



**San Diego
Convention Center
Corporation**

CAROL C. WALLACE
PRESIDENT & CEO

April 6, 2012

Nikki Clay, Chair
Board of Directors
San Diego Convention Center Corporation
111 West Harbor Drive
San Diego, CA 92101

Dear Nikki:

The purpose of this letter is to confirm my conversation with you a few days ago regarding my contract with the Corporation. My current contract with the Corporation is a five year rolling contract which is what the legal industry calls "ever green". This is to say that when on year concludes an additional year is added so that effectively the contract is always a five year contract, unless a decision is made to stop the rollover. My current contract is set to expire September 30, 2016 or "rollover" on for an additional year on October 1, 2012, thereby creating another five-year contract.

Recent actions by the Board of Directors in general and Stephen Cushman specifically, lead me to believe that a number of the Board members desire to make a change in the leadership of the Corporation. December, 2011 marked my 20 year anniversary with the Corporation and I am proud of the achievements of this team under my leadership. Over the last 20 years, San Diego has grown from a sleepy Navy town to one of the top convention and visitor destinations in the world. I strongly believe that our team played a huge role in that successful transition. At the same time, I have led the team to complete the Phase 2 Expansion of the Convention Center and set the path for the successful completion of a Phase 3 Expansion.

However, given the actions of several Board members and Steve, I believe it is important to bring the termination of my contract by the Board to the Executive Committee at the next scheduled meeting. I committed to the San Diego City Council that I would assist in the seamless transition of Convention Center Sales and Marketing to the Convention and Visitors Bureau. I expect that transition will be complete and functioning smoothly by June 30, 2013. I believe it is important that I complete that commitment. My involvement or lack thereof after that time period is the subject of further discussion.

I have retained David P. Strauss to assist me in this matter. I look forward to discussing this matter with you, the Executive Committee and ultimately the Board at the next scheduled meetings.

Sincerely,

Carol C. Wallace
President & CEO

cc: David P. Strauss, Theresa McAteer,
SDCCC Executive Committee of the Board of Directors