

Contract No. DETR/DEMP/01/2012

**SERVICE PROVISION CONTRACT NUMBER DETR/DEMP/01/2012, ENTERED INTO BY THE PARTY OF THE FIRST PART, CONSEJO DE PROMOCIÓN TURÍSTICA DE MÉXICO, S. A. DE C.V. [MEXICO TOURISM BOARD], REPRESENTED IN THIS ACT BY MR. EDUARDO CHAILLO ORTIZ, EXECUTIVE DIRECTOR OF TOURISM FOR MEETINGS, ASSISTED BY MR. JAIME DÍAZ ARCIGA, COUNTRY EXECUTIVE TRADEMARK DIRECTOR, AND BY THE PARTY OF THE SECOND PART, QORVIS COMMUNICATIONS, LLC., REPRESENTED BY MR. MICHAEL PETRUZZELLO, IN HIS CAPACITY AS LEGAL REPRESENTATIVE, HEREINAFTER AND FOR THE PURPOSES OF THIS CONTRACT TO BE REFERRED TO AS "THE BOARD" AND "THE PROVIDER," RESPECTIVELY:**

**STATEMENTS**

**I) "THE BOARD" states that:**

- I.1 It is a majority state-owned company of the Federal Public Administration, established by Public Instrument Number 39,873, dated October 11, 1999, executed before Notary Public number 32 of the Federal District, Francisco Jacobo Sevillano González, registered in the Public Register of Property and Commerce under commercial folio number 257,243, dated December 9, 1999, with the functions and powers conferred to it under article 39 of the General Tourism Law and other applicable legal provisions; it has within its corporate purpose the operation of tourism promotion campaigns at the national and international levels and the execution of all documents and contracts necessary for the fulfillment of its purposes.
- I.2 Pursuant to articles 34 section V, 40 and 50 of the General Regulations of the Consejo de Promoción Turística de México, S.A. de C.V., published in the Official Gazette of the Federation on April 22, 2010, and its amendments published in the same Gazette on February 13, 2012, it has within its organizational structure offices abroad, among which is the Executive Department of Tourism for Meetings of the Consejo de Promoción Turística de México, S.A. de C.V., based in the City of Washington, D.C., United States of America, with the inherent powers specified in this same order.
- I.3 Mr. Eduardo Chaillo Ortiz, in his capacity as Executive Director of Tourism for Meetings of the Consejo de Promoción Turística de México, S.A. de C.V., proves his identity through Agreement No. 13/04/2009, dated March 24, 2010, issued by the Board of Directors of "THE BOARD" at the First Ordinary Session of 2010, in which his appointment was granted.
- I.4 Mr. Eduardo Chaillo Ortiz enters into this contract on the basis of the provisions of article 40, sections I and XIII of the General Regulations of the Consejo de Promoción Turística de México, S.A. de C.V., in compliance with the instruction issued for this purpose and the powers granted in public instrument number 57,595, dated March 29, 2011, executed before Francisco Jacobo Sevillano González, Notary Public Number 32 of the Federal District, for which he has the legal powers to represent "THE

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BOARD" in administrative acts, and which powers have not been revoked, modified or limited in any manner.

Mr. Eduardo Chaillo Ortiz has the authorization to enter into this contract issued by the Executive Director of Administration and Finance of "THE BOARD," via document DEAF/133/2012, dated February 24, 2012.

- I.5. Appearing herein are Mr. Jaime Díaz Arciga, Country Executive Trademark Director, and Mr. Rodrigo Pacheco Aceves, Director of Operations, as the responsible administrative unit of "THE BOARD" for the administration and verification of the services under this contract.
- I.6. Its Federal Taxpayer Registration number is CPT 991022 DE7, and it indicates as its domicile for the purposes hereof that which is located at 2829 16th Street, NW, 4th Floor, Washington D.C. 20009, United States of America.
- I.7. It has the budgetary allocation and the availability of resources to pay for the services under this contract which, on the date of its signing, are determined under budget section 33901 corresponding to "Subcontracting of services with third parties," authorized by the Ministry of Finance and Public Credit in letter 307-A-6920, dated December 26, 2011, and the Purchase Requisition with folio number 151X, dated February 24, 2012, issued by "THE BOARD," pursuant to the budget approved for 2012 by the Chamber of Deputies and the authorized calendar of expenses of "THE BOARD."
- I.8. This contract was awarded directly on the basis of article 16 of the Law of Acquisitions, Leases and Services of the Public Sector, upon prior justification from the Country Executive Trademark Department and the Executive Department of Tourism for Meetings issued by a letter dated February 27, 2012, in the City of Washington D.C., as well as the Market Research (incorporated into the body of the justification) and the authorization to carry out this contracting issued by the General Director of the Consejo de Promoción Turística de México, S.A. de C.V., via Certificate of Legitimacy DP 020-1/2012, dated February 27, 2012.

