

**CONCESSION MANAGEMENT AGREEMENT
LSED ENTERTAINMENT DISTRICT**

*SMG - Centerplate
Champions Square*

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CONCESSION MANAGEMENT AGREEMENT

This Agreement dated August 31, 2010 is made between SMG ("**SMG**"), a Pennsylvania general partnership, (as defined below), and Service America Corporation, doing business as Centerplate ("**Centerplate**"), a Delaware corporation.

RECITALS

A. SMG and the Louisiana Stadium and Exposition District (the "**LSED**") are parties to a Management Agreement dated the date of this Agreement (the "**Management Agreement**") under which SMG is the manager of the properties leased by the LSED from Zelia, LLC under a Master Lease Agreement dated September 15, 2009 (the "**Master Lease**").

B. The properties subject to the Master Lease and managed by SMG under the Management Agreement (the "**Facilities**") include a four-story building formerly used as the Macy's department store, an adjoining structure previously known as the New Orleans Centre Shopping Mall and a plaza denominated "Champions Square."

C. Centerplate is the manager and operator of the food and beverage concession at the Louisiana Superdome and the New Orleans Arena under a Concession Agreement dated March 9, 1999 between Centerplate and SMG (the "**Superdome Concession Agreement**")

D. SMG desires to engage Centerplate to assist it in managing and providing food and beverage operations at the Facilities, and Centerplate has agreed to such engagement on the terms and conditions of this Agreement.

The parties accordingly agree as follows:

AGREEMENT

ARTICLE I. DEFINITIONS

In this Agreement:

"*Agreement*" means this Agreement as it may be amended from time to time.

"*Affiliate*" of a specified person means a person that directly or indirectly, through one or more intermediaries, controls, or is controlled, by, or is under common control with, the specified person.

"*Allowable Expenses*" is defined in Section 5.2.

"*Base Management Fee*" means the Management Fee payable under Section 5.6(a).

“*Capital Expenditures*” means all expenditures for additions, alterations or improvements, and for purchases of additional or replacement furniture, machinery or equipment, the depreciable life of which, according to accepted accounting principles, is in excess of one year.

“*Depository Bank*” means the bank designated from time-to-time by SMG in which Centerplate shall maintain its bank accounts for the funds required to be collected or maintained under this Agreement.

“*Disallowed Expenses*” is defined in Section 5.2.

“*Equipment*” means the food and beverage service equipment from time to time located on the premises of the Facilities.

“*Event of Default*” is defined in Section 10.1.

“*Fiscal Year*” means a period of time beginning on July 1 and ending on the immediately following June 30, inclusive.

“*Facilities*” means the property and all improvements thereon leased by Zelia LLC to the LSED by the Master Lease, as amended, and LaSalle Street between Poydras and Girod Streets.

“*Gross Revenues*” means the total amount of money, rebates, discounts, credits or other items of value received or receivable, directly or indirectly, by Centerplate, any agent or employee of Centerplate, and net amounts received from any restaurant or other food and beverage service provider designated by SMG as a subcontractor to Centerplate, from all sales, cash or credit, regardless of whether such credit accounts or a portion of such accounts are collected, made as a result of the service rights granted under this Agreement, excluding sales taxes collected by Centerplate or in the event of prepayment of sales taxes, excluding any amount so prepaid by Centerplate. The total amounts of the service charge (gratuity) that is charged to persons using the Facilities and any revenues derived from advertising or sponsorships are excluded from the definition of Gross Revenues. The sale of any goods, food, beverage or other items that are returned by the purchasers and accepted by Centerplate exclusive of any sales tax may be deducted from Gross Revenues. Net amounts receivable from subcontractors of Centerplate shall be included.

“*Incentive Management Fee*” means the Management Fee payable under Section 5.6(b).

“*LSED*” means the Louisiana Stadium and Exposition District.

“*SMG*” means SMG, its successors and assigns as manager of the Facilities.

“*Management Contract*” means the management contract between the SMG and the LSED, under which SMG is delegated the authority to manage and operate the Facilities.

“*Management Fees*” means the fees payable to Centerplate under Section 5.6(a) and (b).

"*Net Loss*" means an amount equal to the excess during an accounting period of Allowable Expenses after deduction for fees payable to Centerplate under Section 5.6 over the sum of Gross Revenues.

"*Net Profits*" means an amount equal to the excess during an accounting period of Gross Revenues over the sum of Allowable Expenses (before Incentive Management Fee).

ARTICLE II. INTRODUCTION

2.1. Grant of Authority. SMG engages Centerplate, and Centerplate accepts, the engagement, in its own name, as an independent contractor and not as an agent of SMG, to manage and operate, on a non-exclusive basis, certain food and beverage concessions and services at the Facilities in accordance with the terms of this Agreement.

2.2. Nature of Relationship. The parties agree that the only relationship created by this Agreement is that Centerplate is an independent contractor, not an agent, employee, joint venturer or partner of SMG.

2.3. Term. The term of this Agreement shall begin on the date of this Agreement and shall expire on the expiration or termination of the Superdome Concession Agreement.

2.4. Limitations on Authority of Centerplate. Centerplate shall only have the authority to manage and operate food and beverage concessions in accordance with the terms of this Agreement. Centerplate shall not have the authority to: (1) alienate, encumber or otherwise dispose of any of the movable or immovable property not owned by Centerplate; (2) make any alterations, additions or improvements to any of the facilities at the Facilities, without the prior approval of SMG, in its discretion; or (3) enter into any contracts or incur any obligations in the name of, on behalf of or which obligate SMG or the LSED, except with respect to events of which SMG has been given notice and given its consent to so contract.

