors, successors-in-title and assigns.

SECTION 14.11. Force Majeure. A delay in or failure of performance by either Party hereto, other than the payment of money, shall not constitute a default, nor shall LCCCA or PSP be held liable for loss or damage, if and to the extent that such delay, failure, loss or damage is caused by Force Majeure and all times specified for performance in this Agreement shall be extended by the period of delay resulting from the event of Force Majeure.

SECTION 14.12. Limitation on Liability. None of the Persons comprising a Party (whether partners, shareholders, members, officers, directors, trustees, employees or otherwise) shall ever be personally liable for any judgment obtained against a Party hereunder. Each Party agrees to look solely to the interest in the Premises of the defaulting Party for recovery of damages for any breach of this Agreement.

SECTION 14.13. Costs and Attorneys' Fees. In any proceeding arising under this Agreement, including any arbitration pursuant to Article 10 hereof, the prevailing Party shall be entitled to recover the costs of the proceeding, as well as reasonable attorneys' fees and expenses before and at trial, on appeal, in bankruptcy and in post judgment collection, as such post judgment costs may be awarded by the court.

SECTION 14.14. Entire and Final Agreement. This Agreement constitutes the entire agreement between the Parties relating to the subject matter hereof, superseding all prior agreements or understandings, oral or written.

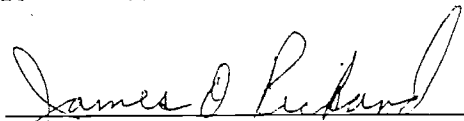
SECTION 14.15. Other Agreements. The reference in this Agreement to other documents, including but not limited to the Hotel License Agreement and the Hotel Facilities Area Lease Agreement, shall not be deemed to be an incorporation of such documents in this Agreement and shall not otherwise be deemed to make such documents public or permit access thereto by any Party which is not a party to such document.

IN WITNESS WHEREOF, LCCCA and PSP have executed this Agreement under seal as of the date first above written.

LCCCA:

THE LANCASTER COUNTY CONVENTION  
CENTER AUTHORITY

By:

  
\_\_\_\_\_  
James O. Pickard  
Chairman

PSP:

PENN SQUARE PARTNERS, a Pennsylvania  
limited partnership

By: Penn Square General Corporation, its  
general partner

By:


  
\_\_\_\_\_  
Thomas D. Smithgall  
Vice President



EXHIBIT A

[Convention Center Premises]

**EXHIBIT B**  
**[Hotel Premises]**

**EXHIBIT C**  
**[Quality Standard]**