**II "THE PROVIDER" states that:**

- II.1. It is a company incorporated under the laws of the State of Virginia, United States of America, on August 18, 2000, as stated in the certificate of registration issued by the State Corporation Commission, signed and sealed in the City of Richmond on February 24, 2009, by the Clerk of the Commission, Joel H. Peck.
- II.2. Its legal representative, Mr. Michael Petruzzello, is identified by class D driver's license [REDACTED] issued to him in the city of Washington D.C., United States of America, dated September 26, 2007, proving his identity as Managing Partner and majority shareholder, through

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the testimony of C. Debbie Thompson, Corporate Controller of the firm Qorvis Communications, LLC., certified before the Notary Public of the District of Columbia, Dara Lyn Petersen, on March 11, 2011.

- II.3 The legal representative declares under oath that his appointment as Managing Partner has not been revoked and that he is fully vested with sufficient legal powers to represent "THE PROVIDER" in the execution of this contract.
- II.4 It has the legal capacity and its own sufficient elements to meet the obligations arising from this contract in an efficient, timely manner and in the best conditions for "THE BOARD"; stating in addition that it is aware of the technical specifications and scopes of service under this contract.
- II.5 It declares under oath that it is not in any of the situations referred to in articles 50 and 60 of the Law of Acquisitions, Leasing and Services of the Public Sector.
- II.6 For the purposes of article 32-D of the Federal Tax Code, it states that it is an American corporation and for tax purposes in the United States of America, it has Federal Tax Identification Number in the American Union 512004026 and that it is not required to file periodic returns in Mexico.
- II.7 It indicates as its legal domicile that which is located at 1201 Connecticut Avenue, NW, Suite 500, Washington, DC 20036, telephone (202) 496-1000, fax (202) 496-1300.

In view of the above statements and in recognition of the identities held by the parties and the powers of their legal representatives, they agree to bind themselves according to the following:

#### CLAUSES

**ONE.- PURPOSE.** "THE PROVIDER" undertakes to provide "THE BOARD" the services of website development, strategy and development of campaigns in social networks, optimization of content for search engines, organic search campaigns and maintenance of the website for the promotion of the Country Trademark and strengthening of the image of Mexico in the International Market, according to the scope and technical specifications described in the Technical Proposal submitted by "THE PROVIDER" and the Justification and Opinion issued by "THE BOARD," which, signed by the parties, are incorporated as **Appendix One** and form part of this Contract; these services must include the following:

- 1) Production and syndication of testimonies on topics of economy and sustainability, tourism and culture.
- 2) Development of the website that adds contents based on content management.
- 3) Management of profiles in social networks and personal publication platforms.
- 4) Generation of optimized content for search engines.

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- 5) Management with personal publication platform owners and syndication of contents.
- 6) Web monitoring to identify Critical Keywords and Online Events.
- 7) Development of communication platforms for mobile devices.

**TWO.- TERM FOR THE PROVISION OF THE SERVICES.** The term for the provision of services will be from March 1 to July 31, 2012.

**THREE.- CONTRACT AMOUNT.-** "THE BOARD" will pay "THE PROVIDER," as consideration for the services under this contract, including its fees, an amount of US\$ 3,200,000.00 (THREE MILLION TWO HUNDRED THOUSAND DOLLARS U.S. LEGAL TENDER), which will be covered by the services accrued under the Pricing Plan described in the Economic Proposal attached as **Appendix Two** hereto.

The consideration to be paid to "THE PROVIDER" indicated in this clause will fully compensate it for the services it performs, the time spent, materials used, salaries, fees, organization, technical direction, management, the social and labor services of its personnel, and generally for any other consideration to which it is entitled under this contract, for which it may not demand greater compensation from "THE BOARD" under any circumstances.

The margin of the amounts referred to in this clause will be established during the contract term and must include all taxes generated by the provision of the services contracted. Therefore, each party agrees to comply with all corresponding tax obligations.

**FOUR.- PAYMENT TERMS.** Payments made by "THE BOARD" to "THE PROVIDER" for the performance of services under this contract will be deposited in a bank account that "THE PROVIDER" will allocate for payments from "THE BOARD" by electronic transfer and crediting to the respective account. Deposits will be made from the Federal District of Mexico in U.S. dollars.

For the processing of payment, "THE PROVIDER" must submit the respective original invoices to the Country Executive Trademark Department, through the Operations Department, receiving the corresponding acknowledgment of receipt, which will then be submitted to the Financial Resources Department of the Executive Department of Administration and Finance of "THE BOARD" for processing. Payment will be made within 20 (twenty) calendar days following the receipt of the invoices duly authorized by the Country Executive Trademark Department, via the Operations Department, provided they are accompanied by verification of the services they cover, as applicable.