2.5. Prohibition Against Dealing with Affiliates. Centerplate shall not acquire property or services from or otherwise transact business with any of its Affiliates for any of the goods to be purchased or services to be performed by it under this Agreement, unless SMG has given its prior written consent thereto after full disclosure of the nature of the relationship has been made by Centerplate to SMG.

ARTICLE III. CONCESSION SERVICES

3.1. Duty and Responsibilities. Centerplate shall manage and operate food and beverage concessions in the Facilities and supervise and coordinate the operation of food and beverage concessions by others as directed by SMG. Centerplate shall perform its obligations under this Agreement at all times with integrity and good faith and in a manner that is in the best interests of the Facilities and SMG and consistent with the terms of this Agreement. Centerplate shall manage and operate the food and beverage concessions in a manner reasonably calculated

to minimize Allowable Expenses and maximize Gross Revenues. Centerplate shall assist coordinate, supervise and otherwise assist SMG in overseeing and directing restaurants and other food and beverage service providers engaged by SMG or Centerplate in providing food and beverages at the Facilities.

3.2. Standards of Operation. Centerplate shall maintain an efficient and high quality food and beverage service operation. All persons desiring service shall be properly and efficiently served. All food and beverages sold by Centerplate shall be high quality, expertly prepared and served in an attractive manner. All food and beverages shall be stored and handled by Centerplate consistent with high standards of sanitation, preservation and purity.

3.3. Concessions and Products. Centerplate, in performing its duties as manager and operator of food and beverages at the Facilities shall sell only the following commodities: (1) food of all kinds, including, but not limited to, candies, cooked foods, prepared foods, ready-to-serve foods, sweets, desserts, ice cream and popcorn, and such other food and refreshment items that are usually sold in similar locations and (2) beverages of all kinds, including alcoholic beverages and non-alcoholic beverages, to the extent they may be sold legally, in accordance with applicable laws, ordinances, rules and regulations. Except with the written consent of SMG, Centerplate shall not (1) sell any other commodities at the Facilities (including but not limited to tobacco products of any kind, including cigars, cigarettes, pipe tobacco, and other tobacco and similar products, novelties, merchandise, or programs); (2) operate vending machines not generally accessible by the public during events; or (3) sell, rent, lease or otherwise provide any products or services at the Facilities other than those expressly authorized above.

3.4. Events to be Serviced. Centerplate agrees to provide the food and beverage concession at all athletic events, conventions, trade shows, consumer shows, exhibitions, entertainment spectaculars, theatrical performances, dances, religious conclaves, meetings of all types, and other events at the Facilities as requested by the SMG by reasonable advanced notice.

ARTICLE IV. OPERATIONS

4.1. Locations. Centerplate shall operate from locations in the Facilities designated from time-to-time by SMG. SMG shall have the right to change these locations at any time and from time-to-time. Centerplate shall use these locations only for the purpose of providing the food and beverage concessions in accordance with the terms of this Agreement. All portions of these locations that are open to the public shall be available for use and enjoyment by the public without regard to race, color, creed, sex or national origin.

4.2. Hours of Operation. Centerplate shall provide the food and beverage concessions during such hours as may be required by SMG to adequately meet public demand based upon SMG's approval and direction.

4.3. Products. Centerplate shall at all times and from time-to-time comply with SMG's requests with respect to quality, quantity, price and brands of all products sold by Centerplate, but SMG will not require Centerplate to purchase items that cannot be sold at a reasonable markup. Centerplate shall own any food and beverage inventory it purchases.

Centerplate shall exercise its best efforts to purchase all materials, supplies and inventories reasonably required by it at the best price available to Centerplate for the items required to be purchased.

4.4. Pricing. All pricing of products and services sold by Centerplate under this Agreement shall be subject to the prior approval of SMG, in its discretion. Within 15 days of the date of this Agreement, Centerplate shall provide SMG a starting price list. On or before July 1, 2011 and each succeeding July 1, Centerplate shall submit to SMG for its approval a proposed pricing schedule for the following Fiscal Year with appropriate supporting information supplied in the format requested by SMG. SMG shall respond to the proposed schedule within 20 days and shall have discretion in granting or withholding such approval. Until the Fiscal Year beginning July 1, 2011, prices shall remain at levels set in the starting price list. Centerplate may at any time propose price adjustments or variations to SMG in connection with special events and for menu changes.

4.5. Designated Suppliers. SMG shall have the right to designate exclusive product suppliers for various categories (other than alcoholic beverages) including soft drinks, bottled water, sport drink or thirst quencher, pizza, milk, juice, coffee, tea, ice, bread, rolls, popcorn, pretzel, and hot dogs (and such other products and product suppliers as may be agreed to by Centerplate and SMG) for all events in the Facilities; provided, however, that such product suppliers must agree to sell their products to Centerplate at the same or equivalent prices and that such prices are at all times competitively based on price and quality with similar goods available from other suppliers. SMG agrees to give Centerplate written notice of all such suppliers that it so designates. Centerplate shall give SMG the benefit of and shall not mark up the costs savings realized through any wholesale pricing or donated products.

4.6. Other Concessionaires and Designated Subcontractors. SMG shall have the right, in its sole discretion, to permit other caterers or concessionaires to furnish food and beverage service at any Events, either in addition to or to the exclusion of Centerplate. SMG shall also have the right to designate restaurants or other food or beverage service providers to sell products as subcontractors to and under the supervision of Centerplate. Centerplate shall be responsible for collection of all proceeds of retail sales made by any such subcontractors.

