

## EXECUTION COPY

### PUBLIC-PRIVATE SALES AND MARKETING SERVICES AGREEMENT

THIS AGREEMENT (this "Agreement") is made and entered into as of the 18<sup>th</sup> day of June, 2014 (the "Effective Date"), by and between and the CASINO REINVESTMENT DEVELOPMENT AUTHORITY, a public body established in, but not of, the Department of the Treasury of the State of New Jersey, and existing under and by virtue of the laws of the State of New Jersey, including P.L. 1984, c. 218, as amended and supplemented from time to time ("CRDA" or the "Authority") and MEETAC, Inc., a New Jersey non-profit corporation ("MeetAC"). MeetAC and CRDA are sometimes referred to hereinafter individually as a "Party" and collectively as the "Parties."

### RECITALS

WHEREAS, the Parties have a shared goal of promoting and marketing the City of Atlantic City, New Jersey ("Atlantic City" or the "City") as a premier destination for convention, meetings and tradeshow for national and regional organizations; and

WHEREAS, in accordance with P.L. 2011, e. 18 (C.5:12-218 *et al.*) (the "2011 Act"), the CRDA established the Convention Center Division (the "Division") pursuant to Resolution 11-36 adopted April 19, 2011 and, in furtherance thereof, effective as of April 1, 2013, the CRDA assumed all of the powers, rights, assets, and duties of the Atlantic City Convention and Visitors Authority ("ACCVA"), including all debts, liabilities, obligations and contracts of the ACCVA, and consolidated the ACCVA into the CRDA Convention Center Division; and

WHEREAS, in accordance with the 2011 Act, pursuant to Resolution 12-14 dated February 1, 2012, the CRDA adopted the "New Jersey CRDA Atlantic City Tourism District Master Plan" prepared by Jones Lang LaSalle, LLC and dated February 1, 2012 (as affirmed and readopted pursuant to Resolution 12-23 dated February 21, 2012) (the "tourism district master plan"); and

WHEREAS, the 2011 Act, in particular N.J.S.A. 5:12-219m thereof, provides:

[T]wo years after the adoption of the tourism district master plan, the [A]uthority shall conduct a formal evaluation of the plan to assess the functionality of its implementation. The [A]uthority may make any changes concerning its implementation of the master plan, as necessary, to improve its functionality. Such changes may include the reallocation of the resources of any division under the [A]uthority's jurisdiction and the reorganization of the functions and operations of those entities which pertain to the tourism district master plan. The [A]uthority may make any changes concerning the employment of [A]uthority

employees which would improve the functionality of the [A]uthority's implementation of the master plan.

; and

WHEREAS, the 2011 Act, in particular N.J.S.A. 5:12-226b.(8) thereof, further provides:

All operations of the [ACCVA] shall continue as operations of the [A]uthority until altered by the [A]uthority as may be permitted pursuant to P.L. 2011, c. 18 (C.5:12-218 *et al.*).

; and

WHEREAS, prior to its consolidation into the CRDA, the ACCVA commissioned a comparative analysis of its convention sales function by Crossroads Consulting Services, LLC ("CCS"), which examined numerous convention centers throughout the country, and determined that unlike the Division, the majority of such jurisdictions (with comparable operations to the facilities in Atlantic City) operate their convention sales and marketing functions as separate and distinct not-for-profit "business league" entities under Section 501(c)(6) of the United States Internal Revenue Code of 1986, as amended, so as to afford greater autonomy, flexibility, and capability to respond to the needs of the business community; and

WHEREAS, pursuant to Resolution 13-115 adopted July 16, 2013, the CRDA awarded a professional services agreement to Strategic Advisory Group ("SAG") to assist the CRDA with further examination of the Division functions and operations, particularly pertaining to convention sales and marketing, the unit within the Division responsible for growing the highly competitive convention meeting business at the Atlantic City Convention Center and Historic Boardwalk Hall; and

WHEREAS, SAG examined numerous convention centers throughout the country, and reached substantially similar conclusions as the CCS analysis, which determined that the nonprofit model would best serve the goal of increasing convention activity by putting Atlantic City on an equal footing with its primary competitors for convention business; and

WHEREAS, pursuant to Resolution 14-30, adopted on March 18, 2014, the CRDA approved the restructuring and outsourcing of the sales function of its Convention Center Division through the creation of MeetAC, Inc, a New Jersey not for profit corporation, whose purpose is to encourage national and regional organizations to hold their conventions, meetings and tradeshow in Atlantic City, thereby attracting business to the Atlantic City region, and particularly to negotiate with such organizations looking for convention sites, to work with the City and the CRDA to assure adequate facilities and public services, to arrange for ancillary services, and to act as a welcoming committee for such organizations, all with the goal of expanding the convention and tourism industries in

Atlantic City and promoting the general business conditions of the community at large; and

WHEREAS, the principal activities of MeetAC are to increase the convention business in Atlantic City through promotional, marketing and sales efforts, including but not limited to booking convention space, booking leisure groups, hotel rooms and off-site venues, providing ancillary services such as convention-related support services; and administer a membership plan that recognizes industry support; and

