

**COOPERATION AGREEMENT BETWEEN
THE CITY OF PHILADELPHIA**

AND

THE PHILADELPHIA CONVENTION AND VISITORS BUREAU

This AGREEMENT (“Agreement”), is made this ___ day of _____, 2010, by and between The City of Philadelphia, acting through the Office of the City Representative (“City”) and the Philadelphia Convention and Visitors Bureau (“PCVB”, together, “Parties”).

BACKGROUND

WHEREAS, the City is a corporation and body politic existing under the laws of the Commonwealth of Pennsylvania (“Commonwealth”), having adopted the Philadelphia Home Rule Charter under the provisions of the First Class City Home Rule Act of April 21, 1949, P.L. 665; and

WHEREAS, PCVB is a non-profit organization dedicated to promoting the welfare of Philadelphia by bringing an increasing number of conventions and leisure travelers to Philadelphia and having an objective of increasing visitation, along with its inherent economic benefits, to the entire region; and

WHEREAS, PCVB has particular expertise in planning and hosting large events in Philadelphia such as the annual Army-Navy intercollegiate football game (“Army-Navy Game”); and

WHEREAS, the Army-Navy Game has become a tradition in Philadelphia, with Philadelphia hosting the Army-Navy Game for 82 out of the past 110 years, beginning in 1899; and

WHEREAS, the Army-Navy Game generates a significant benefit to the local Philadelphia economy by filling an estimated 17,000 hotel room nights in the region as well as attracting 50,000 visitors to the City for the weekend; and

WHEREAS, the City and PCVB responded to a request for proposal from the Army Athletic Association (“Army”) and the Naval Academy Athletic Association (“Navy”, together, “Academies”) to host the Army-Navy Game issued on August 26, 2008; and

WHEREAS, the Academies accepted the City and PCVB’s proposal on June 4, 2009 to play the Army-Navy Game in Philadelphia at Lincoln Financial Field, in the years 2010, 2012, 2013, 2015 and 2017; and

WHEREAS, the City and PCVB mutually agree to host, promote and facilitate the Army-Navy Game during those years; and

WHEREAS, PCVB agrees to enter into a game agreement of the same date first written above, a copy of which is attached hereto as **Exhibit “A”** (the “Game Agreement”), with the Philadelphia Authority for Industrial Development (“PAID”) and the Academies; and

WHEREAS, PCVB and the City intend to delineate their respective responsibilities of hosting the Army-Navy Game in this Agreement; and

WHEREAS, the Council of the City of Philadelphia has adopted an Ordinance (Bill No. _____), approved by the Mayor of the City of Philadelphia on the _____ day of _____, 2010, authorizing the City Representative to enter into this Agreement; and

NOW THEREFORE, in consideration of the mutual promises contained herein, the Parties hereto, intending to be legally bound by this Agreement, mutually covenant and agree as follows:

1. Incorporation of Background.

The Background recited above is hereby incorporated into and made a part of this Agreement.

2. Term.

(a) The term of this Agreement shall begin on the date of execution of this Agreement by all Parties hereto (“Effective Date”), and shall terminate one day after the settlement of the finances following the 2017 Army-Navy Game (“Term”).

(b) Pursuant to Article VIII, Chapter 2, Section 8-200(3) of the Philadelphia Home Rule Charter, the City reserves the right to terminate this Agreement at its sole option at any time after the expiration of four years after the Effective Date of this Agreement without liability to the other party for damages or loss of profits which would have been realized had this Agreement not been terminated.

3. City’s Obligations.

(a) The City shall enter into an agreement with PAID in which PAID agrees to enter into the Game Agreement with the Academies and obligates the City to be responsible for certain financial obligations related to the Army-Navy Game, as set forth in that Game Agreement.

(b) The City will perform all of PAID’s duties in the Game Agreement including entering into a License Agreement with the Philadelphia Eagles for use of Lincoln Financial Field for the Army-Navy Game pursuant to terms of the Sublease and Development Agreement dated December 7, 2001 between PAID and the Philadelphia Eagles Limited Partnership.

(c) The City shall be responsible for all financial expenses related to the Army-Navy Game that exceed the revenue generated from the Army-Navy Game and any grants

received by the City, PAID or PCVB related to the Army-Navy Game, as set forth in the Game Agreement.

(d) The City shall cooperate fully with PCVB in applying for and acquiring grant money from the Commonwealth, the Delaware River Port Authority as well as other government and non-government sources, in order to help offset financial costs and expenses under the Game Agreement.

4. PCVB's Obligations.

(a) PCVB will enter into the Game Agreement with the Academies to host the annual Army-Navy Game in Philadelphia in the years 2010, 2012, 2013, 2015 and 2017 .

(b) PCVB will assist the City in negotiating the terms and conditions of the license agreement between the City and the Philadelphia Eagles, but will assert no authority to independently bind the City.

(c) PCVB shall use its best efforts to minimize expenses and maximize revenues related to the Army-Navy Game by obtaining public and private grants, enhancing other revenue streams and controlling costs wherever possible.

(d) PCVB, with the full cooperation of the City, shall apply for and acquire grant money from the Commonwealth, the Delaware River Port Authority as well as other government and non-government sources, in order to help offset financial costs related to the Army-Navy Game.

(e) PCVB shall be responsible for oversight and planning of the Army-Navy Game and related events as set forth in the Game Agreement including but not limited to planning the annual Army-Navy Gala Dinner Party, Media Luncheon, transportation, parking and lodging for the Academies and any other special events planned in conjunction with the Army-Navy Game (collectively, the "Events").