In the event any error is detected in the billing, the Financial Resources Department, or where appropriate, those responsible for the validation or monitoring of the services designated by "THE BOARD," will forward to "THE PROVIDER" the documents and/or invoices with the corresponding observations, which must be corrected and submitted again to restart the payment process; thus, the time that passes due to this will not be counted for the purposes of the initial term of 20 (twenty) calendar days for payment.

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All invoices from "THE PROVIDER" must be submitted in original, to the name of "THE BOARD," and must include the tax requirements set forth in current legislation and contain the following information:

- I.- Complete name, tax domicile, and tax identification number of "THE BOARD;"
- II.- Name, address, date of issue, and telephone number of the company issuing the invoice;
- III.- Invoice number, and
- IV.- Clear description of the services provided, unit price, and total price.

The invoices included as part of the verification must be submitted as a copy, to the name of either "THE BOARD" or "THE PROVIDER."

Invoices must not have any erasures or corrections.

**FIVE.- VERIFICATION:** "THE PROVIDER" must submit to "THE BOARD," via the Executive Department of Tourism for Meetings and/or the Country Executive Trademark Department, the reports in the form and periods established in the technical proposal of "THE PROVIDER," attached hereto as **Appendix One**.

"THE BOARD" may request that any other report be written and may modify the number and/or format of such reports, and in such case will send prior written notification to "THE PROVIDER."

**SIX.- PERFORMANCE BOND.** To ensure compliance with its obligations under this contract, "THE PROVIDER," within ten calendar days following the signing of this contract, must submit to "THE BOARD" a bond issued by a bonding institution, a letter of credit issued by an international or foreign bank, or a certified check payable in Mexico by a national institution or subsidiary of the bank issuing the document. Any of the foregoing which is issued must be given in favor of the Consejo de Promoción Turística de México, S.A. de C.V., for 10% (ten percent), excluding value added tax (VAT), of the amount established in Clause Three of this instrument.

Should "THE PROVIDER" decide to deliver a bond or letter of credit as referred to in the preceding paragraph, it must contain the specifications listed below:

- I. Be issued in favor of the Consejo de Promoción Turística de México, S.A. de C.V.
- II. Indicate the name of "THE PROVIDER."
- III. Indicate the maximum total amount guaranteed, expressed in words and numbers.
- IV. Indicate the number, purpose, and date of the contract.
- V. Express that it is granted to guarantee compliance with each and every obligation for which it is responsible.
- VI. Express that it is granted under the terms of said contract and its Appendices.
- VII. Express that it is granted in response to due compliance with the contract guaranteed and its Appendices, as well as any responsibility of the bonded party that may result from the execution thereof.
- VIII. Express that in the event the contract is extended, the term of the bond or international letter of credit will automatically be extended in accordance with said extension.

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- IX. Express that it may be cancelled only through written notification from the Consejo de Promoción Turística de México, S.A. de C.V.
- X. Express that it will remain in effect as of the date on which it is issued, during the term of the contract, and during the confirmation of all resources or legal proceedings filed until the final resolution is pronounced, in such a way that its term may not be limited due to the execution term of the main contract or the source of the obligations.

In the event that the parties agree to increase the amount of goods or services requested, as provided in Clause Twenty-Two of this contract, "THE PROVIDER" will be obligated to increase the amount of the performance bond in the same proportion as the increase granted.

The term of the bond, letter of credit, or certified check must remain valid until the contract is entirely fulfilled to the satisfaction of "THE BOARD" expressed in writing, that is, until it considers that each and every contracted contractual obligation [sic] has been fulfilled. The bond, letter of credit, or certified check may be canceled only by written communication from "THE BOARD."

Therefore, the bond, letter of credit, or certified check must ensure full compliance with all obligations during the term of the contract, and subsequent thereto, in the event of any outstanding obligation according to "THE BOARD."

**SEVEN.- RELEASE OF THE BOND.-** The performance bond for the contract may be released only by the Executive Department of Administration and Finance, upon written request from the Executive Department of Tourism for Meetings and/or the Country Executive Trademark Department of "THE BOARD," confirming compliance with each and every one of the obligations established hereunder.

**EIGHT.- LIAISONS.-** The parties agree that the persons responsible for the execution, supervision, and monitoring of services covered by this contract are as follows:

- a) "THE BOARD" designates as responsible for supervision the Executive Director of Tourism for Meetings and/or the Country Executive Trademark Department, via the Operations Department, in the scope of their respective competences.
- b) "THE PROVIDER" designates as responsible for the execution of the services hereunder Michael Petruzzello, Managing Partner, and the personnel indicated in the technical proposal from "THE PROVIDER," attached hereto as **Appendix One**.