WHEREAS, in accordance with the CRDA enabling statute, P.L. 1984, c. 218 (C. 5:12-153 *et seq*) ("Enabling Act"), the CRDA is empowered to enter into any agreements or contracts, execute any instruments, and do and perform any acts or things necessary, convenient or desirable for the purposes of the CRDA to carry out any power expressly given in the Enabling Act, and in accordance with the 2011 Act, the CRDA's powers were augmented to advance and promote the casino gaming, convention, and tourism industries through its creation and redevelopment of the Atlantic City Tourism District, its oversight and management thereof, and by entering into agreements with public and private entities for the purposes of promoting the economic and general welfare of Atlantic City and the tourism district; and

WHEREAS, in accordance with the 2011 Act, the enabling legislation of the former ACCVA at P. L. 1981, c.459 (C.52:27H-29 *et seq.*), and the permissible uses of luxury tax revenues (the "Luxury Tax Revenues"), the CRDA is further expressly authorized to use Luxury Tax Revenues, which funded the ACCVA prior to consolidation, and currently fund the Division, to promote and market the city of Atlantic City in such as manner as the CRDA shall determine; and

WHEREAS, in 2011, in expanding the CRDA's mission to promote the economic well-being of Atlantic City and the tourism district, and in particular, the City's lagging tourism industry, the Legislature expressly granted the CRDA the power to enter into partnerships with private entities. The 2011 Act, in particular N.J.S.A. 5:12-233 thereof, provides:

The Authority, in implementing any of its functions involving the tourism district, including but not limited to, the regulation and encouragement of economic development and the promotion of cleanliness, safety, and commerce, is authorized and directed, notwithstanding any law, rule, or regulation to the contrary, to . . . enter into public-private partnerships or similar arrangements with private entities in implementing the provisions of P. L. 2011, c. 18 (C.5:12-218 *et al.*). Such partnerships shall include descriptions of those responsibilities to be carried out by the private entity, mechanisms for allocation of funds among such responsibilities, authority audit rights, and restrictions on

the expenditure of funds for purposes other than as set forth  
in P. L. 2011, c. 18; and

WHEREAS, in accordance with the powers enumerated in the Enabling Act and the 2011 Act, and in furtherance of its mission to expand the convention and tourism industries in Atlantic City, the CRDA and MeetAC desire to enter into this public-private partnership, whereby the CRDA will provide certain Luxury Tax Revenues to MeetAC in exchange for MeetAC performing certain activities formerly performed by the CRDA's Convention Center Division in connection with convention, meeting and leisure group marketing, promotion and sales including, but not limited to, booking convention space at the Atlantic City Convention Center and Historic Boardwalk Hall (the Center and the Hall hereinafter collectively referred to in this Agreement as the "Facilities"), hotel rooms and off-site venues within the City; and performing such other ancillary activities consistent with its charter, including, for example, convention services; advertising, marketing and public relations; and member services; and

WHEREAS, this Agreement and the performance by MeetAC of the services hereunder will provide direct benefit to the City and improve the common economic interests of the businesses throughout the City and region;

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements contained herein, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, do hereby agree as follows:

## SECTION 1. ENGAGEMENT OF MEETAC - SCOPE OF SERVICES

1.1 Engagement. The CRDA hereby engages MeetAC as its non-exclusive service provider to, sell and market the Facilities, hotel rooms, off-site venues and other Atlantic City amenities to national, regional and local organizations as premium destinations for conventions, meetings, trade shows and group leisure events. MeetAC shall perform and provide such services as are appropriate and necessary in a first-class manner, consistent with the terms of this Agreement, and in collaboration with the CRDA and its other partners, which are engaged in, and support, the mission of the CRDA as set forth in the 2011 Act.

1.2 Specific services. Without limiting the generality of the foregoing, MeetAC shall have the right, authority and obligation to perform the services set forth below and hereafter referred to as the "Services":

(a) Promote and market the Facilities, as premier destinations for conventions, meetings, trade shows and group leisure events;

(b) Conduct coordinated advertising, publicity and promotion campaigns emphasizing attractions offered in the City for meetings and groups;

(c) Sell and coordinate the booking and reservation of convention, meeting and/or trade show space, hotel rooms and other off-site venues as necessary in connection with such convention, meeting, trade show or other group leisure events at the Facilities and Atlantic City Casinos/Hotels in order to provide seamless booking processes;

(d) Conduct coordinated advertising, publicity and promotion campaigns emphasizing attractions offered in the City for meetings, conventions and groups;

(e) Participate in appropriate convention and destination marketing association's events and trade shows to assure that favorable publicity about the City and the Facilities is continued and expanded;

(f) Solicit convention, tradeshow and meeting organizations to use the Facilities and other venues throughout the City;

(g) Provide tourism and event-planning services to associations, businesses, organizations and groups convening or holding conventions, meetings or events in the City;

(h) Prepare, publish and update during the term of this Agreement and any renewals thereof, materials providing specific information on the Facilities, and hotels, restaurants, entertainment and other amenities located in the City, and distribute said materials to event planners or coordinators;

(i) Coordinate with City hotels, restaurants and entertainment venues the cross-selling and booking of said facilities in connection with the booking of a convention, tradeshow or other meeting events at the Facilities;

(j) Maintain a master set of bookings and schedules (and other related books and records) for conventions, tradeshow and leisure group events at the Facilities, consistent with those books and records previously maintained by the CRDA Convention Center Division;

(k) Create and maintain strategic relationships for the coordination of services with the CRDA and its business partners, including, currently, the Atlantic City Alliance and Global Spectrum, as manager of the Atlantic City Convention City and Historic Boardwalk Hall, as they relate to the convention/meeting business in the City; and

(l) Engage in such other sales, marketing and promotion activities as MeetAC deems appropriate and necessary to increase awareness of the City as a premier destination for conventions, meetings, trade shows and group leisure events at the Facilities and other venues throughout the City.