(f) PCVB shall use its best efforts to solicit sponsorships for the Army-Navy Game consistent with the terms of the Game Agreement. All revenues derived from such sponsorships shall be utilized by PCVB to defray its expenses incurred in the production of the Events, to design and produce promotional materials associated with the Army-Navy Game including the maintenance of an appropriate Web site, media support, signage and all other medial and promotional requirements. In the event that revenues from these sponsorships exceed the amount of PCVB's expenses, the excess shall be used to offset the costs related to the Army-Navy Game.

(g) PCVB shall be responsible for coordinating the settlement process with the Academies and the Philadelphia Eagles following each Army-Navy Game, as set forth in the Game Agreement.

5. Audit of Affairs.

(a) During the Term of this Agreement, the City Controller shall have the right to audit the affairs of PCVB to the extent required under Section 6-400 of the Home Rule Charter. In order to facilitate such an audit, upon prior reasonable notice, PCVB must provide the City Controller with reasonable access to PCVB's books and financial records.

(b) PCVB shall maintain full, complete and accurate books of account and other records relating to its performance under this Agreement, and promptly make them available for inspection by the City upon the City's request.

6. Nondiscrimination.

(a) This Agreement is entered into under the terms of the Philadelphia Home Rule Charter and in its performance, PCVB shall not discriminate nor permit discrimination against any person because of race, color, religion, national origin, sex or ancestry. In the event of such discrimination, the City may terminate this Agreement forthwith or exercise any other remedy provided to the City in this Agreement or at law or in equity.

(b) In accordance with Chapter 17-400 of The Philadelphia Code, PCVB agrees that its payment or reimbursement of membership fees or other expenses associated with participation by its employees in an exclusionary private organization, insofar as such participation confers an employment advantage or constitutes or results in discrimination with regard to hiring, tenure of employment, promotions, terms, or privileges or conditions of employment on the basis of race, color, sex, sexual orientation, gender identity, physical handicap, religion, national origin or ancestry, constitutes a substantial breach of this Agreement entitling the City to all rights and remedies provided in this Agreement or otherwise available at law or in equity.

(c) PCVB agrees to include subparagraphs (a) and (b) of this Section 6, with appropriate adjustments for the identity of the parties, in all subcontracts which are entered into to be performed pursuant to this Agreement.

(d) PCVB further agrees to cooperate with the Commission on Human Relations in any manner which the said Commission deems reasonable and necessary for the Commission to carry out its responsibilities under Chapter 17-400 of The Philadelphia Code.

7. MacBride Principles.

(a) In accordance with Section 17-104 of the Philadelphia Code, PCVB by execution of this Agreement certifies and represents that (i) PCVB (including any parent company, subsidiary, exclusive distributor or company affiliated with PCVB) does not have, and will not have at any time during the Term of this Agreement (including any extensions thereof), any investments, licenses, franchises, management agreements or operations in Northern Ireland and (ii) no product to be provided to the City under this Agreement will originate in Northern Ireland, unless PCVB has implemented the fair employment principles embodied in the MacBride Principles.

(b) In the performance of this Agreement, PCVB agrees that it will not utilize any subcontractors at any tier (i) who have (or whose parent, subsidiary, exclusive distributor or company affiliate have) any investments, licenses, franchises, management agreements or operations in Northern Ireland, or (ii) who will provide products originating in Northern Ireland unless said supplier, sublicensee or subcontractor has implemented the fair employment principles embodied in the MacBride Principles. PCVB further agrees to include the provisions of this Section 7 with appropriate adjustments for the identity of the parties, in all subcontracts and supply agreements which are entered into in connection with the performance of this Agreement.

(c) PCVB agrees to cooperate with the City's Director of Finance in any manner which the said Director of Finance deems reasonable and necessary to carry out the Director's responsibilities under Section 17-104 of The Philadelphia Code. PCVB expressly understands and agrees that any false certification or representation in connection with this Section 7 or any failure to comply with the provisions of this Section 7 shall constitute a substantial breach of this Agreement entitling the City to all rights and remedies provided in this Agreement or otherwise available at law (including, but not limited to, Section 17-104 of The Philadelphia Code) or in equity. In addition, it is understood that false certification or representation is subject to prosecution under Title 18 Pa. C.S.A. Section 4904.

8. Certification of Non-Indebtedness.

(a) PCVB hereby certifies and represents to the City that PCVB and PCVB's parent company(ies) and subsidiary(ies), affiliate(s), if any, are not currently indebted to the City, and will not during the Term of this Agreement be indebted to the City, for or on account of any delinquent taxes (including, but not limited, to taxes collected by the City on behalf of the School District of Philadelphia), liens, judgments, fees or other debts for which no written agreement or payment plan satisfactory to the City has been established.

(b) PCVB shall require all subcontractors performing work in connection with this Agreement to be bound by the following provision and PCVB shall cooperate with the City in exercising the rights and remedies described below or otherwise available at law or in equity:

“Subcontractor hereby certifies and represents that Subcontractor, and Subcontractor's parent company(ies) and their subsidiary(ies), are not currently indebted to The City of Philadelphia (the “City”), and will not at any time during the Term of PCVB's Agreement with the City, dated _____, 2010 (the “Agreement”) be indebted to the City, for or on account of any delinquent taxes (including, but not limited to, taxes collected by the City on behalf of the School District of Philadelphia), liens, judgments, fees or other debts for which no written agreement or payment plan satisfactory to the City has been established.”

(c) Any breach or failure to conform to the aforesaid certifications shall constitute a default by PCVB and entitle the City to exercise any rights or remedies available to it under this Agreement, and at law and in equity.