Upon prior written authorization from "THE BOARD," the personnel of "THE PROVIDER" may be substituted, with "THE BOARD" having the power to reject any candidate.

**NINE.- COMMUNICATIONS.** Communications between the parties must be in writing, to the attention of at least one of the liaisons designated by the parties in the previous clause, as follows:

- I. For "THE BOARD," communications will be sent to the e-mails [echaillo@promotur.com.mx](mailto:echaillo@promotur.com.mx) and [jdiaz@promotur.com.mx](mailto:jdiaz@promotur.com.mx) and delivered physically,

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with acknowledgment of receipt, to the domicile of "THE BOARD" specified in statement I.6 hereof, and will be understood to have been made on the date received by the addressee, upon verification or confirmation.

- II. For "THE PROVIDER," communications will be sent to the e-mail [mlaurer@qorvis.com](mailto:mlaurer@qorvis.com) and will be understood to have been made on the date received by the addressee, upon verification or confirmation.

In the event that either party changes or adds telephone numbers or e-mail addresses, written notification to the other party, at least five calendar days in advance, will suffice for such change to be duly executed.

**TEN.- VERIFICATION AND ACCEPTANCE OF SERVICES.** "THE BOARD" will verify compliance with the object of this contract through the personnel designated as liaisons in Clause Eight above.

The foregoing is without prejudice to the right "THE BOARD" has to carry out reviews at any moment during the term hereof by its General Director, Assistant General Director, Executive Director of Administration and Finance, Head of the Internal Control Unit for "THE BOARD" or by the persons designated for such purpose, to verify the application of the resources, verification thereof, and the benefits "THE PROVIDER" obtains for "THE BOARD."

**ELEVEN.- PATENTS, TRADEMARKS, COPYRIGHT, AND IN GENERAL EVERYTHING RELATED TO INTELLECTUAL PROPERTY.** The property belonging to "THE PROVIDER" is defined as all software applications, databases, computer programs (including the source code and the object code for such programming) and the executable code (collectively the "Code"), as well as other creative content, methodologies, and materials in existence before this contract (or created outside the scope of this contract) and all the code or parts thereof which are developed or provided by "THE PROVIDER" under this contract, excluding materials provided by "THE BOARD." "THE PROVIDER" is responsible for obtaining all authorizations or registrations required for the execution of the services under this contract, in the use of trademarks and patents, as well as any kind of works protected by copyright pursuant to laws and regulations of the countries concerned. Furthermore, "THE PROVIDER" will be solely responsible for complying with all obligations arising from the authorization or registration granted in accordance with the respective laws and regulations.

Similarly, "THE PROVIDER" will be solely responsible for complying with the obligations and obtaining the records, certificates, patents, etc., which in matters of industrial and intellectual property, due to the provision of services referred to in this contract, must be carried out in accordance with the laws and regulations in countries where the services are provided, or which are required to safeguard the property rights generated by the provision of services on behalf of "THE BOARD," as well as the campaign slogans used by "THE BOARD" in the markets where the services are rendered under this contract.

These records, certificates, patents, et cetera, must be processed within fifteen business days of signing the contract, or within 15 business days.

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following the generation of a product whose intellectual property must be registered or notification given to "THE PROVIDER" of the need for registration of a new campaign slogan.

"THE PROVIDER" agrees to observe the characteristics described in the trademark usage license agreement and the Guidelines for Use of the Mexico Trademark, which is added hereto as **Appendix Three** and any graphic guidelines given by "THE BOARD" with the understanding that "THE PROVIDER" cannot use its own logo, trademark, or letterhead on the stationery and materials used in the presentations or communications made on behalf of "THE BOARD."

"THE BOARD" will be the owner of the copyright and property rights of the databases and any other type of material, whether print, audiovisual, or any kind, that are produced in connection with the provision of services under this contract, and whose services have been paid by "THE BOARD," except for those materials for which third parties already hold the copyright or property rights, in which case "THE PROVIDER" will inform "THE BOARD." In any case, "THE PROVIDER" will have an inescapable obligation to investigate and report to "THE BOARD" regarding the conditions of use and restriction of intellectual rights in relation to materials produced during the term of this contract, for which reason, in the event said investigation and information is omitted, it will be solely responsible for intellectual rights violations committed, even after the end of the term of this contract, being obligated to hold harmless "THE BOARD" of said liability with third parties.

It also agrees not to use the Mexico trademark, design, or campaign slogans in the markets where the services under this contract are rendered if it has not previously completed the registration of the trademark and campaign slogans.

"THE PROVIDER" may use photographs, images, and generally any unrestricted photographic, video recording, or film material belonging to "THE BOARD," as well as those not owned by "THE BOARD" which it considers necessary for the fulfillment of the objectives of this contract, ensuring their unrestricted use in all publicity media, including the Internet and any other current or future technological medium.