### 1.3 Sales and marketing plan.

(a) On an annual basis, MeetAC shall be responsible for preparing a comprehensive convention sales and marketing plan and any amendments thereto (such plan and amendments hereinafter referred to singly and collectively as the "Convention Sales and Marketing Plan" or "Plan") which shall: (a) formulate a strategy for acquiring new and maintaining existing convention, trade show and group leisure clients of the Facilities, (b) identify: (i) ideal customers, by industry, type of business, and other appropriate factors as determined by MeetAC, and (ii) customers that should not be targeted for development, (c) describe, with sufficient specificity, the unique selling proposition that sets Atlantic City and the Facilities apart from competing destinations and venues, (d) define the sales territory(ies) and, or market segment(s) that will be targeted and the rationale for such delineation, (e) address competitive factors, including venues, and define the value proposition of the destination and Facilities relative to such competition, and (f) articulate a forecast of sales and expenses by month, quarter and year, and include sales head count, sales activity and revenue, with the understanding that sales expectations (as enumerated in the Plan) will be elastic, and require on-going reexamination and adjustment to reflect market factors and related conditions.

(b) MeetAC shall develop metrics, from time to time, in collaboration with the CRDA and its other public-private partners, such metrics will measure Plan Performance and shall include: (i) room nights at Atlantic City casinos and hotels generated from bookings tied to the Facilities, (ii) economic impact of bookings at the Facilities and other City venues, such as, direct and indirect spending in the Tourism District, Atlantic City and the surrounding region, (iii) customer satisfaction and service (with customers including meeting and travel planners and conventioners using the Facilities), and (iv) financial performance of the Facilities and such additional metrics and milestones that MeetAC intends to use to measure performance against the Plan (the collectively, the "Performance Metrics").

(c) To formulate a comprehensive and complete Plan, MeetAC shall: (i) engage all relevant stakeholders, including the CRDA, its Facilities manager, the Atlantic City Alliance, Inc, the City, the casino and related hospitality and tourism businesses in the region, customers, and key employees (including sales personnel) and (ii) analyze relevant market and customer data.

(d) MeetAC shall present the Plan (and any material amendments thereto) to the CRDA, as part of its budgetary review process, and MeetAC shall take into account and give due consideration to any and all comments and recommendations of the CRDA to the Plan. MeetAC shall adopt the final Plan and determine its contents in its sole and absolute discretion.

1.4 Preparation of budget. During the term of this Agreement, MeetAC shall prepare and present to the CRDA an annual budget, which shall include an appropriate line item for reserves, (the "Budget") in support of the Plan. On an annual basis no later than October 31<sup>st</sup> of each year covered by the then current Budget (the "Current Annual Period"), MeetAC shall prepare and submit to CRDA for its approval the Budget for the following twelve-month period (the "New Annual Period") detailing with specificity the revenues and expenses necessary and desirable to successfully implement the Plan.

1.5 Responsibilities and services reserved to CRDA. MeetAC acknowledges and agrees that the CRDA is restructuring and outsourcing the sales and sales support function of its recently constituted Convention Center Division (the "Division"), and is retaining all other Division functions, including, but not limited to: Facilities operations, including, without limitation, financial management, entertainment calendar, customer service and support, administration (including contract administration), maintenance, marketing, advertising and public relations.

## SECTION 2. CRDA OBLIGATIONS

### 2.1 Review of plan and budget.

(a) CRDA shall review the Sales and Marketing Plan prepared by MeetAC, and within forty-five (45) days of such presentation, provide any comments and recommendations thereto.

(b) CRDA shall review the Budget prepared by MeetAC, and within forty-five (45) days of such presentation, approve the Budget. If CRDA fails to approve all or part of any Budget by the commencement of the New Annual Period, the portions of the Budget that have been approved by the CRDA shall become effective and the portions of the Budget for the Current Annual Period that are equivalent to the portions of the Annual Budget for the New Annual Period that were not approved shall remain in effect and shall be carried over into the New Annual Period.

### 2.2 Funding of approved budget.

(a) CRDA shall pay MeetAC for the Services provided to CRDA under this Agreement, based on the approved Budget, in furtherance of the Plan.

(b) Based on the approved Budget, CRDA shall pay MeetAC in four equal installments on January 1, April 1, July 1, and October 1 of each Budget year. CRDA shall make all payments by electronic funds transfer to the bank account designated by MeetAC.

(c) MeetAC is permitted to reallocate funding among any Budget line items. Any unused funds shall go into MeetAC's Budget reserves, provided, however,

such reserves shall not exceed five percent (5%) of the Budget in any Annual Period. MeetAC may request additional funding from CRDA that may be granted by CRDA, in its sole discretion, with any such request for additional funding presented as a proposed amendment to the Current Annual Period Budget to the CRDA Executive Director, who, in consultation with the Convention Center and Marketing Committee, shall approve or reject such request.