9. Notices

All notices, requests, and other communications under this Agreement shall be in writing and shall be sent by United States registered or certified mail, return receipt requested, postage prepaid, or by overnight or hand delivery service with receipt requested, or by facsimile followed by hard copy forwarded as aforesaid and addressed as follows:

If addressed to City: City of Philadelphia Office of City Representative
Attn: City Representative
1515 Arch Street, 12th Floor
Philadelphia, PA 19102

with a copy to: City of Philadelphia Law Department
Attn: Divisional Deputy of Real Estate & Economic Development
1515 Arch Street, 17th Floor
Philadelphia, PA 19102

If addressed to PCVB: Philadelphia Convention and Visitors Bureau
Attn: Sports Congress President
1700 Market Street, Suite 3000
Philadelphia, PA 19103

With a copy to: Edward D. Slevin
Ballard Spahr Andrews & Ingersoll
1735 Market St., 49th Floor
Philadelphia, PA 19103

or to such other individual and/or address as the Parties to receive notice may from time to time designate by written notice in the manner above described.

10. Assignment; Third Party Beneficiaries.

(a) This Agreement shall not be assigned, assignable, or otherwise transferred or transferable by action of PCVB without the prior written consent of the City.

(b) In no event shall anything in this Agreement confer upon any other person or entity or any third party beneficiary rights.

11. Compliance with Applicable Law.

Throughout the Term of this Agreement, PCVB will observe and comply with all present and future laws, ordinances, orders, rules, regulations and requirements of all federal,

state and municipal governments, courts, departments, commissions, boards or any other body exercising functions similar to those of any of the foregoing, which may be applicable to PCVB or this Agreement (“Applicable Law”).

12. Governing Law; Waiver of Jury Trial.

(a) This Agreement shall be governed by the laws of the Commonwealth of Pennsylvania.

(b) The Parties mutually waive the right to a jury trial in any action under this Agreement.

13. Entire Agreement.

This Agreement represents the entire Agreement between the Parties and supersedes all prior negotiations, presentations or agreements, whether written or oral, with respect to the subject matter of this Agreement. This Agreement may be amended only by a written instrument signed by both Parties.

IN WITNESS of the mutual promises and covenants set forth above, and intending to be legally bound by this Agreement, the Parties have caused this Agreement to be executed by their duly authorized officers, under seal, as of the day and year first above written.

Approved as to Form:
Shelley R. Smith, City Solicitor

THE CITY OF PHILADELPHIA

Per: _____

By: _____
Melanie Johnson
City Representative

PHILADELPHIA CONVENTION AND VISITORS BUREAU

Attest: _____

By: _____
Tom Muldoon, President

Exhibit A

ARMY NAVY 2010/2012/2013/2015/2017 GAME AGREEMENT

THIS AGREEMENT (the “Agreement”) entered into by and between the Philadelphia Authority for Industrial Development (“PAID”), the Philadelphia Convention and Visitors Bureau (“PCVB”) (sometimes collectively referred to herein as the “Promoters” or the “Contractor”), on the one hand, and the Army Athletic Association, a non-appropriated fund instrumentality, West Point, New York (“Army”) and the Naval Academy Athletic Association, Annapolis, Maryland (“Navy”) (sometimes collectively referred to herein as “Academies”, or individually as each “Academy”), shall be effective when executed by all parties to the Agreement and on the date signed by the Academies’ contracting officer (“Contracting Officer”).

W I T N E S S E T H

WHEREAS, the Promoters responded to a Request for Proposals issued by the Academies dated August 26, 2008 to host its annual Army-Navy intercollegiate football game (“Game”) and the associated festivities for the years 2010, 2011, 2012, 2013 and 2014.

WHEREAS, the Academies accepted the Promoters’ response to play the Game in Philadelphia, Pennsylvania, at Lincoln Financial Field on the following tentative dates:

Date: Saturday, December 11, 2010
 Saturday, December 8, 2012
 Saturday, December 14, 2013
 Saturday, December 12, 2015
 Saturday, December 9, 2017

(individually and collectively to be referred to hereinafter as the “Game Day”). All dates and times for the 2010, 2012, 2013, 2015 and 2017 Army Navy Games are subject to change based on the Army and Navy’s Agreement with CBS Network Television.

NOW, THEREFORE, in consideration of the following promises, covenants and conditions, the Promoters, Army and Navy do hereby agree as follows:

1. TERM

A. The term of this Agreement shall take effect on the date of full execution of this Agreement by all parties hereto, and shall terminate upon the settlement of the 2017 Game Day (“Term”).

B. The Promoters shall act as and are hereby designated the sole and exclusive promoters of the Game and in such capacity shall supervise and be responsible for all matters, financial and otherwise, connected with the Game except as expressly set forth herein.

2. OBLIGATIONS OF PROMOTERS

A. The general obligations of PAID shall include but are not limited to:

(1) The provision and operation of Lincoln Financial Field, including the playing field marked to include the official Army and Navy logos in respective end zones, the Game logo at midfield and elimination of all professional markings from the playing surface as directed by the Academies. The field itself shall be marked in compliance with NCAA regulations, shall be in good playing condition for the Game. The Promoters shall be permitted to place the name of the City of Philadelphia no third party commercial entity) on the playing field or select field wall at a mutually agreed upon location. Likewise the Stadium shall be properly outfitted with a video scoreboard system, game time and play clocks, grandstands, concourses, aisles, lavatories and other similar facilities for the safety, comfort and convenience

of the patrons. PAID will also provide locker room facilities for the Army and Navy football teams and Game officials on the one day prior to the Game and on the Game Day itself, and shall provide mutually agreed upon practice times for both teams on the day prior to the Game, weather permitting. In case of inclement weather, PAID shall secure an indoor practice facility on the day prior to the game.

(2) The provision and operation of all Lincoln Financial Field medical facilities, including appropriate levels of staff for first-aid stations.

