

## GROUP SALES AGREEMENT

Date Prepared: December 20, 2004

Group Contact: JOE O'NEILL

Title: EXECUTIVE DIRECTOR

Organization: NATL CONF STATE FLEET ADMIN

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Litchfield Park, AZ 85340-0159

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Agent For Group: HYLAND GROUP  
Address: 307 N. MICHIGAN AVENUE  
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CHICAGO, IL 60610

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Function Name: NATL CONF STATE FLEET ADMN

Official Event Dates: 9/8/06 Friday - 9/17/06 Sunday

Hyatt Sales Manager: ALLISON N MARRERO

Title: SENIOR SALES MANAGER

Telephone: (912) 598-5202 Fax: (912) 598-1322 E-mail: amarrero@cnsopo.hyatt.com

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NATL CONF STATE FLEET ADMIN (Group) and HYATT REGENCY SAVANNAH (Hotel) agree as follows:

**FIRST OPTION**

The Hotel agrees to hold the space listed in this agreement on a tentative basis until 12/22/04. If this agreement is not fully executed by Group and Hotel by 12/22/04, the Hotel will release the space. If an alternate request is received, the Hotel will notify you and you will have forty-eight (48) hours from Hotel notification to return this executed agreement.

**GUEST ROOM BLOCK**

Date	Day	ROH	Staff	Suites	Total Sleeping Rooms
9/9/06	Saturday	5			5
9/10/06	Sunday	4	2		6
9/11/06	Monday	51	2	7	60
9/12/06	Tuesday	106	2	7	115
9/13/06	Wednesday	71	2	7	80
9/14/06	Thursday	51	2	7	60
9/15/06	Friday	46	2	7	55
9/16/06	Saturday	10			10

Total Room Nights: 391

**GUEST ROOM RATES**

The Hotel confirms the following guest room rates:

- Single Occupancy: \$ 139
- Double Occupancy: \$ 149
- Triple Occupancy: \$ 174
- Quadruple Occupancy: \$ 199

Room rates are quoted exclusive of applicable state and local taxes, which are currently 12% or applicable service, or hotel specific fees in effect at the Hotel at the time of the meeting as well as the City of Savannah occupancy fee of .30¢.

**RESERVATION METHOD**

All reservations must be made individually through the Hotel's Reservation Department by calling 800-233-1234 or at [www.hyattregencysavannah.com](http://www.hyattregencysavannah.com)

**NON-COMMISSIONABLE**

These rates are confirmed on a net non-commissionable basis.

**GUEST ROOM MINIMUM**

Hotel is relying on, and Group agrees to provide, a minimum of 313 (80% of the contracted block) guest room nights. Should the Group fall below this amount, the Group will be responsible for the difference between the minimum guest room nights and actualized guest room nights multiplied by the single convention guest room rate multiplied by 80% (guest room minimum minus guest rooms actualized multiplied by single convention room rate multiplied by 80%), plus any applicable taxes.

For any day that the hotel achieves 100% occupancy during the official event dates, the Group will receive credit for full achievement of the contracted block for that day. In such a case, the Group's total pick up will be calculated by adding the difference between contracted and actual room nights for sold out nights to the Group's total pick up.

The Hotel and Group intend to liquidate the damages in the event that the Group fails to meet the Guest Room Minimum set forth in this section. Therefore, Group and Hotel agree (a) that the above formula is a reasonable estimate of the Hotel's damage in the event that such a minimum is not met and (b) that the liquidated damages set forth in this section do not constitute a penalty.

**COMPLIMENTARY ROOMS**

The Hotel agrees to provide the Group with One (1) complimentary unit for Fifty-revenue producing guest rooms occupied by the Group on a cumulative basis. This shall be computed by adding together the total paid room usage per night of consecutive night stays over the official event dates multiplied by One (1) and dividing by Fifty (50). These credits for rooms may be applied as follows:

<u>Room Type</u>	<u>Units Applied</u>
One guest room	1 unit
Plaza Suites	2 units
Regency Suites	2 units
Hospitality Suites (1 bedroom)	3 units
V.I.P. Suites (1 bedroom)	4 units
Deluxe Suites (1 bedroom)	5 units
Two bedroom suites are also available.	
Additional suite connectors	1 unit

Complimentary units may not be used as credit. Complimentary units not used have no value.

