



Hershey Resorts
 West Chocolate Avenue & University Drive
 P.O. Box 446
 Hershey, PA 17033-0446

The Hershey Lodge Main Number (717) 533-3311
 Hershey Resorts Sales Office Only (717) 534-8600
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FUNCTION AGREEMENT

Tentative: June 19, 2006 **Billing:** **AR#:** **MA#:**
Definite: **Revision:** **8/1/06-**Revised room block, deposit, revenue figures,
Cancellation: deposit/decision due dates. **8/10/06-**Revised verbiage
 in complimentary policy.

ORGANIZATION: NATIONAL CONFERENCE OF STATE FLEET ADMINISTRATORS

Contact: Ms. Josie Sharp **Title:** Director Commonwealth, Board Member NCSFA
Address: 2221 Forster Street
 Harrisburg, PA 17125
Telephone: 717-787-3162 **Fax:** 717-787-0276 **Email:** jbssharp@state.pa.us

Pursuant to this contract, once accepted, **NATIONAL CONFERENCE OF STATE FLEET ADMINISTRATORS** will hold a meeting at The Hershey Lodge ("Lodge"). The Hershey Lodge is designated as a smoke-free environment.

MEETING DATES AND GUEST ROOM BLOCK: Once this contract is accepted, we will remove from our inventory and consider sold to you for your use room nights pursuant to the following arrival and departure pattern:

ARRIVAL / DEPARTURE DATES: September 8, 2007 to September 17, 2007

GUEST ROOM RATES: Rates for your meeting are confirmed as follows. Your group rates will be honored for your attendees three (3) days before group arrival and three (3) days after group departure based on availability.

	Sat 09/08	Sun 09/09	Mon 09/10	Tue 09/11	Wed 09/12	Thu 09/13	Fri 09/14	Sat 09/15	Sun 09/16
Standard Room Block	5	36	115	115	85	75	65	12	2
Room	Single/Double Rate								
Standard Room Block	\$139.00 government per diem plus \$29.00 conference fee								

NOTE:

- 1 suite complimentary for 5 nights 9/10-15/07 and one suite at the group rate 9/9-15/07.
- Up to 3 staff rooms at \$139.00 without conference fee.

EUROPEAN PLAN: These rates include overnight accommodations only per room per night and are subject to all applicable taxes currently at 6% PA State occupancy tax and 3% local tax.

COMPLIMENTARY ACCOMMODATIONS: The Lodge will provide one (1) complimentary European Plan guest room for every fifty (50) rooms occupied on an accumulative basis. A standard one (1) bedroom suite counts as two (2) units. **NATIONAL CONFERENCE OF STATE FLEET ADMINISTRATORS** shall assign the individual(s) to be housed in the complimentary accommodations at least 30 days prior to arrival. **Complimentary room units may not be used as credit. Complimentary room nights not used will have no value.**

ROOM RESERVATION PROCEDURES: From the moment this contract is accepted, we will be holding your contracted guest room block for the use of your attendees.

Passkey (on-line reservation service): In order to assign individuals to specific rooms, room reservations will be required. We understand that your guests will be booking their accommodations through a website created specifically for your group. Credit Card information is required at this time to guarantee reservation only, not charged. Please have your guests make their reservation on or before **August 3, 2007**. Any requests for special room arrangement must be indicated on the on-line reservation form. Guest accommodations will be available after 4 PM on arrival day and reserved until 11:00 AM on departure day. **The passkey link will be made by the Group Reservations Manager.**

All room nights, which have not been reserved, as described above will be deemed to be room nights, which your group will not use, and they will become subject to the attrition provisions herein. Such room nights will at that date be returned to the Lodge's general inventory. Reservation requests from your attendees received after **August 3, 2007** will be accepted on a space available basis, at the higher of the contract rate or rate available at that time. Should such requests be accepted, such room nights would be credited to your block for purposes of any calculation of attrition.

GUEST ROOM CHARGES: It is our understanding that your guests will:

Sign all charges to **NATIONAL CONFERENCE OF STATE FLEET ADMINISTRATORS's** master account.

Sign for room and tax only to **NATIONAL CONFERENCE OF STATE FLEET ADMINISTRATORS's** master account. All other charges will be paid by individual.

Pay their own account upon departure. Credit card is required at this time.

FUNCTION SPACE / REQUIREMENTS: Room assignments are subject to change at the discretion of the Lodge. Final confirmation of room assignments will be given thirty (30) days prior to your group's arrival. The following agenda indicates our understanding of your meeting requirements. Accordingly, any modifications (i.e., additions, decrease, or elimination of meetings or food and beverage functions) to the program shall require written approval of Hershey Resorts and may result in additional meeting room rental or set-up charges.