(3) The maintenance and operation of Lincoln Financial Field, including preparation of the playing field, the cleaning of Lincoln Financial Field before and after the Game, and restoration of the playing field after the Game, all of which shall be performed in a diligent manner.

(4) The furnishing of personnel, deemed necessary by PAID, to operate Lincoln Financial Field for the Game and Game Day operations, including but not limited to ticket-takers, ticket-sellers, ushers, security guards, will-call clerks, scoreboard/video board operators, elevator and escalator operators, public address system announcer and maintenance personnel and supervisors.

(5) Locker room space for the Academies large enough to hold 100 players. Each locker room shall have a separate training room area and a separate locker room for up to fifteen (15) coaches.

(6) The providing of professional amenities to each team on a complimentary basis for practices on Friday and Game Day, including ice (600 pounds per team on Friday and 800 pounds on Game Day), and towels (200 per team on Friday and 400 per team on Game Day).

B. PAID shall bear and pay all costs for utilities, labor, and services necessary for staging the Game and its associated activities.

C. The Promoter will cover and/or remove from its Playing Surface, Field Wall, Field Entrance Tunnels and Field Goal Nets all marks and logos (including artwork for Team, League and Team or 3rd Party Promotion Advertising).

D. The Promoter will, at its expense, professionally paint and/or install any logos or artwork requested by Army and Navy on the Playing Surface (including but not limited to Midfield, Outside the Hash Marks and in each End Zone), on the Field Level Walls surrounding the entire playing surface, above each Field Level Entrance Tunnel and on the Field Goal Nets as requested by the Academies. Such requests will be in accordance with Academies' Television Broadcast Agreement with CBS.

E. The Promoter will be responsible for production and installation of signage, field painting, etc..

F. In consideration of increased security requirements the promoter shall provide a secure area with optimal stadium visibility to serve as a "command post" for security representatives of both Academies, Federal, State and local law enforcement agencies.

G. PCVB shall provide, at its sole expense, a private catered gala dinner party at the Grand Ballroom of the Pennsylvania Convention Center, or a comparable venue in the event that the Convention Center is not available, with live band entertainment the night before the Game for the Army and Navy VIP parties, consisting of a minimum of 1,500 people (the "Gala"). Army and Navy shall each receive no fewer than 700 complimentary tickets to be used at their discretion. The Promoters shall provide for the administration and execution of the Gala.

Army and Navy will be responsible for all seating assignments. PCVB, Army and Navy will mutually agree upon the program content.

H. PAID shall provide 500 complimentary vehicle parking passes per Academy for Game Day use in the vicinity of Lincoln Financial Field and twelve (12) passes per Academy for Army and Navy team and institutional buses. PAID shall also provide 300 complimentary parking passes in the immediate vicinity of the Lincoln Financial Field for media use. Additionally, PAID shall provide complimentary space for satellite uplink trucks in the immediate vicinity of Lincoln Financial Field and parking spaces for two (2) equipment trucks of up to 24 feet each in length and up to four (4) additional vehicles adjacent to the team locker rooms and team buses.

I. PAID shall provide four (4) separate warming rooms that shall have a minimum capacity of at least 250 people per room or two (2) separate rooms that shall have a minimum capacity of at least 500 people per to host pre-game hospitality for invited VIP military, dignitaries and guests. The Academies shall be responsible for all catering expenses incurred in connection with such buffets.

J. PAID may provide alcoholic beverages in the private suites (other than those reserved for Army and Navy under Section 6.B. hereof) and club seating areas, and beer only in such general seating areas, as the parties shall agree. PAID shall be entitled to all revenue from such sales and shall be responsible for all expenses related thereto.

K. The Promoters will deal exclusively with Director of Athletics of Army, Director of Athletics of Navy or their respective designees with respect to all aspects of the Game.

L. PCVB guarantees a minimum of 5,000 hotel rooms will be available in the Center City area of Philadelphia for Army, Navy, alumni and fans for the weekend of the Game.

M. Of the 5,000 rooms the PCVB shall make available, for two (2) nights, a minimum of 500 “AAA” accredited four-star hotel rooms within five (5) miles of the Stadium, for Army-Navy related groups, including but not limited to, alumni associations and athletic department fan groups.

N. Of the 5,000 rooms the PCVB shall make available a minimum of 150 “AAA” accredited three-star rated hotel rooms within five to ten (5-10) miles of the Stadium, for the student body and related military spirit and support units of the academies that will be in attendance at the game.

O. Of the 5,000 rooms the PCVB shall make available a minimum of 350 rooms and 6 suites at an “AAA” accredited four-star rated facility for each institution’s athletic and administrative Official Party arriving Thursday and departing Sunday.

P. Of the 5,000 rooms the PCVB shall make available accommodations at no less than an “AAA” three-star rated property, different than each of the team/institution headquarters, for television production staff and talent for Friday and Saturday. The rate for these rooms shall not exceed \$150 per night or at a rate that is a comparable percentage below existing rack rate for an “AAA” accredited Hotel. This Hotel shall be near the Stadium.

Q. PAID shall pay to each Academy a sum of \$10,000 for travel and lodging for the Army and Navy teams and travel parties.

R. PAID shall pay to each Academy the sum of \$25,000 for round trip motor coach transportation for the Army and Navy student bodies.

S. The Promoters shall fund up to ten (10) rooms per Academy at each of the official party hotels (“Official Party Hotels”) for three (3) nights surrounding the Game, as needed for the lodging for the administrative official parties (“Official Parties”). Reconciliation for this paragraph may be made at Game Settlement.

3. OBLIGATIONS OF ARMY AND NAVY

The obligations of Army and Navy shall be as follows:

A. Army and Navy shall provide the intercollegiate football teams to play each Game on the dates stated above, with Game time to be determined by Army, Navy and CBS.

