

## EMPLOYMENT AGREEMENT

The Employment Agreement (Agreement) is by and between the BUNCOMBE COUNTY TOURISM DEVELOPMENT AUTHORITY, (BCTDA), dba Explore Asheville and Explore Asheville Convention & Visitors Bureau, a nonprofit corporation organized under the North Carolina Nonprofit Corporation Act, and STEPHANIE BROWN, who agree as follows:

1. Introduction: It is the intent and purpose of the BCTDA and STEPHANIE BROWN to state in the Agreement the terms and conditions of their employment relationship.
2. Employment: The BCTDA hereby employs STEPHANIE BROWN as its President and Chief Executive Officer, and STEPHANIE BROWN hereby accepts employment as the BCTDA'S President and Chief Executive Officer for the term, at the salary and for the other benefits, and on the conditions specified in the Agreement.
3. Termination of Employment: The term of STEPHANIE BROWN's employment is three years (the "Initial Term"), unless earlier terminated pursuant to the terms and conditions of the Agreement or extended pursuant to mutual agreement. The Initial Term will begin on July 1, 2017 (the "Effective Date"). The Agreement may be continued in effect beyond the expiration of the Initial Term for any period agreed to by STEPHANIE BROWN and the BCTDA, provided such extension is set forth in writing and signed by each of the parties on or before one hundred eighty (180) days prior to the expiration of this Agreement.
4. Position and Duties: The BCTDA shall employ STEPHANIE BROWN and STEPHANIE BROWN shall serve as the President and Chief Executive Officer ("CEO") of the BCTDA, and shall have at all times, subject to the bylaws and the powers of the Board of Directors, the power and authority to supervise and control the business of the BCTDA, to employ and discharge all employees, and, in general, to perform all of the duties and exercise all of the powers usually incident to the office of President and Chief Executive Officer or those which may be assigned to her by the Board of Directors or Executive Committee including, but not limited to, promoting at all times the purpose of the BCTDA as set forth in the Bylaws. STEPHANIE BROWN shall devote her full time and best efforts (reasonable vacation time and absences excepted) to the performance of her duties under the Agreement. STEPHANIE BROWN shall conduct herself at all times in such a manner as to maintain the BCTDA'S good reputation. STEPHANIE BROWN must attend all meetings of the Board of Directors and Committees, except that STEPHANIE BROWN may be excluded from those meetings at which her compensation is being discussed. STEPHANIE BROWN shall report to the Board of Directors and to the Executive Committee on the progress and affairs of the BCTDA.
5. Salary, Compensation and Employee Benefits
  - 5.1 Salary: As consideration for her services under and during the term of the Agreement, the BCTDA shall pay STEPHANIE BROWN an annual minimum salary of two hundred and thirty thousand dollars (\$230,000) payable in accordance with the payroll practice of the BCTDA and withholding deductions as may be required by law.

5.2 Performance Evaluation and Bonus: It is the intent of the parties to establish an annual performance incentive program. STEPHANIE BROWN may be awarded incentive pay of up to 30% of her annual salary. The incentive pay will be calculated based on the criteria set forth in Exhibit A.

The Chair, Vice Chair and up to two additional board members appointed by the Chair shall review the performance of STEPHANIE BROWN within thirty (30) days following the annual anniversary date of the contract. STEPHANIE BROWN will be provided with a written evaluation of her performance, as well as notice of any adjustment to salary.

5.3 Benefits: STEPHANIE BROWN will receive benefits on the same basis as other employees of the BCTDA. In addition, this Agreement specifically provides: BCTDA

- Health insurance coverage for her immediate family
- \$600 per month automobile allowance.
- At the conclusion of the initial Term, assuming it has not been earlier terminated, she will receive an incentive payment of \$45,000, contingent upon her completion of the contract.
- A whole life insurance policy will be secured and premiums paid by BCTDA for the duration of the contract, wholly owned by STEPHANIE BROWN. (Amount TBD)

Vacation: STEPHANIE BROWN shall be entitled to four (4) weeks of paid vacation per year.