**CUT-OFF DATE**

The "cut-off date" is 8/9/06. Reservation requests received after the cut-off date will be based on availability at the Hotel's prevailing rates and will be credited to the Group's Guest Room Block.

**FUNCTION SPACE COMMITMENT**

The Hotel is currently holding function space based on the attached Program of Events. This is considered to be a firm commitment by the Group and any increase or decrease to that commitment may result in a modification of room rental by the Hotel. All function and meeting space is assigned by the Hotel according to the number of persons guaranteed to attend the Group's function. The Hotel reserves the right to reassign the space listed on the Program of Events to accommodate both the Group and all other groups using the Hotel's facilities during the Group's meeting. A failure to submit a finalized Program of Events to the Hotel by August 1, 2006 may result in a release by the Hotel of the space being held for the Group and/or a reassignment to space more suitable for the finalized Program of Events once submitted. The Group agrees to promptly notify the Hotel of any changes in its function space requirements.

Meeting room rental for this program is waived.

### **FOOD AND BEVERAGE MINIMUMS**

Group agrees to provide a minimum of \$30,000 in banquet food and beverage revenue (excluding tax and service charge). Should the Group's banquet food and beverage revenue fall below this amount, the Group will be responsible for the difference between the minimum banquet food and beverage revenue and the actualized food and beverage revenue multiplied by 40% (minimum food and beverage revenue minus actualized food and beverage revenue multiplied by 40%), plus any applicable taxes. This amount will be placed on the Group's Master Account.

The Hotel and Group intend to liquidate damages in the event the Group fails to meet the food and beverage minimum set forth in this section. Therefore, the Hotel and Group agree (a) that the above formula is a reasonable estimate of the Hotel's damage in the event the minimum set forth in this section is not met and (b) that the liquidated damages set forth in this section do not constitute a penalty.

All banquet food and beverage arrangements must be made through the Hotel. Only food and beverage purchased from Hyatt may be served on Hotel property. The Hotel reserves the right to cease service of alcoholic beverages in the event that persons under the state mandated age limit are present at the function and attempt to receive service of alcoholic beverages. Hotel further reserves the right to deny alcoholic beverage service to guests who appear to be intoxicated.

### **CONCESSIONS**

- ❖ Should your group utilize 85% of the contracted block, hotel is pleased to provide two (2) complimentary rooms for six nights for staff. Otherwise, group rate per unit.
- ❖ Seven (7) upgrades to Regency/Plaza suites at group rate for five nights.

### **CREDIT ARRANGEMENTS**

The Hotel accepts all major credit cards for payment of a portion or the entire balance in your Master Account. In the event that the Group wishes to set up direct billing for the Master Account, a credit application must be completed and returned no later than April 4, 2006 for approval by Hotel. In the event credit is not approved, or requested, you can settle your account with a major credit card, full prepayment of all estimated charges must be received by September 1, 2006. Failure to remit payment when due will result in cancellation of all arrangements outlined in this Agreement and the Group shall be liable for amounts described in the cancellation option provision of this Agreement. Credit procedures will be provided to Group by the Hotel upon the request for a credit application.

Individuals shall be responsible for their own room, tax, incidental charges, and any other charges not authorized by Group to be billed to the Master Account. All charges incurred are to be paid upon checkout. The Group's Master Account is limited to charges for meeting/function room rental, food and beverage functions and other requested services.

### **CANCELLATION OPTION**

Either the Hotel or Group may cancel this contract without cause upon written notice to the other party at any time prior to the event and upon payment of an amount based on the following scale, plus applicable taxes:

Date of Signature to May 2, 2005	\$19,314 (40% of Rooms, 15% of Food & Beverage, and Rental Minimums)
May 3, 2005 – October 3, 2005	\$24,892 (50% of Rooms, 25% of Food & Beverage, and Rental Minimums)
October 4, 2005 – March 6, 2006	\$34,249 (70% of Rooms, 30% of Food & Beverage, and Rental Minimums)
March 7, 2006 to Date of Arrival	\$39,828 (80% of Rooms, 40% of Food & Beverage, and Rental Minimums)

Payment due as a result of this cancellation option shall be made by the canceling party to the non-canceling party at the time this Agreement is canceled by written notice.