B. Army and Navy agree to accept Lincoln Financial Field equipped “as is” (subject to the Promoters’ obligations under Section 2 above)

C. Army and Navy shall provide the Game officials as required.

D. Army and Navy shall be responsible for all of their own expenses, direct or indirect, incurred as a result of participation in the Game, except as otherwise provided herein.

4. TICKETS AND PARKING

A. Except as otherwise provided herein, PAID shall be entitled to receive or, to the extent collected by Army or Navy, to credit against its obligations under Section 5 hereof, all proceeds from the sale of tickets for the Game and from fees charged for parking cars and other vehicles at the Game.

B. All tickets shall be priced for each year as follows:

<u>Year</u>	<u>General/Club</u>
2010	\$65/\$115
2012	\$75/\$125

<u>Year</u>	<u>General/Club</u>
2013	\$75/\$125
2015	\$75/\$125
2017	\$80/\$125

PAID shall consign all tickets (including tickets for the suites allotted under paragraph 6(b)), to Army and Navy for pre-game sale, and 12,000 parking passes (6,000 each to Army and Navy). All seat allocations shall be determined by Army and Navy before the end of June of the year of the Game.

C. Army and Navy may retain up to 300 tickets each for late sale after ten calendar days prior to the Game Day, but the remainder must be returned to Lincoln Financial Field’s box office manager (as designated by PAID) (“Box Office Manager”) no later than 12:00 noon on the 7th calendar day prior to the Game Day. Army and Navy, each individually, must return all unsold tickets which exceed 100 by 12:00 noon on the Wednesday prior to the Game Day, or be responsible for paying their purchase price to PAID or crediting such amount against PAID’s obligations under Section 5 hereof. Army and Navy may return less than 100 unsold tickets each by noon the day prior to Game Day and not be responsible for their purchase price.

D. Army and Navy shall, on a mutually agreed schedule, report to Lincoln Financial Field’s Box Office Manager the status of ticket sales by Army and Navy. PAID may, upon receipt of such reports, request the return of such numbers of tickets for sale by PAID as it reasonably believes necessary to mitigate its obligations under Section 5 hereof.

E. The Promoters shall be entitled to retain an allotment of 2,500 tickets to use at their own discretion, at no cost to the Promoter. Of this amount, at least 1,000 shall be in

the lower level of Lincoln Financial Field between the goal lines and at least 500 shall be club seats.

5. CONSIDERATION

A. In consideration of Army and Navy playing the Game and PAID receiving the proceeds of the ticket sales and parking fees as provided in Section 4, PAID agrees to pay Army and Navy for each Game, the following corresponding guaranteed sums:

<u>Year</u>	<u>Guaranteed Sum</u>
2010	\$5,200,000
2012	\$5,500,000
2013	\$6,000,000
2015	\$6,000,000
2017	\$6,000,000

B. In consideration for the Army and Navy football teams playing the Game, the Promoters shall pay to the AAA and NAAA the proposed Guaranteed Sum. As part of the guaranteed sum, the Promoters shall pay to the AAA and NAAA \$200,000 (\$100,000 each) 30 days prior to the day of the Game each year. Further, the Host City/Entity shall make payment in full to the AAA and the NAAA, within 60 days after the Game has been played the balance of the GUARANTEED SUM. The balance of the guaranteed sum shall be divided evenly between AAA and NAAA and paid by two separate checks.

C. Additionally, as a bonus for signing this contract, the Promoters shall pay to Army and Navy, \$500,000 each, payable within seven (7) days of full execution, by signature, of this Agreement.

D. All proceeds received by Army and Navy from the sale of tickets and parking passes pursuant to Section 4 may be retained by Army and Navy and shall be credited against PAID's obligations hereunder. PAID shall pay any balance due on such guarantees as provided in Section 11 hereof.

6. COMPLIMENTARY TICKETS AND SUITES

A. Army and Navy shall each receive a total of 6,000 complimentary Game tickets, each to be used by the respective service academies.

B. Army and Navy shall each receive six (6) complimentary private suites (minimum of twenty admission tickets per suite) for their use during the Game. Army and Navy shall be responsible for all expenses incurred in providing food and beverage service in their suites. The location of the suites will be between the goal lines. The Promoter will make best effort to position two (2) of the twelve (12) suites next to/adjacent to one another between the 30 yard lines to be used by Academies' designated Game Presenting Sponsor. In addition, Army and Navy shall be afforded first opportunity to purchase additional suites each, if available, for the Game at fair market value charged by the Eagles for similar events.

7. PROMOTION

The Promoters, Army and Navy agree to use their best efforts to promote the Game in order to maximize ticket sales, attendance and broadcast ratings, utilizing reasonable and traditional methods of intercollegiate football game promotion, including media appearances by coaches and staff, as well as the full use of the college names and logos in advertising and promotion.

Army and Navy agree to include the Game in appropriate season ticket package offers and advertise and publicize the Game in all Army and Navy Football mailings and publications.

The Promoters may use the Game Mark in promotional items, but must secure the Academies' approval for each item, including but not limited to credentials, parking passes, will call envelopes, in-marketing advertising, thermal ticket stock, and all general Game/event marketing collateral.

Army and Navy may use the Stadium logo and or name in promotional items, but must secure the Promoters approval for each item, including, but not limited to, Game tickets, mailing inserts, and all general Game/event marketing collateral.