**TWELVE.- DELIVERY AND OWNERSHIP OF MATERIALS.** "THE BOARD" will lend to "THE PROVIDER" the materials it owns that it considers necessary for the performance of services under this contract, for which the corresponding acknowledgments of receipt will be signed.

"THE PROVIDER," from the moment it receives the material, must maintain a constantly updated inventory of the materials owned by "THE BOARD" that have been delivered, as well as those that are produced under this contract, which will be owned by "THE BOARD," and which "THE PROVIDER" must conserve, manage, and update if necessary, in accordance with the instructions indicated for such purpose by "THE BOARD."

For no reason whatsoever may "THE PROVIDER," during the term hereof or at any subsequent time, use or dispose of the materials or rights produced or obtained under the purview of this contract or those which,

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owned by "THE BOARD," are supplied to "THE PROVIDER" for the purpose of this legal relationship.

"THE PROVIDER" agrees to keep the material delivered to it by "THE BOARD" in optimum conditions, without "THE PROVIDER" being responsible for the damage suffered as a result of normal use or the mere passage of time.

Upon termination of this contract or when requested by "THE BOARD," it will assume the rights and obligations contracted on its behalf, and therefore "THE PROVIDER" will be required to transmit them, being responsible for latent defects. In addition, "THE PROVIDER" will submit to "THE BOARD" a list of the materials and rights of any kind that arise from the actions referred to in this contract.

At the termination of this contract or when requested by "THE BOARD," provided that such delivery does not prevent the contracted services from being provided properly and/or the goals and objectives referred to herein from being obtained, "THE PROVIDER" will deliver and submit to "THE BOARD" the materials and rights of every kind produced or acquired hereunder or which had been provided for its execution and appear in its inventories, to the person and place indicated by "THE BOARD," for which "THE PROVIDER" will carry out all the steps that are necessary. The cost for the delivery and transfer of materials will be covered by "THE BOARD" with resources other than those of the campaigns which are the object of this contract and pursuant to applicable regulations.

**THIRTEEN.- CONTRACTUAL PENALTIES.** Whenever "THE PROVIDER" is late concerning the date of delivery of goods or services or fails to comply with its obligations hereunder for reasons attributable to it, it will be subject to contractual penalties or payment deductions, respectively, according to the following:

- I. In case of delays in the delivery of goods and/or services on the agreed dates, a contractual penalty of 1% (one percent) per day will apply for each business day of delay on the value of the goods or services not delivered on time, excluding value added tax.
- II. For delays in verifying the services provided, a payment deduction of 0.5% (zero point five percent) per day will apply for each business day of delay on the value of the goods or services not verified on time, excluding value added tax.

The contractual penalties applied may not exceed a maximum amount equal to 10% (ten percent) of the total maximum contract budget.

The Executive Department of Tourism for Meetings and/or the Country Executive Trademark Director will be responsible for asking the Financial Resources Department to calculate the contractual penalty, which will be applied via a credit note on the invoice for the payment corresponding to the fees for the month following its determination.

Payment of the services will be proportionally conditional to the payment to be made by "THE

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PROVIDER" for contractual penalties, with the understanding that in the event that the contract is terminated, the collection of such penalties or the accounting thereof will not be carried out in order to make the performance bond effective.

For purposes of applying the contractual penalties referred to in this clause, "THE BOARD" will issue a written notice to "THE PROVIDER" that will be delivered by registered mail or personal delivery at its domicile, with return receipt requested, indicating the noncompliance that it has incurred and the penalties it must pay. "THE PROVIDER," within a maximum of ten business days from receipt of the notification, must remedy the noncompliance, and may state whatever may be in its best interests. Once the above has been done, "THE BOARD" will resolve by applying, where appropriate, the corresponding contractual penalties, which must be communicated by letter to "THE PROVIDER" with grounds and reasons, in which it will require payment to be made within a period not exceeding ten business days, which "THE PROVIDER" may cover in cash or by check, or which may be deducted from outstanding payments to be made to it through a credit note.

In the event of persistent noncompliance by "THE PROVIDER," or once the limit amount for the application of penalties has been exhausted, "THE BOARD" may initiate the procedure for termination of this instrument, as provided in Clause Fourteen.