### 2.3 Limitations on CRDA funding.

(a) All funds provided to Meet AC under this Agreement shall be derived only from a portion of the Luxury Tax Revenues actually, and only to the extent, received by the CRDA from the State of New Jersey, Department of Treasury, and pursuant to the terms set forth in this Agreement. At a minimum MeetAC will receive Eight Million One hundred Thousand Dollars (\$8,100,000) per annum for five (5) years and eight (8) months, with the amount for the year 2014 to be prorated for the eight (8) months of 2014 when MeetAC is in existence. Notwithstanding the foregoing in the event of an extraordinary reduction in the amount of annual Luxury Tax Revenue collected in any year the funding commitment to MeetAC set forth in this section may be adjusted by the CRDA in consultation with MeetAC.

(b) CRDA shall not be obligated to make payment hereunder from any other source of funds.

(c) Notwithstanding any provision of this Agreement or any exhibit or other agreement or document related hereto to the contrary, CRDA's payment of funds under this Agreement is in all respects subject to appropriation by the CRDA. The CRDA's entire obligation under this Agreement shall be limited to the amount appropriated; subject to the provisions set forth in this section 2.3.

2.4 Interim funds. Until such time that MeetAC shall become funded under this Agreement, but in no event more than nine (9) months from the date hereof, the CRDA may, in its sole and absolute discretion, provide start-up funds and/or services to MeetAC as are reasonably necessary or convenient to facilitate and expedite MeetAC's preparedness to perform the Services under this Agreement. MeetAC agrees to use such funds and/or services in furtherance of the purposes set forth in this Agreement and shall be required to reimburse CRDA the funds and /or fair market value of the services. The amount of funds and/or fair market value of such services provided by CRDA shall appear as a line item expense in the initial Budget and shall be reimbursed to the CRDA within 45 days of CRDA's approval of the initial Budget. The initial Budget for the 8 months of 2014 shall be Five Million Four Hundred Thousand Dollars (\$5,400,000) paid to MeetAC in three equal installments of One Million Eight Hundred Thousand Dollars (\$1,800,000) with the first installment paid on the date of execution of this Agreement and the second and third installments paid on August 1, 2014 and October 1, 2014.

2.5 On-going support to MeetAC. During the term hereof, CRDA, in its sole discretion, may (i) make available to MeetAC certain CRDA buildings, work

space and equipment during normal business hours to assist MeetAC in satisfying its obligations hereunder, and (ii) purchase or lease equipment for use by MeetAC, and (iii) make available to MeetAC certain administrative, computer resources, data processing, and financial accounting services, during the term hereof. All MeetAC requested support costs incurred by the CRDA shall be accounted for in the approved Budget and paid by MeetAC within forty-five (45) days of CRDA's invoice for such services and resources. CRDA and MeetAC intend to enter into a lease agreement for MeetAC's tenancy of office space, which will consider, among other terms and conditions, tenant fit out requirements.

2.6 License to use intellectual property. Subject to Section 6 below, CRDA shall license to MeetAC the non-exclusive right to use CRDA trademarks, trade-name, copyrighted materials, and related intellectual property of the CRDA during the term hereof.

### SECTION 3. PERFORMANCE REVIEW AND REPORTING

3.1 Plan Review. On an annual or more frequent basis (as mutually agreed to by the Parties), CRDA and MeetAC shall measure the Performance Metrics enumerated in the Sales and Marketing Plan through its implementation thereof, and such other metrics, as the Parties may mutually determine.

3.2 Plan Presentation. On an annual basis, but no later than October 31<sup>st</sup> of each year during the term of this Agreement, MeetAC shall present the Plan to the CRDA for its review and MeetAC shall take into account and give due consideration to any and all recommendations of the CRDA to the Plan. MeetAC in its sole and absolute discretion shall determine the content and substance of the Plan.

3.3 Revisions to the Plan. MeetAC shall regularly, but no less than quarterly, consult with and provide the CRDA Convention and Marketing Committee the opportunity to propose improvements and revisions to any efforts undertaken pursuant to the Sales and Marketing Plan. To the extent that the Parties agree to implement such improvements and revisions, MeetAC will incorporate into its performance reporting any additional Performance Metrics as may be required to adequately measure performance under the Plan.

3.4 Performance Reporting. As part of the Plan review, the Parties agree to meet to evaluate the Plan at least on a quarterly basis, and MeetAC shall deliver to the CRDA Convention and Marketing Committee a performance report in a form mutually acceptable to the Parties, such report to include, for example, sales performance and financial data, actual versus budget, an outline of MeetAC's anticipated performance for the ensuing three – six month period, and such other information as reasonably requested by the CRDA Convention and Marketing Committee that accurately and completely measures MeetAC's performance against the Plan and in relation to the approved Budget.

3.5 Annual Performance Report. Within forty-five (45) days after the close of each year, MeetAC shall submit to the CRDA a report of MeetAC's performance under this Agreement, in a form reasonably satisfactory to the CRDA. The report shall include an analysis of the effectiveness of the Plan and whether, and to what extent, the Performance Metrics have been met. MeetAC shall make available at its offices for CRDA's inspection copies of reports, promotional literature and communications, advertisements and related materials prepared with the CRDA-provided funds for the term covered by the report.