8. PRESS BOX AND FACILITIES

The Host Team shall be responsible for printing and distributing all proper credentials for members of the media for the Press Box and all other related facilities which are located at Lincoln Financial Field. This shall include all locations for filming, broadcasting or televising of the Game. The Host Team shall manage the Press Box as well as assign and distribute all credentials. The cost of providing these facilities and food for the media shall be included in the PAID's expense of providing Lincoln Financial Field and conducting the Game. All bona fide members of the press and other media and their helpers, and also employees and agents of Army and Navy filming the Game and performing other game and athletic department functions, shall be furnished with complimentary parking passes and proper credentials to the Game. Army and Navy have sole distribution rights and responsibilities for all credentials, media, press, game day management, etc. for this Game.

9. SPONSORSHIPS AND GRANTS

A. The Academies (AAA/NAAA) shall control all sponsorship rights in and around the Game, including specifically game-associated commercial advertising including on-site, on-field, in all forms of media, and in-market retail. All year-round permanent Lincoln Financial Field advertising signs(i.e. Permanent Ad Panels) outside of the dominant camera angle field level placements shall remain visible on Game Day. Academies, at their sole discretion, shall determine what Corporate Names and logos will be recognized or utilized on all non-permanent signs (i.e. Deck LED video, End Zone scoreboard, video and LED). Throughout the term, the Academies have awarded Television Broadcast and Telecast Ad Sales rights for the Game to CBS. In addition to the Game, the academies shall retain the exclusive sponsorship and advertising rights to all events leading up to the Game, including the Friday evening Gala.

B. Army and Navy shall retain the rights to sell Game Presenting Sponsorship. Examples of Game Presenting Sponsorship are the “ABC Company Army-Navy Game” or the “Army-Navy Game presented by ABC Company”. In addition, Army and Navy retain the right to sell all authorized Game Participation Sponsorships.

C. With the exception of all revenue generated via a Game Presenting Sponsorship, net revenue from all sources of Game Participating Sponsorships shall be shared by the academies with the Host City/Entity in an 80% (academies), 20% (host City/Entity) split.

D. The Promoter has the right to market the Game at a local, grassroots level to promote awareness of the Game and to attract visitors and revenue to the Host City. The quality and content of all Game collateral developed and produced by the Promoter is of the utmost importance to the Academies and to the overall branding of the Game. No third party corporate logos shall be displayed in conjunction with promotion of the game or the events leading up to the game, including, but not limited to, use of the Game Mark or references to the

Game or its events, on any item of collateral produced by the Promoter without the express written consent of the Academies. This prohibition extends to and includes the display of NFL team logos on tickets, suite passes, parking passes, game credentials. The Academies reserve the right to potentially contribute to the quality of the end piece being produced. All third party corporate tie-ins to the Game must be fully integrated Participating Partners in accordance with the Academies' Network Television Agreement, or must be approved in writing by the Academies. Any marketing concept that involves a potential third party partner shall be submitted to the Academies for review and approval, not to be unreasonably withheld, prior to sharing the concept with the third party, and in no event at least 45 days prior to printing any item of collateral or activating any marketing concepts.

10. CONCESSION AND PROGRAM REVENUES

A. PAID reserves the right to operate and retain all revenues from food/beverage/novelty concessions operations to be utilized for the Game covered by this Agreement. However, PAID agrees to extend the rights to novelty sales in Lincoln Financial Field to Army and Navy. Terms and conditions for the sale of licensed Army and Navy novelty items will be described in a separate agreement between Lincoln Financial Field's concessionaire and the Academies. All other rights, operation expense and revenue shall be retained by PAID.

B. Army and Navy shall have exclusive authority to produce and sell Game programs.

11. RECONCILIATION OF REVENUES

Not more than 45 days after the Game Day, Army, Navy and the Promoters shall jointly prepare a report of the revenues from ticket sales and parking fees received by each of them from the Game and all other revenues received by each of them with respect to the Game

which are to be divided by them under the terms hereof. In the event the amount of revenues from tickets sales and parking fees retained by Army and Navy in accordance with Paragraph 4 hereof is less than the guaranteed amount which PAID is committed to pay, in accordance with Paragraphs 2 and 5 hereof, PAID within 60 days after the game date, shall pay to the Academies an amount equal to the difference between all sums owed under paragraphs 2 and 5, and the amounts retained by the Academies from ticket and parking pass sales.

12. EXAMINATION OF RECORDS

Army, Navy and the Promoters agree that each party, or its duly authorized representatives, shall have the right to examine the books and records of the other party directly pertaining to this Agreement upon mutually agreeable terms and conditions.

13. INSURANCE AND INDEMNITY

A. PAID will cause the Army and Navy to be added as additional insured to a general liability policy and excess umbrella coverage with respect to claims of third parties arising out of or in connection with any activities within the scope of this Agreement, satisfactory to Army and Navy and which will provide insurance coverage for the indemnification of Army and Navy. PAID warrants that it will cause to have in full force and effect, a \$1 million combined single limit coverage and an excess umbrella liability coverage of \$50 million. PAID will forward to Army and Navy a copy of the above certificate of insurance. The Host Team shall maintain a commercial general liability policy and excess umbrella coverage with respect to claims of third parties arising out of or in connection with any activities or omission of Army or Navy, its members, officers, employees and representatives of this Agreement. The Host Team warrants that it has in full force and effect a \$1 million combined single limit coverage and an excess umbrella liability coverage of \$4 million. The Host Team will add the Philadelphia

Eagles and the Promoters as additional insured. The Host Team will forward of copy of the above certificate for insurance to the Promoters.

B. The Academies will indemnify, defend and hold harmless the Promoters as a result of the act or failure to act, negligence or omission of the Academies or their employees, agents, contractors or persons within their control per the terms, conditions and exclusions of the Commercial General Liability insurance policies held by the Academies. The Promoters shall indemnify, defend and hold the Academies harmless as a result of the act or failure to act, negligence or omission of the Promoters or their employees, agents, contractors or persons within their control. The respective indemnity obligations under this section shall be dependent upon the indemnified party notifying the indemnifying party in writing of any claims or lawsuits for which indemnity is sought within twenty (20) days after receipt of written notice of such claim or lawsuit. Each party to this Agreement agrees to notify the other parties to this Agreement whenever it acquires knowledge of any event which may give rise to the indemnity obligations of this section and each party shall cooperate fully with the other party with respect thereto. All indemnities provided hereunder shall survive the expiration of this Agreement for a period of two (2) years.