4.7. Advertising. The rights granted to Centerplate in this Agreement do not include any advertising or sponsorship rights in or at the Facilities for any of the products or services offered by Centerplate. Centerplate will cooperate with SMG in complying with promotional and other rights granted advertisers and sponsors in the Facilities.

4.8. Menus. Centerplate shall post signs and provide menus describing the prices of items offered for sale. All signs and menus must be approved by SMG.

4.9. Liquor Licenses and Other Permits; Sale of Alcoholic Beverages. Centerplate shall procure and maintain all federal, state and local licenses and permits specifically required in connection with this Agreement, and, in particular, for the supervision and conduct of the handling, selling, offering for sale, distributing or serving alcoholic beverages in compliance with applicable law.

4.10. Management of Sale of Alcoholic Beverages. Centerplate shall have the authority, control and discretion with respect to all sales of alcoholic beverages, including the right to deny service or to remove or require the removal from the premises of intoxicated persons and otherwise to exercise the authority and responsibility of retail dealers of alcoholic beverages. Centerplate shall have sole authority and discretion with respect to the quantity, brand, distributor and points of sale of all alcoholic beverages; provided that it shall honor contractual commitments made by or with the approval of SMG as to locations reserved for sponsors of the Facilities. In no circumstances shall Centerplate sell or offer for sale the products of any Sponsor to the exclusion in whole or part of the products of others nor shall it accept or retain any monetary benefit for its own account, directly or indirectly, from any sponsor or other manufacturer, wholesaler or distributor of alcoholic beverages.

4.11. Trademark Protection. Centerplate shall not, unless directed by SMG or in the normal and customary use of standard day to day items (e.g., on cups, uniforms), commercially exploit by sale or otherwise any item or article which includes any of the marks associated with "Champions Square" or confusingly similar variations of any marks associated with the Facilities. Centerplate recognizes and acknowledges that it does not have the right to use and shall not use the above listed mark or name in any commercial manner without SMG's prior written consent, which consent SMG may grant or withhold in its discretion.

4.12. Compliance with Laws, Rules and Regulations. Centerplate shall comply with all applicable laws, rules, regulations, and ordinances, including all Federal and State laws and regulations relating to health and safety and sale and service of alcoholic beverages. Centerplate shall also comply with all commercially reasonable rules and regulations established by SMG or the LSED pertaining to the Facilities, any business or operations conducted in or from the Facilities or persons entering or utilizing the Facilities, which do not conflict with the terms of this Agreement.

4.13. Security. SMG shall not be responsible for providing security for Centerplate, Centerplate's inventory or personnel or any of the equipment or facility utilized by Centerplate beyond reasonable building security provided by SMG for the Facilities. If necessary, Centerplate shall provide its own security, and the cost thereof shall be an Allowable Expense.

4.14. Garbage. Centerplate shall keep all facilities used by it in the Facilities in a clean and sanitary condition at all times to the reasonable satisfaction of SMG. Centerplate shall collect and properly deposit in dumpster receptacle made available by SMG at the Facilities or at the Superdome all waste, garbage and refuse from the concessions stands and commissaries and shall keep the concession stands, commissaries, and other locations and space utilized by it in good, clean and sanitary condition. Trash and garbage removal from the dumpster receptacles shall be the sole responsibility of SMG.

4.15. Sales Tax. Centerplate shall be responsible for collecting and remitting all applicable sales and use tax with respect to sales of food and beverage at the Facilities including any subcontractors.

**ARTICLE V.
FEES AND FINANCIAL MATTERS**

5.1. Gross Revenues. Centerplate shall be responsible for collecting Gross Revenues. Immediately upon collection, Centerplate shall deposit all Gross Revenues in a separate commercial account maintained by Centerplate in its name in the Depository Bank. No other funds of Centerplate, its Affiliates or any or any other person or entity shall be commingled with the Gross Revenues.

5.2. Allowable Expenses.

(a) **Payment.** Centerplate shall have the authority and responsibility to pay all Allowable Expenses from Gross Revenues. Payments of Allowable Expenses from Gross Revenues shall be made in the following order of priority:

- (1) Current day-to-day payables (such as cost of goods, direct on-site labor costs and other direct operating expenses).
- (2) Payment of any remaining Allowable Expenses.

(b) **Emergency Expenditures.** Notwithstanding anything to the contrary set forth in this Agreement, if Centerplate at any time becomes aware of any condition that jeopardizes the structural soundness or operational capability of the concession facilities, or the public safety, Centerplate shall promptly so advise SMG in writing. SMG shall promptly approve or disapprove expenditure of funds necessary to correct the condition. Any funds so expended with SMG's written approval shall be allowed as Allowable Expenses.

(c) **Allowable Expenses Defined.** In this Agreement, subject to Section 5.2 (b), (e) and (f), "*Allowable Expenses*" means the following expenses reasonably incurred by Centerplate in the performance of its duties under this Agreement:

- (1) Cost of goods sold, less company discounts directly attributable to the Facilities.
- (2) Direct on-site labor costs, including applicable employment taxes, fringe benefits for on-site management staff and employees as approved by the SMG.
- (3) Direct operating expenses, including but not limited to those incurred for supplies such as, paper goods, credit card fees, employee recruiting and training, equipment rental, laundry, linen, uniforms, office supplies, property taxes and sales taxes (if applicable) and including but not limited to premiums (including allocated portions thereof) for insurance required by this Agreement, telephone, postage, cleaning supplies, pest control, marketing, travel and entertainment (but only as directly related to the operation of the Facilities), repair and maintenance, uniforms, licenses, permits, printing, decorating, bank charges, and annual audit.