3.6 Performance Metrics Audit. On an annual basis, MeetAC shall prepare and deliver to the CRDA a Performance Metrics audit to evaluate MeetAC's performance under this Agreement and otherwise measure MeetAC's satisfaction of the Performance Metrics. CRDA reserves the right to validate the Performance Metrics audit prepared by MeetAC through a third party independent auditor. MeetAC shall make available any information related to this Agreement requested by CRDA for the audit within ten (10) working days of the request.

#### SECTION 4. FINANCIAL AUDITS

4.1 Audit Report. Within ninety (90) days after the end of each year, MeetAC shall prepare and submit to the CRDA at MeetAC's expense an annual audit report of revenues and expenses related to this Agreement and an opinion thereon prepared by an independent certified public accounting firm. The audit report shall include an annual financial statement prepared in accordance with generally accepted accounting principles (GAAP) and the provisions of the Statement of Financial Accounting Standards No. 117 (Financial Statements of Not-for-Profit Organizations). MeetAC shall make available to the CRDA all work papers and records produced by the auditor pertaining to the audit, or copies thereof, within ten (10) working days after notice by CRDA to do so.

4.2 Inspection of Books. The CRDA or its agent may inspect MeetAC's books that relate to this Agreement at such times during normal business hours that the CRDA deems appropriate, upon three (3) business days' notice. Upon reasonable request, MeetAC shall furnish copies of such books and records to the CRDA, at no cost to the CRDA.

#### SECTION 5. PERSONNEL

5.1 Meet AC shall interview CRDA Convention Center Division sales and sales support personnel, make offers of employment to such personnel that Meet AC, in its sole discretion, considers qualified, and during the term hereof employ such staff as MeetAC considers necessary to fulfill its obligations hereunder. MeetAC shall have the right to change its personnel designated to provide services to the CRDA, subject to the CRDA's right to consult with MeetAC as to any change to the Chief Executive and sales

personnel positions. MeetAC shall make the final determination as to all sales personnel and the Chief Executive in its sole and absolute discretion.

5.2 Confidentiality. To the fullest extent allowed by law, MeetAC shall cause its executive and sales personnel to execute confidentiality and non-compete agreements, which agreements shall remain in full force and effect during the term of such personnel's employment and shall to the extent practicable, seek to obtain a confidentiality and non-compete agreement for a one-year period thereafter.

5.3 Independent contractor. MeetAC may establish and maintain welfare and other benefit plans for its employees, in its sole and absolute discretion. All employees of MeetAC, including those individuals who formerly worked for the Division, shall not be employees of the CRDA for any purpose, and shall not be entitled to any benefits or rights enjoyed by CRDA employees, including, but not limited to, unemployment compensation, workers' compensation, health insurance and retirement benefits. Without limiting the foregoing, while engaged in performance of this Agreement, MeetAC is an independent service provider and is not an officer, agent, or employee of the CRDA. MeetAC assumes full responsibility for the acts and/or omissions of MeetAC's employees or agents as they relate to performance of this Agreement. MeetAC assumes full responsibility for workers' compensation insurance and payment of all federal, state and local taxes or contributions, including, but not limited to, unemployment insurance, social security, Medicare and income taxes with respect to MeetAC and MeetAC's employees.

## SECTION 6. INTELLECTUAL PROPERTY

6.1 CRDA shall own all right, title, and interest in and to any Work Product (as hereinafter defined) produced by MeetAC or its contractors, consultants, subcontractors and sub consultants under this Agreement, and MeetAC agrees that such Work Product shall be deemed a "work made for hire". MeetAC shall execute and deliver such instruments as requested by CRDA to effect CRDA's rights in the Work Product. To the extent that CRDA's rights as outlined herein-above are limited in any manner at law or otherwise, MeetAC hereby assigns to the CRDA all right, title, and interest, including but not limited to, copyright and all copyright rights, in all Work Product created by MeetAC in its performance under this Agreement and/or delivered to the CRDA hereunder and shall execute any documents necessary to effectuate such assignment, and further grants to the CRDA an irrevocable, fully-paid up, royalty-free license to use any Work Product provided to the CRDA. MeetAC warrants that it has the lawful right to grant the foregoing license to the CRDA.

6.2 In the event MeetAC uses any individual who is not a full-time employee of MeetAC or entity to perform any work required of it pursuant to this Agreement, MeetAC shall require said individual or entity to sign an agreement containing identical wording as the foregoing Section 6.1 with the exception that word "MeetAC" is to be replaced with the individual's or entity's name.

6.3 The term "Work Product" shall mean all written and other tangible expressions, including, but not limited to, customer information and lists, drawings, documents, reports, surveys, renderings, exhibits, models, prints, and photographs. All Work Product furnished by MeetAC hereunder shall be and shall remain the property of the CRDA.

6.4 In the event of termination by either Party for any reason, as provided under this Agreement, the CRDA will have the right to receive, and MeetAC shall promptly provide to the CRDA, all Work Product and other materials prepared by MeetAC for the Services under this Agreement, notwithstanding any dispute regarding the amount to be paid under this Agreement.