Date	Start Time	End Time	Function	Setup	Agr	Room Rental
Mon., 09/10/07	7:00 PM	11:00 PM	Hospitality			
Tue., 09/11/07	7:30 AM	8:30 AM	Breakfast	Rounds of 8	15	
Tue., 09/11/07	8:00 AM	11:00 AM	Meeting	Conference	15	
Tue., 09/11/07	11:30 AM	1:00 PM	Lunch		120	
Tue., 09/11/07	12:00 PM	5:00 PM	Exhibit Setup		60	\$6,500.00
Tue., 09/11/07	1:00 PM	5:00 PM	Meeting	Classroom	100	
Tue., 09/11/07	5:00 PM	9:00 PM	Dinner & Tradeshow		175	
Tue., 09/11/07	9:00 PM	12:00 AM	Hospitality			
Wed., 09/12/07	8:00 AM	11:00 AM	Breakfast & Tradeshow		175	
Wed., 09/12/07	11:00 AM	5:00 PM	Meeting	Classroom	100	
Wed., 09/12/07	12:00 PM	1:30 PM	Lunch		110	
Wed., 09/12/07	9:00 PM	12:00 AM	Hospitality			
Thu., 09/13/07	8:00 AM	8:30 AM	Breakfast		80	
Thu., 09/13/07	9:00 AM	5:00 PM	Meeting	Classroom	100	
Thu., 09/13/07	11:30 AM	1:00 PM	Lunch		70	

Date	Start Time	End Time	Function	Setup	Agr	Room Rental
Thu., 09/13/07	9:00 PM	12:00 AM	Hospitality			
Fri., 09/14/07	8:00 AM	8:30 AM	Breakfast		80	
Fri., 09/14/07	9:00 AM	3:00 PM	Meeting	Classroom	90	
Fri., 09/14/07	11:30 AM	1:00 PM	Lunch		70	
Fri., 09/14/07	2:00 PM	5:00 PM	Meeting	Conference	15	
Fri., 09/14/07	6:00 PM	9:30 PM	Dinner	Rounds of 10	80	

NOTE:

- All meal guarantees are required three (3) working days in advance of all meal functions. The Hershey Lodge will set five (5%) above guarantees.

FOOD & BEVERAGE / MEETING REQUIREMENTS: At a later date, one of our Conference Service Managers will be assigned to **NATIONAL CONFERENCE OF STATE FLEET ADMINISTRATORS** and will contact you in order to finalize your specific daily requirements. Should you desire additional food and beverage services and/or meeting space, please advise us as soon as possible so that we may attempt to secure such additional space for your use. The Lodge reserves the right to make reasonable substitutions in meeting and banquet rooms and/or menu selections.

No food and/or beverage of any kind will be permitted to be brought in the Lodge by the group or any of the group's guests.

Due to legal liability for all food and beverage served on the premises and licensing restrictions, The Hershey Lodge requires only food and beverage purchased by The Hershey Lodge can be served on the Lodge's property. By being accountable for food and beverage origins, condition, and transportation, The Hershey Lodge can meet its health and safety responsibilities.

INSURANCE AND INDEMNIFICATION: Lodge and **NATIONAL CONFERENCE OF STATE FLEET ADMINISTRATORS** each agree to carry adequate liability and other insurance protecting itself against any claims arising from any activities arising out of or resulting from the respective obligations pursuant to this contract.

To the extent permitted by law, you agree to protect, indemnify, defend and hold harmless the Lodge and the owner and their respective employees and agents against all claims, losses or damages to persons or property, governmental charges or fines, and costs (including attorney's fees), arising out of or connected with the function, except those claims arising out of the gross negligence or willful misconduct of the Lodge.

ROOM BLOCK AND SERVICES COMMITMENT: When you contract for a block of rooms and meeting / exhibit hall facilities and for food and beverage services, those room nights, facilities and services are removed from our inventory and considered sold to you, and the Lodge makes financial plans based upon the revenues it expects to achieve from your full performance of the contract. It is impossible for the Lodge to know in advance whether or under what circumstances or at what rates it would be able to resell your contracted room nights, services or facilities if you do not use them, either as the result of a cancellation of your meeting or as the result of less than contracted room block usage or less than contracted usage of food and beverage functions ("attrition"). In most instances, when groups do not use their contracted room nights or services, the Lodge is unable to resell those room nights or services and even when room nights or services are resold, they are generally not resold at the same rates, may be resold to groups which would have utilized the Lodge at another time, are not resold to groups that have the same needs as the original group, etc. Even when rooms or services may be resold, it is costly to re-market the rooms and facilities, and such efforts divert the attention of our sales staff from selling the Lodge's rooms and facilities at other times.