- (4) Management Fees payable under Section 5.6(a) and (b).
- (5) Reasonable and necessary professional fees, including any reasonable and necessary legal expenses.

Allowable Expenses do not include any Disallowed Expenses.

(d) Disallowed Expenses Defined. In this Agreement, subject to Sections 5.2 (b), (e) and (f), "*Disallowed Expenses*" means:

- (1) Depreciation of capital assets (other than those purchased by Centerplate during the term of this Agreement for the principal purpose of reducing operating expenses and/or increasing operating revenues, which shall be an Allowable Expense to the extent so provided in Section 5.2(c)).
- (2) Centerplate's general corporate administrative and overhead expenses, including but not limited to accounting and payroll services, facility planning and design, auditing, in-house legal, purchasing, personnel, public relations, other supervision and support services, political contributions, charitable contributions and similar overhead expenses.
- (3) Payments to management recruiting companies.
- (4) Income or similar taxes.
- (5) Capital Expenditures.
- (6) Interest on late payments payable under Section 5.5.
- (7) Bad debt expense in excess of 0.25 % of catering sales.
- (8) The expense of replacement of small wares and service wares in excess of 1.0 % of catering sales.
- (9) Operating Costs in excess of budget that are classified as Disallowed Expenses under Section 5.2 (e).

(e) Operating Costs in Excess of Budget. Without written authorization by SMG, Centerplate shall not knowingly incur in any Fiscal Year obligations for Non-Variable Expenses (as defined below) in an aggregate amount in excess of 110% of the amount of total Non-Variable Expenses contemplated by an operating budget approved by SMG under Section 6.7. Any Non-Variable Expenses in excess of 110% of the amount of total Non-Variable Expenses included in the approved budget, if any, that are incurred by Centerplate, shall be paid by Centerplate, as Disallowed Expenses. Nonetheless, Centerplate shall be entitled to pay as an Operating Expense any Non-Variable Expenses that could not reasonably have been anticipated and that are beyond the reasonable control of Centerplate, including but not limited to, emergency expenses to protect public safety, expenses relating to utilities, legal fees, insurance, extraordinary repair and reimbursable event expenses. Any cost savings in any line-item of the

budget may be applied by Centerplate to any excess costs in any line-item of the budget for purposes of calculating any Allowable Expenses in excess of 110% of total Allowable Expenses approved in the budget. For purposes of this Section, "*Non-Variable Expenses*" means those Allowable Expenses comprised of: fixed payroll expense (other than expenses attributable to event-related part time employment expenses), audit fees, recruiting and training expenses, taxes and license fees, telephone, uniforms, printing (other than for special events), advertising, promotion and other marketing, bank charges, office supplies, maintenance of equipment, and meals and travel and entertainment expenses.

5.3. Net Profits. Centerplate shall disburse to SMG monthly the amount of the Net Profits less the Incentive Management Fee attributable to the preceding month. If there are no Net Profits for a month so that any Allowable Expenses for the month are not paid in full, the amount of such unpaid obligations shall be carried forward, without interest, and deducted from future Net Profits.

5.4. Net Loss. If there is a Net Loss in any accounting period, the amount of the Net Loss shall be carried forward and applied against future Net Profits. SMG shall under no circumstances be responsible for any Allowable Expenses, except that at the end of the term of this Agreement, SMG shall reimburse Centerplate for unreimbursed Allowable Expenses and unpaid Management Fees.

5.5. Interest. Centerplate shall pay to SMG interest in the amount of one and one-half percent (1-1/2%) per month, pro rated daily, on any and all amounts not received by SMG on or before the due date thereof. This charge is not an Allowable Expense.

5.6. Management Fees.

(a) **Base Management Fee.** Centerplate is entitled to receive as its Base Management Fee for services rendered under this Agreement the sum equal to two percent of Gross Revenues for the Fiscal Year, payable in monthly installments pursuant to Section 5.2.

(b) **Incentive Management Fee.** Beginning with the period beginning June 30, 2011, Centerplate is entitled to receive monthly as an additional Incentive Management Fee for services rendered under this Agreement, an amount equal to five percent of the Net Profits for the preceding month. If in any month there is a Net Loss, the amount of the Net Loss shall be carried forward for purposes of computing Net Profits for any subsequent month in calculating the Incentive Management Fee.

(c) **Fee Payment.** Centerplate may withhold from its monthly payments of Net Profits to SMG the estimated amounts payable under subsections (a) and (b) for the prior monthly period and, in the case of any over withholding, shall be obligated to repay any excess to SMG within 10 days of the end of each month or, in the case of any underpayment, to withhold the amount of the underpayment from Net Profits from the next monthly payment.

5.7. Centerplate's Working Capital. Centerplate shall furnish its own working capital sufficient to cover accounts receivable, inventory, petty cash, start up costs and tills adequate to serve the patrons of the Facilities and is entitled to reimbursement of (but not advances against) Allowable Expenses only when actually paid.

5.8. Start-Up Reimbursements. SMG shall reimburse Centerplate for certain start-up costs in the sum of Fifteen Thousand Dollars (\$15,000.00) to be paid to Centerplate within 30 days of the date of this Agreement.