6.5 MeetAC warrants that it has the lawful right to release Work Product of other third parties to the CRDA. In the event that there is any claim by any third-party for wrongful release of Work Product, MeetAC shall defend and save the CRDA, its members, officers, agents and employees harmless from liability of any nature or kind for or on account of the use of the Work Product in the performance of this Agreement. The foregoing provisions of this Section 6 shall survive the term and termination of this Agreement.

6.6 If MeetAC requires the use of the CRDA name, logo or other intellectual property, MeetAC shall review all such intended uses with the CRDA, and receive from CRDA its written consent for such use or uses. CRDA may withdraw its consent for such use or uses upon reasonable notice to MeetAC, after which, within five (5) business days MeetAC shall promptly cease and desist from such use or uses.

## SECTION 7. INDEMNITY AND INSURANCE

7.1 Indemnification. To the fullest extent allowed by law, MeetAC, its successors and assigns, shall defend, indemnify and hold the CRDA, its agents, representatives, officers, members, officials, and employees harmless from and against all allegations, demands, proceedings, suits, actions, claims, damages, losses, expenses, including but not limited to, attorney fees, court costs, and the cost of appellate proceedings, and all claim adjusting and handling expense related to, arising from or out of, or resulting from any negligent or intentional actions, acts, errors, mistakes or omissions caused by MeetAC, its agents or contractors while performing the Services under this Agreement, including but not limited to, any subcontractor or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable and any injury or damages claimed by any of MeetAC's and subcontractor's employees. The Indemnity shall not extend to any gross negligence or wrongful acts of CRDA its agents, representatives, officers, members, officials, and employees.

7.2 Insurance. Without limiting any of its obligations or liabilities, MeetAC, at MeetAC's own expense, shall purchase and maintain the hereinafter stipulated minimum insurance:

(a) All insurance shall be from a company or companies lawfully authorized to do business in the State of New Jersey with an A.M. Best, Inc. rating of "A" or above with policies and forms satisfactory to the CRDA.

(b) All insurance required herein shall be maintained in full force and effect during the Term of this Agreement; failure to do so may, at the sole discretion of the CRDA, constitute a material breach of this Agreement.

(c) MeetAC's insurance shall be primary insurance, and any insurance or self insurance maintained by the CRDA shall not contribute to it. Any failure to comply with the claim reporting provisions of the policies or any breach of a policy warranty shall not affect coverage afforded under the policy to protect the CRDA.

(d) The policies shall contain a waiver of transfer rights of recovery (subrogation) against the CRDA, its agents, representatives, directors, officers, and employees for any claims arising out of the work or services of MeetAC under this Agreement.

(e) MeetAC shall use commercially reasonable efforts to obtain insurance policies hereunder without any deductibles; however, to the extent that it becomes commercially impracticable for MeetAC to obtain any policy with no deductible, MeetAC shall consult with and obtain the prior written consent, which shall not be reasonably withheld or delayed, of the CRDA to purchase such policy with a deductible.

(f) The policies shall be in place by no later than the date of execution and delivery of this Agreement and such coverages shall remain in place for the duration of this Agreement. MeetAC shall be obligated to notify the CRDA of any claim that may be covered under the policies required by this Agreement within three (3) business days of its knowledge thereof.

(g) On or prior to execution of this Agreement, MeetAC shall provide to the CRDA certified copies of any or all of the insurance policies and/or endorsements required under this Agreement.

(h) The insurance policies required by this Agreement, except workers' compensation and fidelity/crime insurance policies, shall name the CRDA, its agents, representatives, officers, members, officials, and employees as additional insureds thereunder by endorsement and shall be and are considered primary to any valid and collectible insurance.

(i) Required coverage. MeetAC shall cause to be in effect the following insurance:

(1) General Liability. MeetAC shall maintain "occurrence" form Commercial General Liability Insurance with a limit of liability not less than \$1,000,000 for each occurrence for bodily injury and property damage and \$2,000,000 general aggregate. This policy shall include personal and advertising injury, independent contractors, contractual liability and product and completed operations.

(2) Automobile Liability. MeetAC shall maintain Commercial/Business Automobile Liability insurance with a combined single limit for bodily injury and property damages of not less than \$1,000,000, each accident with respect to MeetAC's work or services under this Agreement.

(3) Worker's Compensation. MeetAC shall maintain Worker's Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of MeetAC's employees engaged in the performance of the work or services under this Agreement, and Employer's Liability insurance of not less than \$1,000,000 covering MeetAC employees. In case any work or services under this Agreement are subcontracted, MeetAC shall require all subcontractors to provide insurance as required by applicable federal and state statutes.

(4) Fidelity insurance. MeetAC shall purchase and maintain fidelity and crime insurance coverage with a limit of \$1,000,000 per loss.

(5) Other insurance. MeetAC shall maintain any other insurance coverage or amounts of insurance the CRDA may reasonably require from time to time for the protection of the public, the CRDA and its employees, officials, representatives, officers, members, and agents. The CRDA may elect by written notice to MeetAC to require additional coverage or increased amount of any insurance to account for changes in risks, inflation, or any other factor that the CRDA reasonably determines to affect the prudent amount of insurance to be provided by MeetAC.