5.4 Retirement Plan: STEPHANIE BROWN shall be entitled to participate in the BCTDA'S 401(k) Plan as offered to all employees and subject to Plan requirements.

## 6. Termination of Employment

6.1 Termination of Employment: STEPHANIE BROWN'S employment under the Agreement shall terminate three (3) years from the Effective Date, or the expiration of an extended term as provided in paragraph 6.4 below.

6.2 Termination by STEPHANIE BROWN for Cause: STEPHANIE BROWN'S employment under the Agreement may be terminated by STEPHANIE BROWN for good reason, at her option, at any time for the following reasons:

6.2.1 the assignment to STEPHANIE BROWN the Executive of any duties materially inconsistent with her title and the failure of the BCTDA to cure such assignment within thirty (30) days after written notice thereof from STEPHANIE BROWN;

6.2.2 the failure by BCTDA to pay or provide to STEPHANIE BROWN, within thirty (30) days of a written demand therefor, any amount of compensation or any material benefit which is, prior to the time such notice is delivered, due, owing and payable pursuant to this Agreement or any other written plan, program, arrangement or policy of BCTDA; or

6.2.3 the breach in any material respect by BCTDA of any of its obligations or agreements set forth herein and the failure by BCTDA to cure such breach within thirty (30) days after written notice thereof from STEPHANIE BROWN,

6.3 Termination by BCTDA:

6.3.1 STEPHANIE BROWN'S employment under the Agreement may be terminated by the Board of Directors of the BCTDAr cause, at its option, at any time, upon the BCTDA'S giving STEPHANIE BROWN 10 days written notice specifying in detail the reasons. Cause as used herein shall mean: (i) the commission of, conviction of, or entry of a plea of guilty or no contest to, a felony by STEPHANIE BROWN or crime of moral turpitude, (ii) the commission by STEPHANIE BROWN of an act of fraud, dishonesty, malfeasance or embezzlement against BCTDA and its affiliates; (iii) conduct which is grossly negligent or willful and deliberate on the part of STEPHANIE BROWN and that is (or would reasonably be expected to be) materially detrimental to BCTDA, and any affiliate of BCTDA, (iv) STEPHANIE BROWN's material breach or material violation of this Agreement, which breach or violation STEPHANIE BROWN has failed to cure (if curable as reasonably determined in good faith by the Board within thirty (30) days after receiving written notice thereof), or any material violation of any policies or procedures of BCTDA or its affiliates, if the Board has given STEPHANIE BROWN written notice of such violation and STEPHANIE BROWN persists in such violation, (v) insubordination consisting of STEPHANIE BROWN's continued failure to take specific action reasonably requested in writing by the Board that is within her individual control and consistent with her status, duties and responsibilities under any agreement with BCTDA or any subsidiary or affiliate of BCTDA, or any law, or (vi) the use of alcohol or drugs by STEPHANIE BROWN to an extent that, in the good faith determination of the Board, such use materially interferes with the performance of STEPHANIE BROWN's duties and responsibilities.

6.4 In the event of such notice as described in Section 6.3, STEPHANIE BROWN shall have the opportunity to appear before the Board of Directors prior to actual termination.

6.5 STEPHANIE BROWN may be terminated for material deficiencies in her performance which can be substantially corrected by STEPHANIE BROWN only upon the BCTDA's giving STEPHANIE BROWN not less than 60 days written notice of the occurrence of any such material performance deficiencies, provided that such notice shall specify the material deficiencies which constitute the basis for proposed termination and, shall be given within 60 days of the BCTDA'S discovery of such deficiencies and STEPHANIE BROWN shall have failed for 60 days after receipt of such notice to substantially remedy any material deficiencies.

