



GROUP SALES AGREEMENT

The Ritz-Carlton, Philadelphia
Ten Avenue of the Arts, Philadelphia, PA 19102

ROOMS ATTRITION

Hotel is relying upon American Political Science Association's use of the Room Night Commitment. American Political Science Association agrees that a loss will be incurred by Hotel if American Political Science Association's actual usage is less than 90% of the Room Night Commitment. Rooms picked up by American Political Science Association outside the Room Night commitment will not count toward the room-block.

If American Political Science Association's actual usage is less than 90% of the Room Night Commitment, American Political Science Association agrees to pay, as liquidated damages and not as a penalty, the difference between 90% of the Room Night Commitment and American Political Science Association's actual usage, multiplied by the average group room rate.

CANCELLATION

American Political Science Association acknowledges that if it cancels or otherwise essentially abandons its planned use of the Room Night Commitment (a "Cancellation"), this action would constitute a breach of American Political Science Association's obligation to Hotel and Hotel would be harmed. Because Hotel's harm (and American Political Science Association's obligation to compensate Hotel for that harm) is likely to increase if there is a delay in notifying Hotel of any Cancellation, American Political Science Association agrees to notify Hotel, in writing, within five (5) business days of any decision to Cancel. In addition, if a Cancellation occurs, the parties agree that:

- (a) It would be difficult to determine Hotel's actual harm.
- (b) The sooner Hotel receives notice of the Cancellation, the lower its actual harm is likely to be because the probability of mitigating the harm by reselling space and functions is higher.
- (c) The highest dollar amount in the chart (the "Chart") set forth below reasonably estimates Hotel's harm for a last-minute Cancellation and, through its use of a sliding scale that reduces damages for earlier Cancellations, the Chart also reasonably estimates Hotel's ability to lessen its harm by reselling American Political Science Association's space and functions.

American Political Science Association therefore agrees to pay Hotel, within thirty (30) days after any Cancellation, as liquidated damages and not as a penalty, the amount listed in the Chart below.

| Date of Decision to Cancel | Amount of Liquidated Damages Due |
|--|---|
| Between signature date and December 31, 2005 | 25% of anticipated revenue = \$19,636 |
| Between January 1, 2006 and May 31, 2006 | 50% of anticipated revenue = \$39,273 |
| Between June 1, 2006 and arrival date | 100% of anticipated revenue = \$78,546 |

Provided that American Political Science Association timely notifies Hotel of the Cancellation and timely pays the above liquidated damages, Hotel agrees not to seek additional damages from American Political Science Association relating to the Cancellation.

IMPOSSIBILITY

The performance of this Agreement is subject to termination without liability upon the occurrence of any circumstance beyond the control of either party – such as acts of God, war, government regulations, disaster, strikes (except those involving the employees or agents of the party seeking the protection of this clause), civil disorder, or curtailment of transportation facilities – to the extent that such circumstance makes it illegal or impossible to provide or use the Hotel facilities. The ability to terminate this Agreement without liability pursuant to this paragraph is conditioned upon delivery of written notice to the other party setting forth the basis for such termination as soon as reasonably practical - but in no event longer than ten (10) days - after learning of such basis.