The Hotel and Group intend to liquidate damages in the event that either party utilizes the cancellation option set forth in this section. Therefore, the Hotel and Group agree (a) that the above formula is a reasonable estimate of the Hotel's damage in the event of cancellation and (b) that the liquidated damages set forth in this section do not constitute a penalty.

### **RIGHTS OF TERMINATION FOR CAUSE**

Except as otherwise provided in this Agreement, neither party shall have the right to terminate their obligations under this Agreement. Either party may terminate this Agreement for any one or more of such reasons upon written notice to the other party within five (5) days of such occurrence or receipt of notice of any of the following occurrences. This Agreement is, however, subject to termination for cause without liability to the terminating party, under any of the following conditions:

- a. The parties' performance under this Agreement is subject to acts of God, war, government regulation, terrorism, disaster, strikes, civil disorder, curtailment of transportation facilities, or any other emergency of a comparable nature beyond the parties' control, making it impossible, illegal or which materially affects a party's ability to perform its obligations under this Agreement.
- b. In the event that either party shall make a voluntary or involuntary assignment for the benefit of creditors or enter into bankruptcy proceedings prior to the date of the Group's meeting, the other party shall have the right to cancel this Agreement without liability upon written notice to the other.
- c. The Hotel shall promptly notify the Group if there is a change in the management company which operates the Hotel prior to the meeting, in which event Group shall have the right to terminate this Agreement without liability upon written notice to the Hotel.
- d. In the event of termination by the Hotel under this section, the Hotel shall refund all deposits and/or prepayments made by the Group within five (5) days of the notice of termination.

### **INDEMNIFICATION AND HOLD HARMLESS**

Hotel agrees to defend, indemnify and hold harmless Group from and against all claims, actions, causes of action, or liabilities, including reasonable attorneys' fees, arising out of or resulting from any act undertaken or committed by Hotel pursuant to the performance of its obligations under this Agreement. Hotel also agrees to defend, indemnify and hold harmless Group from any liability resulting from any claim, action or cause of action, which may be asserted by third parties arising out of Hotel's performance pursuant to this Agreement, except for those actions or liabilities which are due to the misconduct or negligence of the Group.

Group agrees to defend, indemnify, and hold harmless Hotel from and against all claims, actions, causes of action, or liabilities, including reasonable attorneys' fees, arising out of or resulting from any act undertaken or committed by Group or any contractors hired or engaged by the Group in connection with the performance of Group's obligations under this Agreement. Group also agrees to defend, indemnify, and hold harmless Hotel from any liability resulting from any claim, action or cause of action, which may be asserted by third parties arising out of the performance of Group's obligations pursuant to this Agreement, except those actions which are due to the misconduct or negligence of Hotel.

### **INSURANCE**

Group and Hotel are required to insure their obligations set forth in the section entitled 'Indemnification and Hold Harmless' above, and to provide evidence of such insurance upon request. For any activity introduced onto the premises by an outside contractor hired by Group, Group will be fully responsible for the actions of such outside contractor. Upon request, Group will provide a certificate of insurance covering the actions of such outside contractor, naming the Hotel Owner and Hyatt Corporation as additional insured's with regard to the activities of such outside contractor.

### **AMERICANS WITH DISABILITIES ACT**

Compliance by the Hotel - The Hotel shall be responsible for complying with the public accommodations requirements of the Americans with Disabilities Act (ADA) not otherwise allocated to the Group in this agreement, including: (i) the 'readily achievable' removal of physical barriers to access to the meeting rooms, sleeping rooms, and common areas (e.g., restaurants, rest rooms, and public telephones); (ii) the provision of auxiliary aids and services where necessary to ensure that no disabled individual is treated differently by the Hotel than other individuals; and (iii) the modification of the Hotel's policies, practices, and procedures applicable to all guests and/or groups as necessary to provide goods and services to disabled individuals (e.g., emergency procedures and policy of holding accessible rooms for hearing and mobility impaired open for disabled individuals until all remaining rooms are occupied). Any extraordinary costs for special auxiliary aids requested by the Group shall be borne by the Group provided the Hotel notifies the Group of such cost in writing.