**FOURTEEN.- CAUSES OF ADMINISTRATIVE TERMINATION.** The parties agree that "THE BOARD" may terminate this contract administratively, without the need for a legal statement or arbitral decision, in the event of any of the following situations:

- I. If "THE PROVIDER" does not submit the performance bond within ten calendar days following the signing of this contract.
- II. If "THE PROVIDER" does not provide the services on the dates agreed and according to the provisions of this contract and its Appendices.
- III. If "THE PROVIDER" suspends the services without just cause.
- IV. If "THE PROVIDER" does not substitute the services that are rejected with just cause in accordance with the provisions of this contract and its Appendices.
- V. When the limit of contractual penalties or payment deductions has been exhausted.
- VI. If "THE PROVIDER" does not grant the facilities and data necessary for the inspection, monitoring, and supervision of the services.
- VII. If "THE PROVIDER" provides false information and/or acts with malice or bad faith in any contract procedure during the execution of the contract or during its term.
- VIII. In the event the competent authority declares "THE PROVIDER" in bankruptcy or any other situation exists that affects its assets in a way that prevents it from meeting its obligations.
- IX. For noncompliance with any of the terms or other obligations contained in this contract or its Appendices.

In the event "THE PROVIDER" incurs any of the causes set forth in this clause, "THE BOARD" will initiate the procedure for administrative termination, as provided in the following clause.

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**FIFTEEN.- ADMINISTRATIVE TERMINATION PROCEDURE.** In the event that one or more of the termination situations described in the preceding clause occurs, "THE BOARD" will initiate the administrative termination procedure at any time after the noncompliance, without the need for intervention from legal authorities or arbitral resolution, according to the following procedure:

- I. The procedure will start when "THE PROVIDER" is notified in writing of the noncompliance it has incurred, for which it has a period of five business days from the date it received such notification to explain whatever may be in its best interests and provide, if any, the evidence it deems relevant.
- II. Once the term referred to in the preceding section has elapsed, "THE BOARD" will have a term of fifteen days to resolve the matter, considering the arguments and evidence provided by "THE PROVIDER." The determination to terminate the contract or not must be duly founded, justified, and communicated to "THE PROVIDER," within said period.
- III. When the contract is terminated, the corresponding settlement will be drawn up, in order to record the payments to be made by "THE BOARD" for the goods received or services rendered up to the date of termination.

Once a settlement proceeding has started, "THE BOARD," under its responsibility, may suspend the termination procedure.

If the goods are delivered or the services are rendered prior to the decision to terminate the present contract, the initiated procedure will be nullified, upon acceptance and verification by "THE BOARD" that the need thereof continues, applying, if any, the corresponding contractual penalties.

"THE BOARD" may decide not to terminate the contract if, during the procedure, it notes that the termination of the contract could cause damage or impairment to the functions entrusted to it. In this case, "THE BOARD" will prepare a report justifying that the economic impacts caused by the termination of the contract would be more inconvenient.

If the contract is not terminated, "THE BOARD" will establish with "THE PROVIDER" another term, enabling it to correct the noncompliance that gave rise to the initiation of the procedure.

When by reason of delay in delivery of goods or provision of services, or if the termination procedure takes place within a fiscal year different from that in which the contract had been awarded, "THE BOARD" may receive the goods or services, upon verification that the need thereof continues and that there is availability in the current fiscal year's budget, having to modify the term of the contract with the originally agreed prices. Any agreement contrary to the provisions of this clause will be considered void.

In the event "THE BOARD" decides to terminate this contract, it will execute the performance bond described in Clause Six in proportion to the amount of unfulfilled obligations.

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The signing of the contract implies the acceptance and express submission of the parties to the administrative termination procedure set forth herein.

**SIXTEEN.- CONTRACT SETTLEMENT.** The Executive Department of Tourism for Meetings and/or the Country Executive Trademark Department of "THE BOARD" will execute a settlement with "THE PROVIDER" and for such purpose, will carry out the following activities:

- I. Review of invoices paid;
- II. Review of outstanding invoices for payment;
- III. Review of invoices in process, and
- IV. Outstanding balance under the budget allocated in the contract or agreement.

The Executive Department of Tourism for Meetings and/or the Country Executive Trademark Department of "THE BOARD," together with "THE PROVIDER," will hold a meeting in which a certificate will be drawn up for the delivery of goods and provision of services hereunder, as well as a certificate of non-indebtedness, which will be forwarded to the Financial Resources Department.

A copy of the settlements referred to in this clause and the certificate for the delivery of goods and provision of services under the contract must be forwarded to the Financial Resources Department of the Executive Department of Administration and Finance.

**SEVENTEEN.- ASSIGNMENT OF RIGHTS.** "THE PROVIDER" agrees not to assign its rights and obligations under this contract to third-party individuals or legal entities, except the right to charge for the provision of services performed thereunder, in which case "THE PROVIDER" must have the prior written approval of "THE BOARD."

**EIGHTEEN.- CONFIDENTIALITY.** THE PARTIES undertake to observe absolute confidentiality regarding the services under this contract, except for that which is already public or which becomes necessary for the execution thereof and, therefore, not to disclose or make known to third parties, except with express authorization between them, documentation and/or information related to the service, nor the final results generated by reason of their services, with the exception of data and reports which may be required by the Ministry of Public Administration of Mexico and the information referred to in Article 12 of the Federal Law of Transparency and Access to Public Government Information.