ARTICLE VI. RECORDS, ACCOUNTS AND REPORTS

6.1. Books and Records. Centerplate shall maintain adequate books of account with respect to its management and operation of the food and beverage concessions in accordance with generally accepted accounting principles and acceptable to SMG. All books and records pertaining to Centerplate's management and operation of the food and beverage concessions and concessions shall be retained by Centerplate until two years after the termination of this Agreement and shall be located in or made available for review in New Orleans, Louisiana. Furthermore, Centerplate shall provide to SMG from time-to-time upon reasonable notice any books, records or information within Centerplate's custody or control pertaining to the management and operation of the food and beverage concessions at the Facilities.

6.2. Bookkeeping Forms and Methods; Separate Accounting for Superdome and Arena. Centerplate and SMG shall agree on the bookkeeping forms for reporting purposes. Differences between cash register sales (where applicable), inventory sales and cash sales must be detailed on every daily event summary. Centerplate will comply with SMG's request for information in addition to what is contained on the agreed format.

6.3. Daily Flash Reports. Before 10 a.m. on the day immediately following the date of an event at the Facilities, Centerplate shall prepare and deliver to SMG a flash report summarizing the sales made in connection with the event.

6.4. Monthly Reports. No later than the 20th day following the close of each month, Centerplate shall prepare and deliver to SMG a statement, certified by Centerplate's onsite Manager, containing the following information pertaining to the immediately preceding month: Gross Revenues by source of sales; product costs by sales category; payroll costs; other Allowable Expenses; and the amount of Net Profit delivered along with the statement.

6.5. Annual Report. Within 60 days after the end of each Fiscal Year, Centerplate shall furnish to SMG, in an agreed format, an annual report of the results of operations in the previous Fiscal Year prepared in accordance with generally accepted accounting principles. The annual report shall include the following information with respect to the previous Fiscal Year: Gross Revenues by source of sales; product cost by sales category; payroll costs; other Allowable Expenses; and Net Profits delivered to SMG. The annual report shall be prepared and certified by an independent certified public accounting firm of national reputation approved by SMG. The cost of the annual report shall be an Allowable Expense. However, if the annual report or further inspection indicates that the total Net Profits in the previous Fiscal Year were understated by more than 1%, then (i) Centerplate shall deliver to SMG the additional Net Profits due and the interest on the delinquent account at the same time as the delivery of the annual report and (ii) the cost of the annual report, shall not be an Allowable Expense.

6.6. Cash Register Sales. Centerplate shall use cash registers at all fixed points of sale unless otherwise approved by SMG. All products must be tracked by a computerized system from purchase, delivery, warehousing, and stocking to the sale transaction. Management reports shall be consolidated at the conclusion of each event on a system that has a terminal in SMG's office. The report shall provide sales by location, total inventory sales, cash sales, register sales (where applicable), overages and shortages in a format approved by SMG.

6.7. Operating Budget. Within 15 days of the date of this Agreement, Centerplate shall submit to SMG for its approval the initial operating budget for the partial fiscal year ending June 30, 2011 and for the succeeding Fiscal Year ending June 30, 2012. At least 60 days before the beginning of each Fiscal Year thereafter, Centerplate shall prepare and submit to SMG for SMG's review and approval a proposed, good faith annual operating budget for the Fiscal Year, listing all projected Gross Revenues and Allowable Expenses by category. Centerplate may at any time submit to SMG for its approval amendments to the annual operating budget to reflect unanticipated revenues, expenses or other changes. SMG shall not unreasonably condition, delay or withhold its approval.

ARTICLE VII. PERSONNEL

7.1. Employees. Centerplate shall employ, train and supervise personnel with appropriate qualifications and experience and in sufficient numbers to provide all services required pursuant to this Agreement. All persons engaged by Centerplate shall be the sole and exclusive employees of Centerplate and shall be paid by Centerplate. Centerplate shall pay all applicable social security, unemployment, worker's compensation and other employment taxes.

7.2. Employee Standards. Centerplate shall employ at the Facilities only trained, neatly uniformed, clean, courteous and efficient attendants and employees. Centerplate's employees shall conduct themselves at all times in a proper and respectful manner. SMG shall have the right to require Centerplate to dismiss any employee from the Facilities. Upon a written or oral request by SMG that details the facts forming the basis for dismissal, Centerplate shall immediately dismiss from the Facilities any employee designated by SMG. SMG shall have unlimited discretion to cause Centerplate to dismiss any employee who uses improper language or acts in a loud or boisterous, improper or disrespectful manner. This section shall be subject to applicable law and collective bargaining agreements.

7.3. Uniforms. All of Centerplate's personnel at the Facilities shall wear appropriate uniforms. The quality, design and color of any new uniforms shall be subject to the SMG's approval. Subject to the annual budget approved by SMG, Centerplate shall provide the uniforms as an Allowable Expense.

7.4. Management Staff. Centerplate shall permit SMG to participate in and approve the selection of any of Centerplate's on-site managers and executive staff, including the executive chef. Centerplate shall provide a competent management staff. The management staff shall be subject to SMG's approval. The management staff shall not be replaced, increased or decreased without SMG's written consent. If SMG requests a change of management personnel, Centerplate shall have 20 days to provide an appropriate replacement. Centerplate's Manager or

his designated representative shall be available at the Facilities when the food and beverage concessions are open and shall be authorized by Centerplate to be served with complaints and notices by SMG.

7.5. Admission. SMG shall permit only appropriately credentialed employees and other personnel of Centerplate to be admitted to the Facilities without the payment of an admission fee. Centerplate's normal complement of employees will be permitted access to the Facilities. The place of entrance and the times of admission for Centerplate's employees can be determined by SMG; provided, that SMG's determination shall not unreasonably interfere with Centerplate's performance hereunder.