Compliance by the Group - The Group shall be responsible for complying with the following public accommodations requirements of ADA: (i) the 'readily achievable' removal of physical barriers within the meeting rooms utilized by the Group which the Group would otherwise create (e.g., set-up of exhibits in an accessible manner) and not controlled or mandated by the Hotel; (ii) the provision of auxiliary aids and services where necessary to ensure effective communication of the Group's program of disabled participants (e.g., Braille or enlarged print handouts, interpreter or simultaneous videotext display); and (iii) the modification of the Group's policies, practices and procedures applicable to participants as required to enable disabled individuals to participate equally in the program.

Mutual Cooperation in Identifying Special Needs - The Group shall identify in advance any special needs of disabled registrants, faculty and guests requiring accommodation by the Hotel and will notify the Hotel of such needs for accommodation in writing as soon as they are identified to the Group. Whenever possible, the Group shall copy the Hotel on correspondence with attendees who indicate special needs as covered by ADA. The Hotel shall notify the Group of requests for accommodation which it may receive otherwise than through the Group to facilitate identification by the Group of its own accommodation obligations or needs as required by ADA.

#### **CHANGES; NOTICE**

Any changes to these terms must be made in writing and signed by both parties to be effective. Any modifications, additions or corrective lining out made on this Agreement will not be binding unless such modifications have been signed or initialed by both parties. Any notice hereunder shall be given to the individuals listed on the first page of this Agreement at the addresses set forth herein. Notice must be given through certified or registered mail, return receipt requested, overnight delivery, with a signature signifying receipt, or by facsimile in order to be effective under this agreement and shall be deemed delivered upon receipt.

#### **DAMAGES**

Neither party shall be liable to the other for any special, indirect, incidental, consequential, punitive or exemplary damages, including, but not limited to, lost profits, even if such party has knowledge of the possibility of such damages.

#### **ARBITRATION**

The parties agree that any and all claims, controversies or disputes between the parties which arise out of or relate in any way to this Agreement or a breach hereof and which the parties are unable to resolve informally shall be submitted to binding arbitration in SAVANNAH, to be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association, or such other dispute resolution provider as otherwise agreed to by the parties. The parties expressly agree that this arbitration shall be final and binding on the parties and judgment may be entered upon the award and may be enforced by appropriate judicial action in any state or federal court having jurisdiction thereof. In this connection, the parties hereby submit themselves to the jurisdiction of the State of GEORGIA located in SAVANNAH. The parties agree that the arbitrator shall adhere faithfully to the laws of the State of GEORGIA and that the arbitrator shall award to the prevailing party in arbitration the reasonable attorney's fees and costs expended in connection with any arbitration conducted under this provision.

#### **WAIVER**

If one party agrees to waive its right to enforce any term of this Agreement, that party does not waive its right to enforce such term at any other time or to enforce any or all other terms of this Agreement.

#### **BINDING AGREEMENT**

This Agreement, along with the attachments called The Program of Events and the Hotel's Information Sheet, which are incorporated herein by reference, are all of the terms agreed to by the parties. Any changes to these terms must be made in writing and signed by both parties to be effective. All prior agreements, verbal or written, are no longer effective once this Agreement is signed by the parties.

#### **ENFORCEABILITY**

If any provision of the Agreement is unenforceable under applicable law, the remaining provisions shall continue in full force and effect.

When signed by representatives of both parties, this Agreement, (which includes The Program of Events and the Hotel's Information Sheet) constitutes a binding agreement between the Group and the Hotel.

By the Hotel's  
Authorized Representative

By the Group's  
Authorized Representative

By: \_\_\_\_\_  
Name: ALLISON N MARRERO  
Title: SENIOR SALES MANAGER  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: JOSEPH H. O'NEILL  
Title: EXECUTIVE DIRECTOR  
Date: \_\_\_\_\_