

SECOND AMENDMENT TO QUALIFIED MANAGEMENT AGREEMENT

This Second Amendment to Qualified Management Agreement (the "Amendment") is made this 21st day of May, 2015, by and between LANCASTER COUNTY CONVENTION CENTER AUTHORITY, a body politic and corporate existing under the laws of the Commonwealth of Pennsylvania (hereinafter referred to as "Authority"), and INTERSTATE HOTELS COMPANY, a Delaware corporation (hereinafter referred to as "Manager").

RECITALS

WHEREAS, the Authority and Manager have entered into that certain Qualified Convention Center Management Agreement dated as of January 23, 2002, as amended by that certain First Amendment to Management Agreement, dated June 19, 2009 (as amended, the "QMA"), pursuant to which the Manager manages the Convention Center on behalf of the Authority; and

WHEREAS, on July 1, 2014, the Authority, together with the County of Lancaster, Pennsylvania ("County"); the City of Lancaster ("City"); the Redevelopment Authority of the City of Lancaster ("RACL"); the Lancaster City Revitalization and Improvement Zone Authority ("CRIZ"); and the Pennsylvania Dutch Convention & Visitors Bureau, now known as Discover Lancaster ("Bureau"), entered into a Collaboration Agreement for the purpose, in part, of targeting marketing activities to attract Priority 1 and Priority 2 events at the Convention Center ("Collaboration Agreement"); and

WHEREAS, pursuant to Section 6.1 of the Collaboration Agreement, and with funding as set forth in Section 4.1 of the Collaboration Agreement, the Authority, City and County have agreed to create a Marketing Consortium which sets policy, provides direction and advises the Authority as to oversight and approval of the marketing expenditures recommended by Manager associated with targeting marketing activities to attract Priority 1 and Priority 2 events; and

WHEREAS, the Authority has requested that Manager assist the Authority as its agent with some of the Authority's obligations and duties under the Collaboration Agreement and accordingly desire to amend the QMA upon the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained, the parties hereto, intending to be legally bound hereby, agree as follows:

1. Capitalized Terms. Capitalized terms used but not defined in this Amendment shall have the meanings ascribed to them in the QMA or in the Collaboration Agreement, as applicable.
2. Collaboration Agreement. Manager hereby acknowledges and agrees that it has received a copy of the executed Collaboration Agreement that serves as the foundation for this Amendment.
3. Description of Responsibilities. Manager shall perform the following obligations on behalf of the Authority in order to assist the Authority with the Authority's obligations pursuant to the Collaboration Agreement:

a. Annual Operating Plan. Develop an annual strategic sales and marketing plan and annual operating budget. Deliver such plan and budget to Authority's Executive Director by November 1st of each year for the subsequent calendar year.

b. Manage. On a day-to-day basis, plan, administer, manage and implement the sales and marketing plan to target and attract Priority 1 and Priority 2 events as defined in Section 6.1.1 and 6.1.2 of the Collaboration Agreement, with such funding as is to be provided by the Authority pursuant to Section 4.1 of the Collaboration Agreement.

c. Quarterly Reporting. Report on efforts, results and future plans on a quarterly basis to the Marketing Consortium as set forth in Section 6.3 of the Collaboration Agreement.

d. Annual Reporting. Annually present to the Lancaster County Commissioners, at a public meeting, a summary of the year's marketing campaign including typical Convention Center marketing and sales metrics, such metrics to be defined as: (i) analysis of the Lancaster metro STR performance; (ii) Priority 1 and Priority 2 contracted bookings; and (iii) sales solicitation and prospecting activities. Manager shall provide a financial accounting of the marketing plan, including stakeholder contributions, sales expenses, sales revenue, and economic impact of the Convention Center. Manager is authorized, at Authority's sole expense, to engage a third party consultant on behalf of the Authority to (i) provide analysis of the economic impact of Convention Center usage on the broader Lancaster County community; and (ii) act as the Lancaster County Housing Bureau or Booking Agency for broader tourism marketing beyond the Convention Center premises. Manager does not warrant the accuracy of any work product of such third party consultants or their findings regarding economic benefit to or impact on the Lancaster County community. For the avoidance of doubt, Manager cannot negotiate or execute contracts on behalf of the Lancaster County Housing Bureau or Booking Agency.

e. Employees. Hire or assign staff sufficient, as determined by Manager, to provide services necessary under the Collaboration Agreement, which shall be accounted for as allocated to the Marketing Consortium expense. Authority shall provide all funding required for the salary, including payroll taxes and benefits attributed to such staff through June 30, 2021 (and as extended by mutual agreement of the parties) ("Funding Stop Date") as set forth in Section 1.1.5 of the Collaboration Agreement; provided that, any such staff shall be considered employees of Manager or an Affiliate of Manager as set forth in the QMA. The sales and marketing for the targeting of Priority 1 and Priority 2 events will be funded by the Authority as scheduled and outlined within the Collaboration Agreement.

Beginning with the Funding Stop Date and thereafter, Manager shall be relieved of its obligations to provide the services set forth in this Section 3, unless and until such time as the Authority shall provide additional funding sufficient for Manager to continue such services. The extension of services beyond the Funding Stop Date shall be agreed to in writing by both Authority and Manager prior to any such extension.

4. No Other Amendment. All other provisions of the QMA not specifically referenced in this Amendment shall remain in full force and effect.

5. Entire Agreement. The QMA, as amended by this Amendment, constitutes the entire agreement between the parties hereto with respect to the subject matter thereof and together supersede all prior agreements and understandings, whether oral or written, between the parties hereto with respect to the subject matter thereof.

6. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, without regard to its conflicts of law provisions.

7. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall, when executed, be deemed to be an original and all of which shall be deemed to be one and the same instrument. Signatures on this Amendment transmitted by facsimile shall be deemed to be original signatures for all purposes of this Amendment.

[signatures appear on the following page]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and delivered effective as of the date first above written.

WITNESS:

AUTHORITY:

LANCASTER COUNTY CONVENTION
CENTER AUTHORITY


Jillue J. Weaver

By: Sharron V. Nelson

Name: Sharron V. Nelson

Title: Chair

WITNESS:

MANAGER:

INTERSTATE HOTELS COMPANY

Monica M. Leon

By: Erica H. Hageman

Name: Erica H. Hageman

Title: Executive Vice President
General Counsel