**NINETEEN.- LABOR RELATIONS.** "THE PROVIDER," as a business and employer of its personnel in connection with the services under this contract, will be solely responsible to its workers and, therefore, agrees to assume all obligations under the legal provisions and other legal orders as regards labor and social security to which they are entitled. In addition, "THE PROVIDER" agrees to be responsible for any dispute or litigation filed by its workers against it or against "THE BOARD" arising from the services under this contract; furthermore, if the latter is sentenced by enforceable award to pay or compensate someone, "THE PROVIDER" agrees to provide "THE BOARD," within 24 (twenty-four) hours after it becomes aware of the requirement to do so, with the resources needed to comply with the award.

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**TWENTY.- EARLY TERMINATION.** "THE BOARD" may terminate this contract early, without liability for it and without the need for any judicial or arbitral decision, for general reasons or when, with just cause, there is no longer a need for the services contracted hereunder, and it is demonstrated that continuing with the agreed obligations would cause damage or injury to "THE BOARD," or upon determination of the total or partial nullity of the acts that gave rise to the contract, resulting from an ex officio intervention issued by the Ministry of Public Administration of Mexico.

In such event, "THE BOARD" will give written notice to "THE PROVIDER" of such circumstances, at least 10 (ten) calendar days in advance.

In such event, "THE BOARD" will reimburse "THE PROVIDER" for the non-recoverable expenses incurred, provided they are reasonable and duly verified and that they are directly related to this contract.

Likewise, "THE BOARD" will pay "THE PROVIDER" its fees, remuneration, and those expenses incurred by the latter or which it was obliged to make under this contract and which had not been covered until the time of the actual termination.

"THE PROVIDER" will refund, if applicable, the amounts received from "THE BOARD" which have not been amortized as provided in this contract until the time of the respective notification and will be made available to "THE BOARD" through transfer to the account previously indicated in writing.

Once the term of this instrument has ended for any reason, "THE PROVIDER" must comply with its obligations to "THE BOARD" or third parties and submit to "THE BOARD" the verifications which remained pending in the terms and conditions established for such purpose in this contract.

**TWENTY-ONE.- SUSPENSION OF SERVICES.** When during the provision of the service an act of God or force majeure occurs, "THE BOARD," under its responsibility, may suspend the service, in which case only those services which had actually been delivered will be paid and, where appropriate, the unamortized advances will be reimbursed.

When the suspension is due to reasons attributable to "THE BOARD," it will cover the non-recoverable expenses for the duration of the suspension. These expenses are those generated by the suspension provided they are proven and are directly related to the contract. In no event will payment be made for services that are not linked to the contract.

In any of the cases described in this clause, the suspension period will be agreed by the parties, after which early contract termination may be initiated.

**TWENTY-TWO.- AMENDMENTS TO THE CONTRACT.** "THE BOARD" may, within its approved and available budget, under its responsibility and for founded and explicit reasons, agree to increase the contract amount or quantity of goods, leases, or services requested through amendments to its current contracts,

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provided that the modifications do not exceed, in total, twenty percent of the amount or quantity of the items or volumes originally established in the same and the price of goods, leases, or services is equal to those originally agreed.

When "THE PROVIDER" proves the existence of justified causes, at the discretion of "THE BOARD," which would prevent compliance with the full delivery of services as agreed in the contract, "THE BOARD" may amend the contract, as long as it does not exceed ten percent of the total amount thereof.

Any amendment to the contract must be made in writing by "THE BOARD," and the respective legal instruments will be signed by the public servant who signed the contract or the person replacing such person or empowered to do so.

"THE BOARD" and "THE PROVIDER" will refrain from making changes related to the prices, progressive payments, specifications, and in general any change that involves giving more advantageous conditions to "THE PROVIDER" compared to those originally established herein.

**TWENTY-THREE.- ACT OF GOD OR FORCE MAJEURE.** Failure to comply with the obligations under this contract due to an act of God or force majeure will not be grounds for contractual liability for either of the parties, and both will have the right to suspend the obligations under this contract upon written notice to the other party, within a term not exceeding ten business days from the date upon which it becomes aware of such circumstances.

**TWENTY-FOUR.- HIDDEN DEFECTS.** "THE PROVIDER" promises "THE BOARD" that it will be responsible for hidden defects of the goods and for the quality of services produced or performed under this contract and its Appendices, as well as any other liability which may be incurred during the term of this contract and up to 90 (ninety) calendar days after the termination thereof, having to pay "THE BOARD" for the remedy that may be required at the time it is requested.