14. INDEPENDENT CONTRACTOR

The relationship created by this Agreement is that of independent contractors. Nothing herein contained shall be construed so as to constitute Army, Navy and the Promoters as joint ventures or partners or to make either party the agent of the other or make either party liable for the debts of the other.

15. COMMUNICATION RIGHTS

A. The parties agree that Army and Navy shall have exclusive, world-wide broadcast rights to the Game and the events leading up to the Game, including, but not limited to, media conferences, pep rallies, galas, and march-ons of every nature in television, radio, internet and video (collectively, "Broadcast Rights").

B. The Promoters shall have no responsibility or liability for the Broadcast Rights referred to in subparagraph (a) above (including ad lib remarks of announcers) including but not limited to responsibility or liability for any violation of any rights of others by such broadcasting. Army and Navy agree to defend, indemnify and hold harmless the Promoters, their officers, representatives, agents, employees and all other entities associated with the Game from any and all claims, damages, liability, cost and expenses, including reasonable attorney fees, arising from Broadcast Rights in connection with the Game.

C. PAID represents that Lincoln Financial Field will be equipped to handle the demands of network broadcasting, including television, radio and internet access at no charge. It is PAID's responsibility to provide broadcasters, television, radio and on-line media with the necessary elements, including but not limited to, proper lighting, electricity, parking locations, access to appropriate stadium locations, to produce a quality broadcast of the Game meeting network standards.

D. Army and Navy shall allow the Promoters to film and photograph the Game for the Promoters' use in any promotional material related to the Promoters or Lincoln Financial Field, but not to exceed three (3) minutes in length.

16. DISCRIMINATION

Army, Navy and Promoters agree that in the performance of this Agreement, there shall be no discrimination against any employee or applicant for employment because of race, creed, color, sex or national origin.

17. FORCE MAJEURE

Failure to perform any provision of this Agreement by either party shall not constitute a default or breach if the failure shall be caused by fire, strike, boycott or other industrial or labor disturbance provided that such strike, boycott or industrial or labor disturbance is not the responsibility of or caused by the party. Nor shall a riot, civil commotion, flood, lightning, tempest, storm, acts of God, acts of war and defense, or any other act beyond the control of a party constitute a default or breach of this Agreement.

18. UNITED STATES GOVERNMENT DISCLAIMER

The parties acknowledge that the Naval Academy Athletic Association is not a government agency or instrumentality and is not part of the United States Naval Academy. Further, the parties acknowledge that the Army Athletic Association is a non-appropriated fund instrumentality in accordance with Section 21.A. of this agreement. Accordingly, nothing in this Agreement shall be deemed or construed as binding upon the United States Naval Academy, the United States Military Academy or the United States government, and neither the United States Naval Academy or the United States Military Academy nor the United States of America have any obligation or liability whatsoever under this Agreement.

19. ENTIRE UNDERSTANDING

This Agreement sets forth the entire understanding between Army, Navy and the Promoters superseding all prior negotiations and understandings, with respect to the Game.

20. ASSIGNMENT; SUBCONTRACTING

A. Neither party may assign this Agreement without the prior written consent of the other, which consent shall not be unreasonably withheld. However, the Promoters shall have the right, without the prior consent of Army and Navy, to assign its rights under this Agreement to (i) any other entity which owns and operates Lincoln Financial Field and which is owned or controlled by the Promoters or either of them; (ii) any entity that succeeds to substantially all of Promoters' business and assets, including Lincoln Financial Field, so long as such entity expressly assumes the obligations of Promoters hereunder; and (iii) as collateral for financing relating to Lincoln Financial Field. Army and Navy shall enter into such consents and agreements as may be reasonably requested by Promoters and any of Promoters' lenders. Promoters shall give Army and Navy prompt written notice of any assignment made without Army and Navy's consent. For the purpose of this Agreement, the term "control" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether by ownership of voting securities, by contract or otherwise.

B. The Promoters may subcontract the performance of its obligations hereunder to the Philadelphia Eagles and the City of Philadelphia, but such subcontracting shall neither relieve the Promoters of its responsibilities hereunder nor make the Eagles or the City of Philadelphia a party hereto.

21. MISCELLANEOUS CLAUSES AND PROVISIONS

A. The Non-appropriated Fund instrumentality (NAFI) which is a party to this contract is a non-appropriated fund instrumentality of the Department of the Army. NO APPROPRIATED FUNDS OF THE UNITED STATES SHALL BECOME DUE OR BE PAID THE CONTRACTOR OR CONCESSIONAIRE BY REASON OF THIS AGREEMENT.

B. Disputes

(1) This Agreement is subject to the rules and regulations promulgated by the Secretary of Defense and Secretary of the Army for NAFI contracting.

(2) The Agreement is not subject to the Contract Disputes Act of 1978 (41 U.S.C. 601-613).

(3) All disputes arising under or relating to this Agreement shall be resolved under this clause.

(4) "Claims" as used in this clause, means a written demand or written assertion by one of the contracting parties seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of contract terms, or other relief arising under or relating to this contract. A claim arising under a contract, unlike a claim relating to that contract, is a claim that can be resolved under a contract clause that provides for the relief sought by the claimant. A voucher, invoice, or other routine request for payment that is not in dispute when submitted is not a claim under this clause. The submission may be converted to a claim under this clause by complying with the submission requirements of this clause, if it is disputed either as to liability or amount or is not acted upon in a reasonable time.