For all these reasons and others, we agree that in the event of cancellation or attrition, the following charges represent a reasonable effort on behalf of the Lodge to establish its loss prospectively, and shall be due as liquidated damages. Because the Lodge reasonably expects to derive revenue from your meeting above and beyond that revenue derived from the provision of room nights and food and beverage services, and because it is difficult to estimate the actual revenue which may be derived from your meeting, the amounts due as and for liquidated damages are intended to compensate the Lodge for all of its losses associated with cancellation and/or attrition.

ANTICIPATED ROOM NIGHT AND BANQUET FOOD AND BEVERAGE REVENUE FIGURES: At this time, the Lodge is holding **510** room nights for your use over the contract dates, totaling revenues of **\$85,680.00** which are subject to all applicable taxes. Planned banquet food, beverage revenue, meeting room and exhibit hall rental is **\$26,756.41**. All food and beverage is subject to 6% sales tax and 19% service charge.

ATTRITION: We agree to allow for a 10% reduction in the “Anticipated Room Night and Banquet Food and Beverage Revenue Figures” between now and sixty (60) days prior to your arrival date. At the conclusion of your meeting, we will subtract the rooms and banquet food and beverage revenue derived from your performance of this meeting (excluding revenue derived from pre and post program stays) and the amount of any permissible attrition you have taken from the “Anticipated Room Night and Banquet Food and Beverage Revenue Figures” set forth above. A charge in the amount of ninety (90) percent of any remaining amount will be posted to your master account, plus applicable taxes and service charges.

CANCELLATION: In the event of a group cancellation occurring 0 to 90 days prior to arrival, liquidated damages in the amount of eighty-five percent (85%) of the “Anticipated Room Night and Banquet Food and Beverage Revenue Figures” will be due, plus applicable taxes and service charges.

In the event of a group cancellation occurring 91 to 180 days prior to arrival, liquidated damages in the amount of seventy percent (70%) of the “Anticipated Room Night and Banquet Food and Beverage Revenue Figures” will be due, plus applicable taxes and service charges.

In the event of a group cancellation occurring 181 to 365 days prior to arrival, liquidated damages in the amount of fifty percent (50%) of the “Anticipated Room Night and Banquet Food and Beverage Revenue Figures” will be due, plus applicable taxes and service charges.

In the event of a group cancellation occurring between the time of acceptance of this contract and 366 days prior to arrival, liquidated damages in the amount of twenty-five percent (25%) of the “Anticipated Room Night and Banquet Food and Beverage Revenue Figures” will be due, plus applicable taxes and service charges.

Any group room no show or cancellations occurring less than 72 hours prior to arrival will be charged one night’s room and tax to the master account. Check-in time is 4PM. Checkout time is 11AM. Any departures after 11AM will be charged half the daily room rate until 4PM. After 4PM, the full room rate applies. We will be glad to store your luggage after checkout so you may continue to enjoy your visit. Please confirm your date of departure as the Lodge charges a \$50 fee for all early checkouts. Emergency situations are an exception and will be handled on a case-by-case basis by the Front Office Manager. Documentation may be required.

FORCE MAJEURE: No damages shall be due for a failure of performance occurring due to Acts of God, war, government regulation, disaster, or strikes which make performance impossible.

DEPOSIT: The following outlines your non-refundable deposit requirements.

Due Date	Amount Due
Within 2 weeks of signing contract	\$1,000.00
July 15, 2007	\$5,000.00

Balance to be paid as noted in "Billing Procedures." Failure to remit the appropriate pre-payment on a timely basis will be considered a cancellation by **NATIONAL CONFERENCE OF STATE FLEET ADMINISTRATORS** and **NATIONAL CONFERENCE OF STATE FLEET ADMINISTRATORS** shall be liable for amounts as described in the cancellation provisions.

BILLING PROCEDURES: Provided a valid Pennsylvania Sales and Use Tax Exemption Certificate is presented, tax exemption status will be honored for valid charges for which the organization will remit payment directly to the Lodge. However, Hotel Occupancy Tax will be charged for the rental of guest and meetings rooms, unless a valid certificate, specifically stating exemption to Hotel Occupancy Tax is provided. Copies of the Exemption Certificate must be forward to The Hershey Lodge's Accounting Department prior to arrival date.