7.6. Credentialing. SMG shall supply to Centerplate a limited number of badges that will permit Centerplate's employees and personnel to be admitted to the Facilities without payment of an admissions fee. Reasonably in advance of an event, Centerplate shall submit to SMG a list of the names of Centerplate's employees and personnel scheduled to work that event. Centerplate shall not include on the list any person that SMG has required Centerplate to expel or exclude from the Facilities. SMG shall deliver to Centerplate credentials for distribution to the persons named on Centerplate's list. The credentials shall remain the property of SMG and shall be returned to SMG promptly after the event. Notwithstanding the foregoing, SMG may deliver to Centerplate's management staff badges that may be retained indefinitely until revoked by SMG.

7.7. Representation at SMG's Staff Meetings. SMG and Centerplate acknowledge that it is to their mutual benefit to operate the food and beverage concessions as efficiently as possible. Centerplate shall have its food and beverage manager attend regular staff meetings held by SMG and shall supply pertinent current operating data for the meetings.

7.8. Non-Discrimination. Centerplate shall not discriminate against any employee or applicant for employment because of age, race, creed, sex, color or national origin, and Centerplate shall take reasonable measures to afford employees or applicants for employment equal employment opportunities without discrimination because of age, race, creed, sex, color or national origin. Such measures shall be taken with reference, but not limited to, recruitment, employment, job assignment, promotion, upgrading, demotion, transfer, layoff or termination, rates of pay or other forms of compensation in selection for training or retraining, including apprenticeship and on-the-job training. Before the commencement of this Agreement, Centerplate shall prepare a written policy statement to inform all employees, job applicants, service recipients and applicants for services of Centerplate's commitment to equal employment opportunity. The policy statement shall be signed by Centerplate's executive officer. Furthermore, Centerplate shall require that all contractors and subcontractors with which Centerplate does business at the Facilities comply with the foregoing equal employment opportunity requirements.

7.9. Minority Suppliers. Within 30 days of the date of this Agreement and from time to time thereafter as requested by SMG, Centerplate shall prepare and deliver to SMG, for its review and approval, a written plan, that includes expenses, if any, for community outreach activities, which shall include a plan for the use of minority and women owned business enterprises for the provision of goods and services to Centerplate in connection with carrying out

its obligations under this Agreement. Any expenses incurred under this Section shall be Allowable Expenses under Section 5.2(c).

ARTICLE VIII. FACILITIES AND EQUIPMENT

8.1. Equipment and Small Wares. SMG shall furnish all required Equipment throughout the term of this Agreement. SMG agrees to permit Centerplate to use the Equipment and small wares in connection with Centerplate's operations at the Facilities. Centerplate shall not remove any of the Equipment or small wares from the area of the Facilities, the Louisiana Superdome, and the New Orleans Arena and shall not use any of the Equipment or small wares in connection with any other business or operations. SMG makes no warranty and Centerplate expressly waives all express and implied warranties with respect to the condition of the Equipment and small wares or the fitness of any particular item of Equipment and small wares for any particular purpose. The Equipment and small wares are provided to Centerplate strictly on an "as is - where is" basis.

8.2. Repair and Maintenance. Centerplate shall be responsible for care and maintenance of the Equipment and the other facilities used by it in performing its obligations under this Agreement, and the costs thereof shall be an Allowable Expense. Centerplate shall comply with SMG's requests with respect to the maintenance and repairs of such Equipment and facilities. Centerplate shall have authority, without prior approval of SMG, to expend up to \$1,000 for emergency repairs or replacements and to be reimbursed therefor out of Gross Revenues as an Allowable Expense. Centerplate shall be responsible for damage (other than ordinary wear and tear) and loss of any Equipment and replacement thereof, and any such costs shall be a Disallowed Expense.

8.3. Inventory of Equipment and Small Wares. Centerplate shall be required to maintain the inventory of Equipment and small wares at the levels and in the condition in which received, except for normal wear and tear, diminution as a result of sales, and, to the extent the replacement cost thereof does not exceed one percent of catering sales. Any loss or damage other than normal wear and tear in excess of that permitted by the preceding sentence ("Excess Loss") shall be the responsibility of and shall be paid by Centerplate and shall be a Disallowed Expense. If, in the case of Excess Loss, Centerplate fails to repair or replace the lost or damaged Equipment and small wares, SMG may do so and may credit the cost thereof against the Management Fees or any other amounts owing to Centerplate. Notwithstanding the foregoing, the food and beverage inventory shall remain the property of Centerplate. Centerplate shall be responsible to complete and submit to SMG within 45 days of the end of each Fiscal Year throughout the term of this Agreement an inventory of Equipment and small wares.

8.4. Utilities. SMG shall provide electricity, gas and water utility service to the areas utilized by Centerplate without charge. Neither SMG nor Centerplate shall be responsible for the discontinuation or interruption of any utility service if beyond their reasonable control.

**ARTICLE IX.
INDEMNITY AND INSURANCE**

9.1. Cross Indemnity. Each party (the "indemnifying party") agrees to hold harmless and indemnify the other party from and against all suits, claims, loss, liability and expense arising out of any injury or alleged injury (including death) to any person or to the property of any person caused or alleged to have been caused by any act or omission of the indemnifying party or any of its employees or agents.