(5) (a) A claim by the Promoters shall be made in writing and submitted to the Contracting Officer for a written decision. A claim by the Army and Navy against the Promoters shall be made in writing and submitted to the Contracting Officer for a written decision by the Contracting Officer.

(b) For Promoters' claims exceeding \$50,000, the Promoters shall submit with the claim a certification that:

(i) The claim is made in good faith;

(ii) Supporting data are accurate and complete to the best of the Promoters' knowledge and belief; and

(iii) The amount requested accurately reflects the contract's adjustment for which the Promoters believe the Army and Navy are liable.

(c) (i) The certification shall be executed by an individual having responsibility and authority to represent the Promoters.

(6) For contract claims of \$50,000 or less, the Contracting Officer must, if requested in writing by the Promoter, render a decision within 60 days of the request. For Contractor-certified claims over \$50,000, the Contracting Officer must within 60 days, decide the claim or notify the Promoters of the date on which the decision will be made.

(7) The Contracting Officer's decision shall be final unless the Promoters, Army or Navy appeals as provided in paragraph (h) of this clause.

(8) The Contracting Officer's final decision may be appealed by submitting a written appeal to the Armed Service Board of Contract Appeals within 90 days of receipt of the Contracting Officer's final decision. Decisions of the Armed Service Board of Contract Appeals are final and are not subject to further notice.

(9) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the Agreement and comply with any decision of the Contracting Officer.

C. Best Interest Termination

The Contracting Officer, by written notice, may terminate this contract, in whole or in part, when it is in the best interest of Army and Navy to do so. It would be considered to be in the best interest of Army and Navy to terminate this contract if by having the

Army Navy Game, military operations would be impeded and /or it would interfere with national security or public safety.

D. Termination for Default

(1) (a) Army and Navy may, subject to paragraphs (c) and (d) below, by written notice of default to the Promoters, terminate the contract in whole or in part if the Promoters fail to--

(i) Provide the agreed upon supplies or services as specified in this contract or any amendment thereto,

(ii) Make progress, so as to endanger performance of this contract (but see subparagraph (a)(2) below), or

(iii) Perform any of the other provisions of this contract.

(b) Army and Navy's right to terminate this contract under subdivisions (i)(ii) and (i)(iii) above may be exercised if the Promoters do not cure the identified failure within 10 days (or more if authorized in writing by the Contracting Officer) after receipt of the notice from the Contracting Officer specifying the failure.

(2) If Army and Navy terminates this contract in whole or in part, it may acquire, under the terms and in the manner the Contracting Officer considers appropriate, another facility or related supplies or services similar to those terminated, and the Promoters will be liable to the Army and Navy for any excess costs for that facility or for those related supplies or services. However, the Promoters shall continue to provide the facility or related supplies or services not terminated.

(3) Except for defaults of subcontractors at any time, the Promoters shall not be liable for any excess costs if the failure to perform the contract arises from causes

beyond the control and without the fault or negligence of the Contractor. Examples of such causes include (1) acts of God or the public enemy, (2) acts of the Government or the ARMY and NAVY in either its sovereign or contractual capacity, (3) fires, (4) floods, (5) epidemics, (6) quarantine restrictions, (7) strikes, (8) freight embargoes, and (9) unusually severe weather. In each instance the failure to perform must be beyond the control and without the fault or negligence of the Promoters.

(4) If the failure to perform is caused by the default of a subcontractor at any tier or a Promoters teaming arrangement partner and if the cause of the default is beyond the control of both the Promoters and subcontractor or teaming partner and without the fault or negligence of either, the Promoters shall not be liable for any excess costs for failure to perform, unless the subcontracted or teaming partner supplies or services were obtainable from other sources in sufficient time for the Promoters to meet the required delivery schedule.

(5) The rights and remedies of Army and Navy in this clause are in addition to any other rights and remedies provided by law or under this contract.

E. Removal of Promoters, Contractor or Stadium Employees.

The Promoters agree that only experienced, responsible and capable people will be used in the performance of the work. The Contracting Officer may require that the Promoters remove and have replaced any Promoter, Contractor or Stadium employee who endanger persons or property, threatens the interests of military security, or threatens the safety of other personnel and patrons at Game related facilities.

F. Changes

(1) The Contracting Officer may at any time, by written notice, and without notice to the sureties, if any, make changes when the general scope of the Agreement in any one or more of the following:

- (a) Description of services
- (b) Time of performance
- (c) Place of Performance

(i) If any such change causes an increase or decrease in the cost of the time required for, performance of any part of the work under this Agreement, whether or not changed by the order, the Contracting Officer decides that the facts justify it, the Contracting Officer shall have the right to prescribe the manner of the disposition of the property.

(ii) Failure to agree to any adjustment shall be a dispute under the Disputes clause. However, nothing in the clause shall excuse the Promoters from proceeding with the contract as changed.

22. BINDING AGREEMENT

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. The Promoters shall require any successor to or purchaser of Lincoln Financial Field to assume all of the obligations of the Promoters under this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed by their duly authorized officers and respective corporate seals to be hereunto affixed on the date aforesaid.

ATTEST:

Philadelphia Authority for
Industrial Development

Date

By: _____

ATTEST

Philadelphia Convention and
Visitors Bureau

Date

By: _____
Thomas O. Muldoon
President

ATTEST:

Army Athletic Association

Date

By: _____
Kevin Anderson
Director of Athletics

ATTEST:

Naval Academy Athletic Association

Date

By: _____
Chet Gladchuk
Director of Athletics

ATTEST:

Date

Jeanette S. Carroll
Contracting Officer – USMA