The following items shall be charged to the Master Account (please check the appropriate boxes): [] sleeping rooms, [] tax, [] incidentals, [] service charges, [] banquet food and beverage charges, attrition charges, cancellation charges, and any other charges billed to the Master Account at the request of the authorized representative of the group, as designated by the group in advance of the commencement of the meeting. All master account charges not paid within thirty (30) days of the billing date will bear interest at the rate of 1.5% per month, compounded monthly. Should the Lodge, in its sole discretion, deem collection action necessary in regard to outstanding balances hereunder, all costs associated with that collection action, including attorney's fees, shall be posted to the master account.

Final balance of the Master Account to be paid by:

- Cash.** Cash payment **due no later than three days in advance** to group's arrival date for 100% of the total estimated charges.
- Check.** Check payment **due no later than three days in advance** to group's arrival date for 100% of the total estimated charges.
- Credit Card.** Valid credit card. Credit card to be charged to prepay 50% of the total estimated charges at least three days in advance. Either a credit card must be presented or the credit card information below will be used for final payment before the function begins.

Name on Credit Card: _____

Credit Card #: _____ **Exp. Date:** _____

- Direct Billing.** Pending approval of credit application. Master Account billing will be mailed directly to the meeting planner upon conclusion of each meeting. Balance is due (30) days from statement date. The Hershey Lodge charges a 1½% late payment charge on all accounts over thirty (30) days (annual rate of 18%).

Contact Responsible for Payment (**Please include name, address and phone**):

Organization: NATIONAL CONFERENCE OF STATE FLEET ADMINISTRATORS
Name: _____
Address: _____
Phone: _____

HOTEL REFERENCES:

Name: _____ Date of Stay: _____
Address: _____
Phone: _____

Name: _____ Date of Stay: _____
Address: _____
Phone: _____

Name: _____ Date of Stay: _____
Address: _____
Phone: _____

BANK REFERENCE: Account Number: _____ Branch: _____
Name: _____
Address: _____
Phone: _____

VALID CREDIT CARD:

Type of Card _____ (for reference only) Date of Card: _____

MISCELLANEOUS PROVISIONS: This contract is made and to be performed in Hershey, Pennsylvania, and shall be governed by and construed in accordance with Pennsylvania law. By executing this agreement, **NATIONAL CONFERENCE OF STATE FLEET ADMINISTRATORS** consents to the exercise of personal jurisdiction over it by the courts of the Commonwealth of Pennsylvania. This contract is the entire agreement between the parties, superseding all prior proposals both oral and written, negotiations, representations, commitments and other communications between the parties, and may only be supplemented or changed in writing, signed by representatives of both parties. No representative of the Lodge has been or is authorized to make any representation which varies from the express terms of this contract, though this contract may be supplemented or amended in writing. In the event of litigation arising from or associated with this contract, the parties agree that the prevailing party therein shall recover its attorneys' fees and costs incurred therein. Any legal action in connection with this agreement shall be brought or maintained only in the courts of the Commonwealth of Pennsylvania, and only in Dauphin County. No food and/or beverage of any kind will be permitted to be brought in the Lodge by the group or any of the group's guests.

AUTHORITY: The persons signing the agreement on behalf of the Lodge and **NATIONAL CONFERENCE OF STATE FLEET ADMINISTRATORS** each warrant that they are authorized to make agreements and to bind their principals to this agreement.

ACCEPTANCE: This contract shall be deemed accepted only after it has been signed by a representative of the **NATIONAL CONFERENCE OF STATE FLEET ADMINISTRATORS** and thereafter signed by a representative of the Lodge. Acceptance may be made by facsimile transmission and this contract may be executed in one or more counterparts, each of which when fully executed, shall be deemed to be an original, and all of which shall be deemed to be the same agreement.

Guest accommodations and function space are reserved until **August 18, 2006**. In the event a definite commitment for this space is required prior to this due date, **NATIONAL CONFERENCE OF STATE FLEET ADMINISTRATORS** will be contacted and given a first option to sign this contract with seventy-two (72) hours or the space will be released.

We look forward to working with you and to hosting a memorable meeting.

Accepted by:

GROUP NAME: NATIONAL CONFERENCE OF STATE FLEET ADMINISTRATORS

By: _____ Date: _____
Name/Title: *Ms. Josie Sharp / Director Commonwealth, Board Member NCSFA*
By: _____ Date: _____
Name/Title: *Mr. Steve Saltzgeber / Executive Director*
By: _____ Date: _____
Name/Title: *Mr. Scott Madsen / President NCSFA*

THE HERSHEY LODGE:

By: _____ Date: _____
Name/Title: *Chris A. Nord / Director of National Accounts*