9.2. SMG's All-Risk Property Damage Insurance. SMG agrees to maintain throughout the Term the insurance coverages required to be maintained by it under the Management Agreement. Upon request, SMG shall furnish to Centerplate certificates of the insurance coverage required under this Section. In the alternative to the insurance required to be maintained by SMG under this Section, the State may self-insure the Facilities. SMG agrees to provide Centerplate prompt written notice of any notice it receives of any cancellation, modification, or renewal of such insurance or program.

9.3. Insurance to be Maintained by Centerplate. Centerplate shall secure and maintain throughout the term of this Agreement, as an Allowable Expense:

- (1) **Workers Compensation.** Insurance covering all employees meeting statutory limits in compliance with all applicable state and federal laws. The Workers' Compensation coverage must include Employer's Liability with a minimum limit of \$1,000,000.00 for each accident/illness.
- (2) **Commercial General Liability and Public Liability.** Coverage which shall have minimum limits of \$1,000,000 Per Occurrence, \$2,000,000 policy aggregate, Combined Single Limit for Bodily Injury Liability and Property Damage Liability. The Commercial General Liability coverage shall include Premises and Operations, Broad Form Property Damage, XCU Coverage, Independent Contractors, Products and Completed Operations, and Contractual Liability. This Commercial General Liability coverage policy shall be endorsed to include and cover Liquor Liability and Public Liability.
- (3) **Business Auto Liability.** Coverage shall have minimum limits of \$1,000,000 Per Occurrence, combined single limit for Bodily Injury Liability and Property Damage Liability. This Business Auto Liability policy shall include and cover: Owned Vehicles, Hired and Non-Owned Vehicles, and such other coverage as is necessary to protect the parties against liability for the operation of the Facilities.
- (4) **Umbrella Policy.** Excess liability coverage of not less than \$15,000,000 in the form of an umbrella policy (and not the in form of a following form Excess Policy), endorsed to be excess of the required Commercial General Liability coverage.

- (5) **Crime and Fidelity Coverage for Centerplate's Employees.** At least \$50,000 per occurrence of coverage for (i) employee dishonesty; (ii) forgery or alteration; (iii) theft, disappearance and destruction inside and outside the Facilities; and (iv) robbery and safe burglary inside and outside the Facilities.

Centerplate shall provide to SMG, not later than the Commencement Date and annually thereafter, certificates of insurance evidencing the coverages required by this Section, which show the LSED and SMG as additional insureds.

9.4. Insurance Requirements. All insurance required to be maintained by Centerplate under this Agreement must (i) be issued by insurance companies reasonably acceptable to SMG and licensed to do business in the State of Louisiana with the financial rating of at least A-Class VI status, as rated in the most recent edition of Best's Insurance Reports, (ii) be issued as a primary policy, (iii) contain an endorsement requiring 60 days written notice from the insurance companies to the State, the LSED and SMG before cancellation or change in the coverage, scope or amount of any policy if any such change would cause the insurance coverages provided to be less than those required by Section 10.3 and (iv) name SMG, the LSED and the State as additional insureds (and not as named insureds).

9.5. Waiver of Subrogation. The parties release each other and their respective officers, directors, Managers, employees and independent contractors, from any claims for damage to any person, the Facilities or any fixtures, personal property, improvements and alterations of either party in or about the Facilities that are caused by or result from risks insured against under any insurance policies or programs required to be carried by the parties under this Article. The parties agree to cause the issuers of the insurance policies or programs required to be maintained by them hereunder to include waivers of the rights of recovery and subrogation.

ARTICLE X. DEFAULT

10.1. Events of Default. Each of the following shall constitute an "Event of Default" under this Agreement:

- (1) Failure to pay when due any amount required to be paid under this Agreement, if the failure continues for five days after notice has been given to the defaulting party.
- (2) Failure to perform any other obligation under this Agreement, if the failure to perform is not cured within 30 days after notice has been given to the defaulting party, except that if the default cannot reasonably be cured within 30 days, an Event of Default shall not be deemed to have occurred if the defaulting party begins to cure the default within the 30 day period and diligently and in good faith continues to pursue the cure of the default.

10.2. Rights of Non-Defaulting Party. If an Event of Default occurs and is not waived in writing by the non-defaulting party, then the non-defaulting party shall have the

following remedies which are not exclusive but cumulative in addition to any other remedies now or later allowed by law:

- (1) The right to cure any default, at the defaulting party's cost and expense (which shall be a Disallowed Expense).
- (2) The right to sue to collect any sums not paid when due, together with interest accrued thereon.
- (3) The right to sue to collect damages suffered by the non-defaulting party by reason of the occurrence of an Event of Default other than default in the payment of money.
- (4) The right to terminate this Agreement.
- (5) The right to seek specific performance of the defaulted obligation.

ARTICLE XI. TERMINATION

11.1. Surrender of Equipment and Facility. Upon the expiration or termination of this Agreement, Centerplate shall promptly surrender to SMG all of the facilities in the Facilities utilized by Centerplate and all furniture, fixtures, Equipment and other items used in connection with the food and beverage concessions at the Facilities, excluding the food and beverage inventory. All furniture, fixture, Equipment and other items shall be delivered in good condition and repair, subject only to normal wear and tear and damages as a result of a fire or other casualty. The facilities and other improvements delivered to SMG shall be delivered broom clean and in good condition and repair subject only to normal wear and tear and damage as a result of a fire or other casualty.

11.2. Payments. Upon the expiration or termination of this Agreement, each party shall pay to the other on or before the termination date all amounts that may be due.