(j) These insurance provisions are separate and apart from any indemnification obligations and should not be interpreted as a limitation of liability.

## SECTION 8. TERM AND TERMINATION

### 8.1 Term.

(a) Initial term. The initial term of this Agreement shall commence on the Effective Date and shall continue until December 31, 2019) (the "Initial Term"), unless earlier terminated pursuant to Sections 8.2 hereof, or extended pursuant to Section 8.1(b) hereof.

(b) Renewal terms. At the expiration of the Initial Term, this Agreement may be renewed at the sole option of the CRDA for additional three (3) year periods commencing at the expiration of the Initial Term or any renewal term then in

effect. If the CRDA wishes to renew this Agreement as set forth above, it shall provide written notice to MeetAC of its intent to renew no later than six (6) months prior to the expiration of the term then in effect, provided, however, that in the absence of such notice, the Agreement shall automatically renew for an additional three (3) year term.

## 8.2 Termination.

(a) Termination upon default. In the event MeetAC defaults in its obligations under this Agreement and the default remains uncured for a period of one-hundred eighty (180) days after the CRDA gives written notice to MeetAC specifying the default, then the CRDA may terminate this Agreement effective immediately and may exercise any remedy at law or in equity that it deems necessary or desirable. In the event that MeetAC commences to cure the default but the default is not capable of being cured within such one hundred and eighty (180) days, the cure period shall be extended for such additional time as required for MeetAC to complete the cure of the default, provided, however, that the cure period shall not in any event extend beyond two-hundred seventy (270) days from the date of the original notice of default. MeetAC shall be deemed to be in default if it fails to:

- (i) Render the Services as required by this Agreement;
- (ii) Implement, or satisfactorily perform and meet the minimum Performance Metrics under, the Sales and Marketing Plan;
- (iii) Supply information or reports as required by this Agreement; or
- (iv) Comply with any other provision of this Agreement.

(b) Termination other than upon default. The CRDA shall have the right to terminate this Agreement other than pursuant to Section 8.2(a) hereof at any time upon three hundred sixty (360) days prior written notice to MeetAC, provided, however, that CRDA shall not be entitled to give such termination notice during the first eighteen (18) months of the Initial Term.

8.3 Effect of termination. In the event of either an expiration or termination of this Agreement pursuant to the terms hereof, within five (5) days thereafter MeetAC shall return to the CRDA all unexpended funds provided by the CRDA hereunder, and MeetAC shall take all necessary action and execute any and all agreement(s) or document(s) requested by the CRDA to transfer all right, title and interest in the assets and property of MeetAC to the CRDA.

## SECTION 9. MISCELLANEOUS

9.1 Relationship of the Parties. This Agreement shall not constitute, create, give effect to or otherwise imply a joint venture, partnership or formal business organization of any kind between the Parties. Each Party to this Agreement shall act as an

independent contractor and not as an agent for the other, and neither Party shall have any authority to bind the other except to the extent specifically provided herein.

9.2 Damages. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR CONSEQUENTIAL, INCIDENTAL, INDIRECT, OR SPECIAL DAMAGES OF ANY KIND WHATSOEVER, WHETHER IN AN ACTION IN CONTRACT OR IN TORT, ARISING FROM THE PURPOSES OF WHICH THIS AGREEMENT WAS ENTERED INTO.

9.3 Assignment. Neither Party may assign nor transfer its interest or delegate its obligations hereunder without the prior written consent of the other Party.

9.4 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey without regard to its conflicts of laws principles. Each Party irrevocably submits to the jurisdiction of the federal or state courts in the State of New Jersey for the purposes of any suit, action or other proceeding arising out of this Agreement and each Party irrevocably and unconditionally waives any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement in the federal or state courts in the State of New Jersey.

9.5 Waiver; Amendment. None of the provisions of this Agreement shall be considered waived by any Party unless such waiver is given in writing to the other Party. The failure of any Party to insist upon strict performance of any of the terms and conditions hereof, or failure or delay to exercise any rights provided herein or by law, shall not be deemed a waiver of any rights of either Party. This Agreement shall not be amended or modified unless set forth in a written amendment hereto and executed by the duly authorized representatives of each Party.

9.6 Entire Agreement; Severability. The foregoing paragraphs and references, including all exhibits hereto, contain the entire Agreement between the Parties and supersede any previous understanding, commitment, or agreement, oral or written. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceability such provision in any other jurisdiction.

9.7 Notice. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or: (i) personal delivery to the Party to be notified, (ii) when sent, if sent by electronic mail or facsimile during normal business hours of the recipient and if not sent during normal business hours, then on the recipient's next business day, (iii) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (v) one (1) business day after being (x) sent by U.S. Express Mail, return receipt requested, or (y) deposited with a nationally recognized

overnight courier, freight prepaid, specifying next business day deliver, with written verification of receipt. All such notices or other communications shall be sent to any Party at the address set forth below:

If to MeetAC:                      Meet AC, Inc.  
    Attention: Chief Executive Officer  
    Phone No: \_\_\_\_\_  
    Fax No.: \_\_\_\_\_  
    Email: \_\_\_\_\_

With a copy to:                      Jack Plackter, Esq.  
    Fox Rothschild  
    (609) 572-2200  
    Email: jplackter@foxrothschild.com

