NOTICE OF RENEWAL OF CONTRACT

TO: ADVANCED RESERVATION SYSTEM, INC.
3750 CONVOY ST., SUITE 312
SAN DIEGO, CA 92111

DATE ISSUED: MARCH 5, 2014

CONTRACT NO: 185-11

AED - RESERVATION SYSTEM

CONTRACT TITLE:

THIS IS A NOTICE OF RENEWAL OF CONTRACT AND NOT AN ORDER. NO WORK IS AUTHORIZED UNTIL THE VENDOR RECEIVES A VALID COUNTY PURCHASE ORDER ENCUMBERING CONTRACT FUNDS.

This is your notice that the above referenced contract has been renewed. The contract term covered by this Notice of Renewal is effective MAY 1, 2014 and expires on APRIL 30, 2015.

The contract documents consist of the terms and conditions of Agreement No. 185-11 including any exhibits attached or amendments thereto.

CONTRACT PRICING:

REFER TO AGREEMENT NO. 185-11

EMPLOYEES NOT TO BENEFIT:

NO COUNTY EMPLOYEE SHALL RECEIVE ANY SHARE OR BENEFIT OF THIS CONTRACT NOT AVAILABLE TO THE GENERAL PUBLIC.

VENDOR CONTACT: ROB KAZMIERSKI
VENDOR PAYMENT TERMS: NET 30 DAYS

COUNTY CONTACT: EMILY CASSELL

TELEPHONE NO.: 858-300-8612
EMAIL ADDRESS: ROBERT.KAZMIERSKI@ARESDIRECT.COM

TELEPHONE NO.: 703-228-0875
EMAIL ADDRESS: ECASSELL@ARLINGTONVA.US

CONTRACT AUTHORIZATION

DATE: 3/5/14

VENDOR: 1
BID FOLDER: 1

Juliette Gonzalez, CCB
Procurement Officer
INTRODUCTION

WHEREAS, Advanced Reservations Systems, Inc., a California corporation ("ARES"), has developed and continues to develop and distribute a proprietary booking engine (that may utilize databases or functionality that ARES licenses from third parties), for use in connection with private label Websites that offer, among other services, travel reservation services and other travel-related information; and

WHEREAS, ARES desires to provide such services, and Client desires to accept the same and provide such graphical and textual links ("Links") to the Reservation Services (as defined herein) prominently on certain pages of Client's Website(s), in exchange and consideration of certain commissions to be retained by ARES and paid to Client in connection therewith, pursuant to and in accordance with the terms and conditions set forth in this Agreement.

NOW, THEREFORE, the parties agree as follows:

AGREEMENT

THIS RESERVATION SERVICES AGREEMENT ("Agreement") is made and entered into as of April 24, 2011 (the "Effective Date") by and between ARES and Client, and consists of this Agreement together with the Exhibits attached hereto, as provided below.

A. Client Information. Client, and each additional term, as defined below, means:

<table>
<thead>
<tr>
<th>&quot;Client Information&quot;</th>
<th>Arlington County/Arlington County Convention and Visitors Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>&quot;Client&quot;:</td>
<td></td>
</tr>
<tr>
<td>Contact Name:</td>
<td>Kerry Lambert</td>
</tr>
<tr>
<td>Contact Email:</td>
<td><a href="mailto:klambert@arlingtonva.us">klambert@arlingtonva.us</a></td>
</tr>
<tr>
<td>Contact Phone:</td>
<td>(703) 228-0877</td>
</tr>
<tr>
<td>Contact Fax:</td>
<td>(703) 228-0806</td>
</tr>
<tr>
<td>Address:</td>
<td>1100 North Glebe Road Suite 1500</td>
</tr>
<tr>
<td>City:</td>
<td>Arlington</td>
</tr>
<tr>
<td>State/Province:</td>
<td>VA</td>
</tr>
<tr>
<td>ZIP/Postal Code:</td>
<td>22201</td>
</tr>
<tr>
<td>Country:</td>
<td>USA</td>
</tr>
<tr>
<td>Check Payable:</td>
<td>Arlington Convention and Visitors Service (ACVS)</td>
</tr>
<tr>
<td>Tax I.D. or SS No.:</td>
<td>54-600-1123</td>
</tr>
</tbody>
</table>