11.3. Early Termination by Centerplate. In the event Gross Revenues do not exceed Allowable Expenses in any Fiscal Year, Centerplate may, at its election, at any time within 90 days of the end of that Fiscal Year, give written notice to SMG of Centerplate's election to terminate this Agreement as of the date that is not sooner than 90 or more than 120 days after the date such notice is given to SMG (the "date of the notice"). In such event, this Agreement shall be terminated as of the date specified in the notice unless within 60 days after the date of the notice, SMG shall have provided Centerplate with additional funds for the payment of all Allowable Expenses unpaid as of the date of the notice or restructure the financial terms of the Agreement.

**ARTICLE XII.
MISCELLANEOUS**

12.1. SMG's Authority. The parties recognize the exclusive right, authority and discretion of SMG with respect to the operation and management of the Facilities and that SMG has no responsibility, obligation, or liability to Centerplate except for good faith performance of the obligations expressly undertaken by it under this Agreement. It is expressly understood and agreed that SMG has the right and power to enter this Agreement and, subject only to the authority of the State reserved in the Management Agreement, has (1) the right to manage and operate the Facilities in a manner that it, in good faith, believes to be in the best interest of the Facilities and the State of Louisiana, notwithstanding that such may not result in, or be consistent with, the maximization of the Gross Revenues under this Agreement, and (2) full and exclusive authority to administer and enforce this Agreement, in its discretion to enforce or waive performance by Centerplate of its obligations hereunder; provided that SMG may not amend this Agreement in any material respect without the prior approval of the Contract Administrator as contemplated in the Management Agreement. SMG shall at all times have sole dominion and control over the Facilities, including the right to admit or deny admission to any individuals that SMG, in its discretion, deems to constitute a threat to public convenience or safety, the sole right to furnish all personnel staffing the Facilities (including security personnel), subject only to the express terms of this Agreement, and otherwise to have and exercise all rights and authority of a Manager of comparable public facilities.

12.2. Notices. Unless expressly otherwise provided elsewhere in this Agreement, any election, notice or other communication shall be in writing and deemed to have been duly given if and when delivered personally or deemed delivered on the third business day when mailed (by First Class, Return Receipt Requested) with proper postage prepaid, or on the next day when sent by a national commercial overnight courier service (such as Federal Express or DHL Worldwide Express) for expedited delivery, to be confirmed in writing by such courier, or when telecopied, telegraphed or telexed to a party, at such party's address set forth below or at such other address as a party may designate by notice given to the other in accordance with the foregoing.

To SMG:

SMG
Sugar Bowl Drive
New Orleans, LA 70112
Facsimile: 504-587-3848
Attention: General Manager

To Centerplate:

Centerplate, Inc.
Sugar Bowl Drive
New Orleans, LA 70112
Facsimile: 504-566-0540
Attention: General Manager

With a copy to:

Centerplate, Inc.
2187 Atlantic Street
Stamford, CT 06902
Attn: Legal Department
Facsimile: 203-975-9679

12.3. Amendments. This Agreement may be amended only by the written instrument executed on behalf of SMG, Centerplate and the State.

12.4. Applicable Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Louisiana.

12.5. No Assignments. Centerplate shall not assign or subcontract all or any portion of its rights or obligations under this Agreement without the prior written consent of SMG. SMG shall not assign all or any portion of its rights or obligations in this Agreement except to its successor as Manager of the Facilities and then only with the prior approval of the State. At such time as SMG ceases for any reason to be Manager of the Facilities, then SMG's obligations hereunder shall be assumed by and shall pass to the State or to such other party as the State may designate as Manager of the Facilities, and SMG shall thereupon be relieved of all obligations and liabilities thereafter arising hereunder except for any obligations or liabilities arising from its willful breach of its obligations under this Agreement.

12.6. Successors. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns, but this provision shall not be deemed to permit an assignment by a party of any of its rights or obligations under this Agreement except as otherwise provided herein.

12.7. Title and Captions; Consents and Approvals.

(a) **Titles and Captions.** All articles or section titles or captions in this Agreement are for convenience of reference only. They should not be deemed to be part of this Agreement or to in any way define, limit, extend, or describe the scope or intent of any provisions of this Agreement. Except as specifically otherwise provided, reference to "Articles", "Sections", and "Schedule" are to Articles and Sections of and Schedules to this Agreement.

(b) **Consents and Approvals.** Except as otherwise indicated, wherever the consent or approval of any party is required or permitted under this Agreement; such consent or approval shall not be unreasonably conditioned, delayed or withheld.

12.8. Pronouns and Plurals. Whenever the context may require, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa.

12.9. Separability. Each provision of this Agreement shall be considered to be separable and, if, for any reason, any such provision or any part thereof, is determined to be

invalid and contrary to any existing or future applicable law, such invalidity shall not impair the operation of or affect those portions of this Agreement that are valid, but this Agreement shall be construed and enforced in all respects as if the invalid or unenforceable provision or part thereof had been omitted.

12.10. Entire Agreement. This Agreement, including the attached Schedules, contains the entire agreement of the parties and supersedes all prior and contemporaneous agreements and understandings, oral or otherwise, among the parties with respect to the matters contained in this Agreement and may not be modified or amended except as set forth in this Agreement.

IN WITNESS WHEREOF, the undersigned have signed this Agreement as of the date first set forth above.

Witnesses:

Catherine R. Allen

Witnesses:

KRU

SMG

By: J. Douglas Thornton
J. Douglas Thornton
Senior Vice President

Service America Corporation d/b/a
Centerplate

By: [Signature]
Print name: KELIA MCNAMARA

Title: EVP + CFO