6.6 Nonrenewal: In the event the BCTDA chooses not to renew STEPHANIE BROWN'S employment at the expiration of the Agreement, it shall notify STEPHANIE BROWN in writing as provided in Section 9 below six (6) months prior to the expiration of the Agreement, otherwise, the Agreement shall be extended for an additional term. No severance shall be owed in the event of non-renewal.

6.7 Severance: If the BCTDA terminates the contract under provision 6.5, STEPHANIE BROWN will be paid, as severance, six (6) months' salary.

## 7. Restrictive Covenants.

- 7.1 Confidentiality. STEPHANIE BROWN understands that BCTDA from time to time, may impart to her Confidential Information (as hereinafter defined), whether such information is written, oral, electronic or graphic. Except as may be subject to public disclosure pursuant to the requirements of North Carolina's Public Records Act (N.C. Gen. Stat. § 132-1 et seq.) and/or Open Meetings Law (N.C. Gen. Stat. § 143-318.9 et seq.), STEPHANIE BROWN hereby acknowledges BCTDA's exclusive ownership of such Confidential Information. For the duration of STEPHANIE BROWN's employment and for all times thereafter, STEPHANIE BROWN agrees that she will, with the exception of information that is requested or required to be disclosed pursuant to the Public Records Act and/or the Open Meetings law : (i) only use the Confidential Information in the performance of her duties hereunder; (ii) only communicate the Confidential Information to fellow employees, agents and representatives strictly on a need-to-know basis; and (iii) not otherwise disclose or use any of the Confidential Information, except as may be required by law or otherwise authorized by the Board. STEPHANIE BROWN, however, understands that the Defend Trade Secrets Act of 2016 provides that an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (i) is made (A) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney; and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Upon demand by BCTDA or upon termination of STEPHANIE BROWN's employment, STEPHANIE BROWN shall deliver to BCTDA all manuals, photographs, recordings and any other instrument or device by which, through which or on which Confidential Information has been recorded and/or preserved, and which are in her possession, custody or control.
- 7.2 Non-Competition. During the Restricted Period (as hereinafter defined), STEPHANIE BROWN shall not anywhere in the Territory (as hereinafter defined), directly or indirectly, other than on behalf of BCTDA, engage, or cause another person to engage, as a principal, owner, shareholder, director, officer, partner, member, agent, employer, employee, consultant or otherwise in the provision of services the same or similar to those that STEPHANIE BROWN rendered on behalf of BCTDA in the twelve (12) months prior to her termination for any reason.
- 7.3 Non-Solicitation. During the Restricted Period, STEPHANIE BROWN shall not (i) solicit or hire, or attempt to recruit, persuade, solicit or hire, any employee, or independent contractor of, or consultant to, BCTDA to leave their employment (or independent contractor relationship) thereof, whether or not any such employee or independent contractor is party to an employment agreement, or (ii) attempt in any manner to solicit or accept from any Customer (as hereinafter defined) of BCTDA with whom STEPHANIE BROWN had significant contact during the term of this Agreement, business of the kind or competitive with the business done by the BCTDA with such Customer or to persuade or attempt to persuade any such Customer to cease to do business or to reduce the amount of business which such Customer has customarily done or is reasonably expected to do with BCTDA, or have any

discussions regarding any such service with such Customer, on behalf of such other person.

7.4 Definitions. For purposes of this Agreement, the following terms shall have the meanings ascribed to them below:

7.4.1 “Confidential Information” means any and all information (to the extent that such information is not publicly available or subject to disclosure through requests pursuant to or requirements of Public Records or Open Meetings laws) relating to (A) Customers and Suppliers (as hereinafter defined) of BCTDA, (B) any Inventions and related Proprietary Rights of BCTDA, (C) budgets, financial statements, projections and other financial information of BCTDA, (D) marketing, engagement, retention and training for Customers, prospective and current employees and contractors of BCTDA, (E) pricing, pricing strategies, budgets, financial statements, projections and other financial information of BCTDA, (F) the skills and compensation of past or present officers, directors, and employees of BCTDA, and other persons providing services to BCTDA, and other personnel information, (G) research, development, current and proposed products, marketing, promotions, sales, and other business plans of BCTDA, and (H) any other information regarding BCTDA that is not generally known to the public.