"Client Website(s)": http://www.stayarlington.com/
B. **Engagement.** Client (hereafter referred to as "Client" or "the County") hereby engages ARES to provide the Reservation Services, as provided in EXHIBIT B (collectively, the "Reservation Services"). ARES and Client acknowledge that Client intends to offer the Reservation Services to Client's customers as end users of Client’s Website(s) ("End Users"). Client agrees to market the Reservation Services in accordance with the terms of this Agreement through Client’s Website(s) and to expose the Reservation Services prominently on the home page and all travel related pages that are linked from the URL(s) listed in Section A (Client Information) above. Client further acknowledges and agrees that the Reservation Services will be the exclusive travel reservation services marketed via Client's Websites. Additional websites may be added to the list of Client Websites under this Agreement upon the written agreement of both parties.

C. **Incorporation of Exhibits: Standard Terms and Conditions.** This Agreement, as defined hereunder, includes the following attached exhibits, which are hereby incorporated into this Agreement by reference (collectively, the "Exhibits"):  

- EXHIBIT A – DEFINITIONS;
- EXHIBIT B – RESERVATION SERVICES;
- EXHIBIT C – COMPENSATION MATRIX AND PAYMENT SCHEDULE;
- EXHIBIT D – INCLUDED SERVICES;
- EXHIBIT E – SUPPLEMENTAL SERVICES AGREEMENT; and
- EXHIBIT F – ARES STANDARD TERMS AND CONDITIONS OF SERVICE.

EXHIBIT G – ARLINGTON COUNTY TRANSIENT OCCUPANCY TAX ORDINANCE

By signing below, the parties acknowledge and agree to all of the terms and conditions of this Agreement and the Exhibits attached hereto, including, without limitation, the ARES Standard Terms and Conditions of Service set forth on EXHIBIT F. This Agreement constitutes an offer to Client that expressly limits Client’s acceptance to the terms and conditions of this Agreement, and any different or additional terms contained in any related request for quotation, confirmation, or similar form submitted by Client shall have no force or effect. Each party represents and warrants that it has the requisite power and authority to sign and deliver this Agreement, and to perform its obligations hereunder, and that the person whose signature appears on this Agreement is duly authorized to enter into this Agreement on behalf of such party.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized officers, as set forth below, as of the Effective Date.

CLIENT:  
Signed by:  
Name: PAMELA HAYES  
Title: ASSISTANT PURCHASING AGENT

ARES:  
Signed by:  
Name:  
Title:  

Advanced Reservation Systems, Inc.  
185-11 Page 2
EXHIBIT A

1) DEFINITIONS

Actual Bookings – means the total gross booking dollars produced by Client from Qualifying Sales, less cancellations and refunds, during a Contract Year. It is this amount that ARES uses to determine if Client has satisfied the Booking Minimum or incurred any Booking Shortfall.

Applicable Charges - means: (i) any and all applicable amounts owed for domestic or foreign taxes, mandatory charges and surcharges (including port charges and airport facility charges), mandatory surcharges for gratuities, fuel increases, other surcharges, duties, shipping and handling, and credit card fees; (ii) any refunds, cancellations, rebates, cancellation fees, commissions, Commission Collection Fees; (iii) any and all applicable amounts not actually received by ARES due to credit card fraud, bad debts or any other events; (iv) any applicable amount not actually received by ARES due to credit certificates, coupons or similar discounts; and (v) any other amounts paid in connection with or which reduce the net proceeds received from commissionable sales.

Booking Fee(s) – means any additional fees or the like charged by ARES to an End User for each Qualifying Sale, less all Applicable Charges.

Booking Minimum – means the minimum Actual Bookings required by ARES from Client per Contract Year in order to receive Reservation Services free of charge, as set forth in Section 5 (Booking Minimum) of EXHIBIT F – ARES Standard Terms and Conditions of Service.