**TWENTY-FIVE.- CONFLICTS WITH THIRD PARTIES.** The parties agree to defend and hold each other harmless, as well as their parent companies, subsidiaries, affiliates, employees, officers, directors, shareholders, licensees, assignees, and agents from and against any liability, damage, or expense, including reasonable attorney's costs and fees that may be incurred as a result of any suit, claim, or proceeding arising from (i) a violation or alleged violation of the representations, warranties, agreements, or obligations under this contract and/or gross negligence or willful misconduct of "THE BOARD" or "THE PROVIDER," as applicable; (ii) any advertising or other forms of communication approved prior to disclosure by "THE BOARD" or "THE PROVIDER," as applicable; (iii) the products, programs or services of "THE BOARD" or "THE PROVIDER," as applicable; (iv) the acts of "THE PROVIDER" or "THE BOARD" made with the approval of each of them as applicable; or (vi) [sic] any investigation concerning the acts and practices of "THE BOARD" or "THE PROVIDER," including the costs and expenses related to compliance with the subpoena of a third party or other discovery request.

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**TWENTY-SIX.- PROCEDURES FOR CONFLICTS WITH THIRD PARTIES.** Within 10 (ten) days following the assertion of any claim or the commencement of any suit or proceeding against "THE BOARD" or "THE PROVIDER" by a third party that may give rise to a liability for "THE BOARD" or "THE PROVIDER" under this contract, the party affected must notify the party responsible of the existence of such claim, suit, or proceeding and must provide reasonable opportunity to defend or settle the claim at the expense of the party responsible with the legal counsel of its choice. The affected party must at all times, at its expense, have the right to participate fully in the agreement that would reasonably be considered an adverse effect on its business. The affected party must make available to the responsible party all books and records relating to a claim, suit, or proceeding (subject to the confidentiality provisions hereof), and the parties mutually undertake to provide assistance as reasonably required to ensure proper and adequate defense. The responsible party must not agree to any claim, suit, or proceeding that may give rise to liability to the affected party under this contract without prior written consent, and such consent must not be unjustifiably refused.

**TWENTY-SEVEN.- RESOLUTION OF DISPUTES.** The parties agree that they will try to resolve by mutual agreement any dispute arising in the interpretation of and compliance with this contract, and only in the event that the dispute persists will it be resolved through arbitration to be conducted in accordance with the Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL).

In the event of conflict between the Arbitration Rules of UNCITRAL and the terms of this contract, the terms of the contract will prevail.

**TWENTY-EIGHT.-** The parties acknowledge that this contract is composed of twenty-nine clauses and three Appendices, which are duly signed by the parties and described below:

APPENDIX	CONTENT
I	TECHNICAL PROPOSAL OF "THE PROVIDER" AND JUSTIFICATION AND OPINION ISSUED BY "THE BOARD"
II	FINANCIAL PROPOSAL OF "THE PROVIDER"
III	GUIDELINES FOR USE OF THE MEXICO TRADEMARK

The parties agree that in the event of any inconsistency between the provisions of the Appendices and the clauses of this contract, the clauses thereof will prevail.

**TWENTY-NINE.- GOVERNING LAW.** This Contract will be interpreted and governed by the laws of Washington D.C., United States of America, without regard to principles of conflicts of laws. All disputes, controversies, or disagreements that may arise between the parties relating to or in connection with this Contract or the breach thereof will be resolved ultimately by arbitration. The arbitration will be conducted by three (3) arbitrators in Washington, D.C., United States of America. The award to the arbitrators will be final and binding on both parties.

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After this contract was read and the parties became aware of its content and legal scope, they sign it in triplicate in the City of Washington, D.C., United States of America, on February 29, 2012.

**FOR "THE BOARD"**

[signature]

**Eduardo Chaillo Ortiz**  
Executive Director of Tourism  
for Meetings and Legal Representative

**FOR "THE PROVIDER"**

[signature]

**Michael Petruzzello**  
Legal Representative

[signature]

**Jaime Díaz Arciga**  
Country Executive Trademark Director  
Responsible for the monitoring and  
execution of this contract

[signature]

**Rodrigo Pacheco Aceves**  
Director of Operations of the  
Country Executive Trademark Office  
Responsible for the monitoring and  
execution of this contract

**LEGAL REVIEW**

[signature]

**Atty. Ricardo García Rojas Alarcón**  
Manager of the Executive Legal  
Department

[signature]

**Atty. Marco A. Triana González**  
Director of Litigation

THIS SIGNATURE FORM IS AN INTEGRAL PART OF SERVICE PROVISION CONTRACT NUMBER DETR/DEMP/01/2012 BETWEEN THE CONSEJO DE PROMOCIÓN TURÍSTICA DE MEXICO, S.A. DE C.V., AND THE COMPANY QORVIS COMMUNICATIONS, LLC., DATED FEBRUARY 29, 2012.

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