7.4.2 “Customer” means any natural person or business entity, or groups of natural persons or business entities that, within twelve (12) months prior to the termination of STEPHANIE BROWN’s employment with BCTDA, purchased products or services from BCTDA. The term “Customer” also includes prospective Customers or groups of Customers that BCTDA has directly or indirectly targeted or intends to target, as evidenced by a business, marketing or sales plan, strategy or report known to STEPHANIE BROWN within the twelve (12) months prior to the termination of her employment with BCTDA.

7.4.3 “Proprietary Rights” means all trade secret, patent, copyright, and other intellectual property rights throughout the world.

7.4.4 “Restricted Period” means the duration of STEPHANIE BROWN’s employment and a period of one (1) year after the termination of her employment with BCTDA for any reason if her employment terminated during the Initial Term. To the extent STEPHANIE BROWN remains employed through the end of the Initial Term, and her employment is not terminated for any reason during the Initial Term, the “Restricted Period” shall then mean the duration of her employment.

7.4.6 “Territory” means the following severable and divisible geographic territorial divisions:

- a. The states of : North Carolina, South Carolina, Virginia, Tennessee, Georgia, Florida and Alabama;

- b. The cities of: Savannah, Georgia, Charleston, South Carolina, Myrtle Beach, South Carolina, Chattanooga, Tennessee, Gatlinburg/Pigeon Forge, Tennessee, Williamsburg, Virginia, Richmond, Virginia, and Greenville, South Carolina; and
- c. The counties of: Buncombe County, Watauga County, Caldwell County, Haywood County, Madison County, Yancey County, McDowell County, Rutherford County, Polk County, and Henderson County, North Carolina.

7.5 Injunctive Relief. STEPHANIE BROWN recognizes and agrees that any violation of her obligations under this Section shall cause irreparable harm to BCTDA and any of its Affiliates that would be difficult to quantify and for which money damages would be inadequate, and that BCTDA shall have the right to injunctive relief to prevent or restrain any such violation, without the necessity of posting a bond. The Restricted Period shall be extended by the duration of any violation by STEPHANIE BROWN of any of her obligations under this Section.

7.6 Modification. STEPHANIE BROWN intends that the provisions of this Section be enforced as written. However, if any provision of this Agreement is determined to be unenforceable, in whole or in part, then the parties hereto agree to enter into an agreement to reform such provisions to set forth the maximum limitations permitted by applicable law. If any court determines that any provision of this Section, or any part thereof, is unenforceable because of the duration or scope of such provision, such court will have the power to modify such provision and, in its modified form, such provision will then be enforceable.

8. Assignment, Successors, Etc.: Neither the rights nor obligations under the Agreement may be assigned by any part, except that it shall be binding upon and inure to the benefit of any successor of the BCTDA, and shall continue to be binding upon both parties should the official title of STEPHANIE BROWN'S position with the BCTDA change so long as her obligations, rights, and duties under her new title remain substantially unchanged.

9. Notice: Any notice under the Agreement shall be sufficient if it is in writing and send by registered or certified mail, addressed as follows:

If to BCTDA: CHAIR, BCTDA  
 27 College Place  
 Asheville, NC 28801

If to STEPHANIE BROWN: STEPHANIE BROWN  
 President & CEO  
 Explore Asheville  
 27 College Place  
 Asheville, NC 28801