Booking Shortfall – means the amount, if any, by which the Booking Minimum exceeds Actual Bookings in any Contract Year.

Collected Commissions - means the amount of commissions or fees actually collected and received by ARES from the respective Supplier for a Qualifying Sale, less all Applicable Charges.

Commission Collection Fees – means those fees which are charged by any third party for the purpose of collecting and/or paying and/or processing commission payments in connection with Qualifying Sales.

Commission Percentage – means the Client’s commission percentage applicable to each Qualifying Sale, as set forth in EXHIBIT C – Compensation Matrix and Payment Schedule.

Commissionable Hotel Sales – means hotel room sales in which the End User pays the hotel for the nightly room amount and the hotel pays a booking commission or fee to ARES.

Consumed Reservation – means a reservation of which the End User actually utilizes and does not cancel the applicable hotel, rental car, flight or attraction which was reserved.

Contract Year – means the twelve-month period commencing on the date which is forty-five (45) days from the Effective Date, and each successive twelve-month period thereafter, as applicable, during the term of this Agreement.

Industry Standard Commission Rate – means the generally accepted travel agency commission rate in effect in the United States with respect to the particular type of travel product or service. For example, as of the Effective Date, the Industry Standard Commission Rate is 10% of the room rate with respect to most domestic hotels, 0% of the room rate with respect to international hotels, and 5-10% with respect to car rentals.

Net Hotel Sales – means hotel room sales in which the End User pays ARES for the nightly room amount at the time of booking and ARES pays the hotel for the nightly room amount upon checkout.

Net Hotel Revenue – means the total nightly room amount, exclusive of any taxes and fees, which is charged by ARES to an End User for a Net Hotel Sale, less all Applicable Charges.

Net Revenue – means the difference between the amount actually collected and received by ARES from an End User and the amount actually paid by ARES to the respective Supplier for a Qualifying Sale, less all Applicable Charges.

Qualifying Sale - means the sale of a product or service to an End User made, via the Linx provided from Client’s Websites, through ARES and within the scope of the Reservation Services contracted for by Client hereunder, whether or not it is completed via the ARES booking engine, either online or offline, and that is actually consumed by the End User. For purposes of this Agreement, “consumed” means the End User actually used or consumed the product or service.

Supplier(s) – refers to the provider of all travel or credit card processing services in connection with a Qualifying Sale (e.g. Airlines, Hotels, Rental Car, Travel Insurance, Credit Card Companies, etc.).
EXHIBIT B
RESERVATION SERVICES

"Reservation Services" means the reservation services provided under this Agreement by ARES, as specified below, and all related bookings (airfare, hotel, car or activity tickets) made through the ARES online booking engine. Client hereby engages ARES, and ARES agrees to provide, one or more of the following Reservation Services, as specified by Client by placing an [X] in the box opposite each Reservation Service that Client accepts, in accordance with the terms and conditions of this Agreement:

RESERVATION SERVICES:

[ ] A. Airline Reservation Service
[ ] B. Activity Ticket Reservation Service (Attractions, Tours & Activities)
[ ] C. Hotel Reservation Service
[ ] D. Car Rental Reservation Service
[ ] E. Group Reservation Service
EXHIBIT C  
COMPENSATION MATRIX AND PAYMENT SCHEDULE  

The following Compensation Matrix and Payment Schedule list the type of Reservation Service and corresponding Commission Percentage applicable to each Qualifying Sale transaction:

<table>
<thead>
<tr>
<th>Reservation Service</th>
<th>Percentage (%) Payable to Client per transaction for Consumed Reservations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airline Reservation Service</td>
<td>50% of Booking Fees</td>
</tr>
<tr>
<td>Activity Ticket Reservation Service</td>
<td>25% of Net Revenue</td>
</tr>
<tr>
<td>Hotel Reservation Service:</td>
<td></td>
</tr>
<tr>
<td>(a) Commissionable Hotel Sales</td>
<td>(a) 50% of Collected Commissions and 50% of Booking Fees</td>
</tr>
<tr>
<td>(b) Net Hotel Sales</td>
<td>(b) 5% of Net Hotel Revenue*</td>
</tr>
<tr>
<td></td>
<td>*Not to exceed 50% of Net Revenue</td>
</tr>
<tr>
<td>Car Rental Reservation Service</td>
<td>50% of Collected Commissions</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reservation Service</th>
<th>Percentage (%) Payable to Client per transaction for Consumed Reservations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airline Reservation Service</td>
<td>25% of Booking Fees</td>
</tr>
<tr>
<td>Activity Ticket Reservation Service</td>
<td>12.5% of Net Revenue</td>
</tr>
<tr>
<td>Hotel Reservation Service:</td>
<td></td>
</tr>
<tr>
<td>(a) Commissionable Hotel Sales</td>
<td>(a) 25% of Collected Commissions and 25% of Booking Fees</td>
</tr>
<tr>
<td>(b) Net Hotel Sales</td>
<td>(b) 2.5% of Net Hotel Revenue*</td>
</tr>
<tr>
<td></td>
<td>*Not to exceed 35% of Net Revenue</td>
</tr>
<tr>
<td>Car Rental Reservation Service</td>
<td>25% of Collected Commissions</td>
</tr>
<tr>
<td>Group Reservation Service</td>
<td>10% of Collected Commissions</td>
</tr>
</tbody>
</table>
EXHIBIT D
INCLUDED SERVICES

Analytics Integration (Google)
Booking Engine Template (3 Included)
Booking Widget (3 Included)
Call Center Site ID (8 Included)
Toll Free Dedicated Phone Number (8 Included)
Web Site ID (8 Included)
Attraction & Activity Content Development – (10 Included)
Lodging Property Content Development (10 – Included)
Lodging Property Deal Development (30 – Included)
Package Content Development (10 – Included)
Custom Sub-Domain - $150 (Due upon receipt of invoice. Recurs every 3rd year)
EXHIBIT E
SUPPLEMENTAL SERVICES AGREEMENT

By signing below, Client hereby engages ARES, and ARES agrees to provide, one or more of the following supplemental services (collectively, the "Supplemental Services"), as specified by Client by placing an [X] in the box opposite each Supplemental Service that Client accepts, for the price and on the payment terms set forth below, and otherwise in accordance with the terms and conditions of this Agreement:

SUPPLEMENTAL SERVICES:

☐ Analytics Integration Third Party (Non-Google) - $1000 Initial Configuration
☐ Attraction & Activity Content Development - $100 each
☐ Banner Design - $500 per design
☐ Booking Engine Template (Each Additional) - $500
☐ Booking Widget (Each Additional) - $500
☐ Call Center Interface (Client Managed) - $500
☐ Call Center Site ID (Each Additional) - $50
☐ Custom Affiliate Reports - $250 per Report
☐ Custom Call Center Greeting - $75
☐ Custom Sub-Domain - $150 (Recurs every 3rd year)
☐ E-Mail Campaign - $750 + $.02 per Recipient
☐ Landing Page Development - $4,000
☐ Lodging Property Content Development - $100 per Hotel
☐ Lodging Property Deal Development - $100 per Deal
☐ Package Content Development - $100 per Package
☐ Referral Cards (1000) - $150 Design and Print
☐ Toll Free Dedicated Phone Number (Each Additional) - $250
☐ Web Site ID (Each Additional) - $50
☐ Other: ____________________________ - $__________________

Client agrees to pay for the above Supplemental Services on the following terms: ____________________________

<table>
<thead>
<tr>
<th>CLIENT:</th>
<th>ARES:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Signed by: ____________________________</td>
<td>Signed by: ____________________________</td>
</tr>
<tr>
<td>Name: ____________________________</td>
<td>Name: ____________________________</td>
</tr>
<tr>
<td>Title: ____________________________</td>
<td>Title: ____________________________</td>
</tr>
<tr>
<td>Date: ____________________________</td>
<td>Date: ____________________________</td>
</tr>
</tbody>
</table>