If to CRDA:                              Casino Reinvestment Development Authority  
    Attention: Executive Director  
    Phone No: (609) 347-0500  
    Fax No: (609) 348-3121  
    Email: jpalmieri@njcrda.com

With a copy to:                              Casino Reinvestment Development Authority  
    Attention: Law Department  
    Phone No: (609) 347-0500  
    Fax No: (609) 348-3121  
    Email: pweiss@njcrda.com

9.8 Waiver of Jury Trial. EACH PARTY, FOR ITSELF AND ON BEHALF OF ITS AFFILIATES, HEREBY WAIVES ITS RIGHT TO TRIAL BY JURY IN ANY ACTION, LAWSUIT OR PROCEEDING RELATING TO ANY DISPUTE ARISING UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY TRANSACTION DESCRIBED IN THIS AGREEMENT OR DISPUTE BETWEEN THE PARTIES.

9.9 Cumulative Remedies. No remedy conferred upon any Party pursuant to this Agreement is intended to be exclusive of any other remedy available under this Agreement or applicable law and each remedy shall be cumulative and shall be in addition to every other remedy available under this Agreement or applicable law now or in the future.

9.10 Counterparts. This Agreement may be executed in several counterparts. If so executed, each of such counterparts shall be deemed an original for all purposes and all counterparts shall, collectively constitute on agreement. In making proof

of this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

9.11 Facsimile or Electronic Signature. Either Party may deliver its signature to this Agreement or any notice or other document described in this Agreement by facsimile or other electronic transmission to the other Party. Any document signed and delivered by a party by facsimile or other electronic transmission and reasonably believed by the recipient to have been sent by or on behalf of that Party shall (a) be binding upon and fully enforceable against that Party as though it had delivered a manually-signed counterpart to the recipient and (b) be accepted by any court as equivalent to a manually-signed counterpart for purposes of any evidentiary rule.

9.12 Force Majeure.

Force Majeure Events. Performance by either Party shall not be deemed to be in default where delays or failure to perform are the result of any of the following acts, events or conditions or any combination thereof ("Force Majeure Events") that (i) have had a direct, material, adverse effect on the rights or obligations of the Parties and (ii) are beyond the reasonable control of the Party relying thereon as justification for not performing an obligation or complying with any condition required of such party under the terms of this Agreement:

a. An act of God, lightning, hurricanes, blizzards, earthquake, acts of a public enemy, war, terrorism, blockade, freight embargoes, epidemics, insurrection, economic emergency, riot or civil disturbance, sabotage or similar occurrence; a landslide, fire, explosion, flood, nuclear radiation or similar occurrence not created by an act or omission of either Party;

b. The order, judgment, action and/or determination of any federal, State or local court, administrative agency or governmental authority with jurisdiction within the City, excepting decisions interpreting federal, State and local tax laws generally applicable to all business taxpayers, adversely affecting the operation or management of MeetAC; provided, however, that such order, judgment, action and/or determination shall not be the result of the willful, intentional or negligent action or inaction of the Party relying thereon and that neither the contesting of any such order, judgments, action and/or determination, in good faith, nor the reasonable failure to so contest, shall constitute or be construed as a willful, intentional or negligent action or inaction by such party;

c. The suspension, termination, interruption, denial or failure of or delay in renewal or issuance of any Governmental Approval which is essential to the operation or management of MeetAC (as evidenced by written notices from the governmental authority having jurisdiction over such matter), or a third party challenge to the approval of any Governmental Approval, with the term "Governmental Approval" excluding any Authority approval as contemplated under this Agreement;

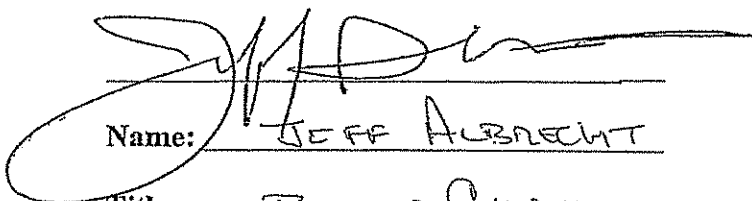
d. Strikes or similar labor actions.

9.13 Procurement of Goods and Services. MeetAC shall follow best procurement practices in the purchase of goods and services that are paid for through this Agreement. The term "best procurement practices" shall entail MeetAC: (i) implementing and maintaining responsible management and oversight so as to manage its procurement contracts fairly and effectively, (ii) considering factors such as the requirements of the business, alternatives, timing, supply strategy and total life cycle costs of the good or service when evaluating vendors' submissions, (iii) providing all qualified vendors with fair access so as to avoid conflict of interest, and to choose the successful vendor through a fair and non-discriminatory process, (iv) assuring that it is receiving quality service and goods at the right place and time, and (v) otherwise promoting integrity, professionalism, accountability, transparency, compliance to internally articulated requirements, and continuous improvement.

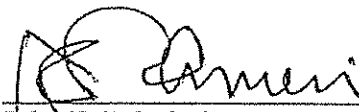
*[Signatures on the following page.]*

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first written above.

On behalf of MeetAC, Inc.

  
Name: JEFF ALBRECHT  
Title: BOARD CHAIR

On behalf of CRDA:

  
John F. Palmieri  
Executive Director