10. Entire Agreement; Third Party Beneficiary. This Agreement shall constitute the entire agreement between BCTDA and STEPHANIE BROWN concerning the subject matter hereof and thereof. No provisions of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing, signed by STEPHANIE BROWN and an authorized officer of BCTDA.
11. Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of North Carolina without regard to the conflict of law provisions of any jurisdiction.
12. Severability. The provisions of this Agreement are severable. If any provision of this Agreement is determined to be unenforceable, in whole or in part, then such provision shall be modified so as to be enforceable to the maximum extent permitted by law. If such provision cannot be modified to be enforceable, the provision shall be severed from this Agreement to the extent unenforceable. The remaining provisions and any partially enforceable provisions shall remain in full force and effect.
13. Waiver. BCTDA's failure to enforce any provision of this Agreement shall not act as a waiver of that or any other provision. BCTDA's waiver of any breach of this Agreement shall not act as a waiver of any other breach.
14. AFFIRMATION. STEPHANIE BROWN ACKNOWLEDGES THAT SHE HAS HAD THE OPPORTUNITY TO BE REPRESENTED BY COUNSEL IN THE NEGOTIATION OF THIS AGREEMENT, HAS CAREFULLY READ THIS AGREEMENT, KNOWS AND UNDERSTANDS ITS TERMS AND CONDITIONS, AND HAS HAD THE OPPORTUNITY TO ASK BCTDA ANY QUESTIONS SHE MAY HAVE HAD PRIOR TO SIGNING THIS AGREEMENT.
15. Assignment. STEPHANIE BROWN may not assign this Agreement or any of her rights or obligations hereunder. AVCB may assign this Agreement and its rights and obligations hereunder, in whole or in part.
16. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. A signed copy of this Agreement delivered by e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.
17. Section Headings. Headings in this Agreement are for reference purposes only and shall not be deemed to have any substantive effect.

BCTDA

Date: 10/25/17

by: James J. Mott  
Chair of the Board

Date: 10/25/17

Stephanie Brown  
STEPHANIE BROWN

Exhibit A

PERFORMANCE INCENTIVE

Potential incentive pay is 30% of base salary, subject to all applicable withholdings.

Of the potential 30%, the incentive will be determined based on available destination performance indicators such as Smith Travel Research, AirDNA, and Buncombe County occupancy tax collection growth year over year:

QUANTITATIVE

- |   |            |
|---|------------|
| 1. Demand growth                                      | Up to 5 %  |
| 2. STR report (revpar) ranking within competitive set | Up to 5 %  |
| 3. Increase in countywide occupancy tax collections   | Up to 15 % |

QUALITATIVE

- |   |          |
|---|----------|
| 4. Overall leadership of the BCTDA as measured by annual performance evaluation | Up to 5% |
|---|----------|

STEPHANIE BROWN will be evaluated on an annual basis based on her effectiveness in the following seven performance areas:

1. Organizational Leadership and Initiative
2. Industry Leadership and Engagement
3. Community Leadership and Engagement
4. Marketing and Sales Leadership
5. Fiscal and Administrative Management
6. Destination Product and Experience Leadership
7. Achievement of Organizational Goals

All seven criteria should be weighted equally in the evaluation. STEPHANIE BROWN will be evaluated on a scale of 1 to 5 for each of the seven parameters, relative to the following expectations for the position:

- 5 = Superior (Exceptional, exemplary performer, far above expectations)
- 4 = Good (Strong, highly motivated performer, consistently performs above requirements)
- 3 = Normal (Meets job requirements for position, does what he or she is supposed to do)
- 2 = Poor (Needs improvement or displays inconsistent performance)
- 1 = Unsatisfactory (Does not meet requirements, inadequate performer)

The evaluation should be completed by both the BCTDA board chair, vice-chair and up to 2 additional board members as appointed by the chair; with a single rating provided for the CEO'S performance in each area. No later than June 30 of each year of this Agreement, STEPHANIE BROWN will provide to the chair the following: (1) a review of accomplishments and what she is most proud of from the past year; (2) a discussion of challenges/obstacles faced during the past year; and (3) a narrative of goals for the coming year. he chair and vice-chair will conduct the in-person evaluation with the CEO no later than June 30 for each year of the Agreement.



The bonus, if any, will be payable no later than August 30 for each year of the Agreement. STEPHANIE BROWN must be employed as of August 30 to receive the bonus payment.