



**DOUBLETREE BY HILTON  
DOUBLETREE SUITES BY HILTON  
FRANCHISE DISCLOSURE DOCUMENT  
BRAZIL**

**HILTON WORLDWIDE FRANCHISING LP  
A United Kingdom Limited Partnership  
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**Dated: June 30, 2016**

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**PART I**  
**THE FRANCHISOR AND ITS RELATED COMPANIES**

To simplify the language in this Franchise Disclosure Document (“Disclosure Document”), “we” or “us” means Hilton Worldwide Franchising LP, the Franchisor. “You” means the person(s) who signs the Franchise Agreement, the Franchisee. If you are a corporation, partnership, limited liability company or other entity, “you” also includes both the business entity and its owners. Capitalized terms not defined in this Disclosure Document have the meaning set forth in the Franchise Agreement attached as Exhibit D. All dollar amounts stated in this Disclosure Document are US Dollars, unless stated otherwise.

We are a United Kingdom limited partnership formed on March 12, 2014. For the purpose of this offering, we do business under the name “DoubleTree.” Our principal business and registered office address is Maple Court, Central Park, Reeds Crescent, Watford, Hertfordshire, UK WD24 4QQ, and our telephone number is +44 (0)20 7850 4000.

Our ultimate corporate parent is Hilton Worldwide Holdings Inc., a Delaware corporation formed in March 2010 (“Hilton Worldwide”), and publicly traded (NYSE: HLT) since December 2013. Our indirect corporate parent is Park Hotels & Resorts Inc., a Delaware corporation (“PHRI”), which has conducted a guest lodging business since May 1946. The principal business address of our parents is 7930 Jones Branch Drive, Suite 1100, McLean, Virginia 22102 U.S.A.

PHRI has changed its name over time. It was called Hilton Hotels Corporation (“HHC”) from May 29, 1946 to December 19, 2009, and Hilton Worldwide, Inc. (“HWI”) from December 20, 2009 to May 31, 2016. It has been called Park Hotels & Resorts Inc. since June 1, 2016. For convenience, all references to PHRI in this Disclosure Document include HHC and HWI during the relevant time frames each name was in use, unless otherwise noted.

In the future, there may be some changes to Hilton Worldwide’s subsidiaries that could cause us to have a new indirect corporate parent in place of PHRI and/or have other affiliates provide products and services to our franchisees that are currently provided by PHRI. However, we anticipate that Hilton Worldwide will remain our ultimate corporate parent, and we do not anticipate that there will be any material changes to us or the franchise offered under this Disclosure Document.

In July 2007, PHRI was acquired by BH Hotels LLC, a Delaware limited liability company, controlled by investment funds affiliated with The Blackstone Group L.P., a leading global alternative asset manager and provider of financial advisory services (NYSE: BX) (“Blackstone”).

Since July 1, 2014, we have been the franchisor of the DoubleTree, DoubleTree by Hilton, DoubleTree Suites and DoubleTree Suites by Hilton brands (“Brand”) for all locations outside the fifty states of the United States of America, including the District of Columbia and its territories and possessions (“U.S.A.”). We are also the franchisor outside of the U.S.A. for all of the other brands affiliated with Hilton Worldwide.

From October 27, 2007 to June 30, 2014, our predecessor, Doubletree International Franchise LLC was the franchisor of the Brand for all locations outside the U.S.A. From February 1989 to October 2007, Doubletree Hotel Systems, Inc., an Arizona corporation (“DHSP”), granted licenses for Doubletree hotels and Doubletree Guest Suites hotels in the U.S.A. and in Canada, Brazil, Central America, South America and the Caribbean (collectively, “Americas”).

Since March 30, 2015, our affiliate, Hilton Franchise Holding LLC, a Delaware limited liability company, has been the franchisor in the U.S.A. for the Brand and for all of the other brands affiliated with Hilton Worldwide.

## **PART II FINANCIAL STATEMENTS**

Exhibit C our Report of the Members and Audited Financial Statements for the Year Ended 31 December 2015, dated 16 May 2016.

## **PART III LITIGATION**

We and our controlling companies are not involved in any pending litigation specifically questioning the franchising system or that might directly result in the inability to operate the franchise.

## **PART IV THE LICENSE**

We license the non-exclusive right to use the DoubleTree Hotel System ("System") in connection with the operation of a Brand hotel in Brazil. The System consists of the elements, including the knowhow, we periodically designate to identify hotels operating worldwide under the Brand and currently includes the Marks; access to a reservation service; advertising, publicity and other marketing programs and materials; training programs and materials, standards, specifications and policies for construction, furnishing, operation, appearance and service of the hotel, and other elements we refer to in the Franchise Agreement, in the Manual or in other communications to you, and programs for our inspecting the hotel and consulting with you. We may add elements to the System or modify, alter or delete elements of the System. You must follow the high standards we establish for the System and you may be required to make future investments.

We also license the non-exclusive right to use the eforea spa concept at a Brand hotel. An eforea spa features an exclusive menu of treatment journeys and innovative design elements, including unique zones that a spa guest passes through on their treatment journey. The franchisee of the eforea spa must be the franchisee under the Franchise Agreement for operation of the hotel. If you elect to add an eforea branded spa to your hotel, you must sign the eforea spa Amendment to Franchise Agreement (“Spa Amendment”). If you sign the Spa Amendment, the System will include the eforea spa and all of its elements and you must comply with the eforea spa Manual. If there is a conflict between the Manual, and the eforea spa Manual, the eforea spa Manual will

control. If you are operating a spa under a trademark other than eforea, the System will not include the eforea spa concept, but you still must comply with the System and our requirements related to spas generally, as found in our Manual.

## **PART V THE IDEAL FRANCHISEE**

The ideal franchisee would have substantial management or ownership experience in the guest lodging industry. The ideal franchisee must also understand branding and the brand management model and why it is important to work with the systems and processes that we establish. No particular educational background is necessary.

## **PART VI OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS**

Whether you are an individual, corporation, limited liability company, partnership or other entity, you are at all times responsible for the management of your hotel's business. You may fulfill this responsibility only by providing qualified and experienced management satisfactory to us, which may be a third party management company (the "Management Company"), which we have approved in writing. However, you may not enter into any lease, management agreement or other similar arrangement for the operation of your hotel or any part of your hotel with any person or entity without first obtaining our written consent. To be approved by us as the operator of the hotel, we must consider you, and any proposed Management Company to be qualified to manage the hotel. We may refuse to approve you or any proposed Management Company which, in our reasonable business judgment, is inexperienced or unqualified in managerial skills or operating capacity or capability, or is unable to adhere fully to the obligations and requirements of the Franchise Agreement.

We reserve the right to not approve a Competitor (defined below), or any entity that is the exclusive manager for a Competitor through itself or an affiliate, to manage your hotel. If your Management Company becomes a Competitor, or if in our sole judgment your Management Company becomes unsuitable to manage your hotel, you will have 90 days to retain a qualified substitute Management Company that we approve.

A "Competitor" means any individual or entity that at any time during the license term, whether directly or through an affiliate, owns in whole or in part or is the licensor or franchisor of a Competing Brand, irrespective of the number of hotels owned, licensed or franchised by the Competitor under such brand name. A Competitor does not include an individual or entity that (i) is a franchisee of a Competing Brand; (ii) manages a Competing Brand hotel, so long as the individual or entity is not the exclusive manager of the Competing Brand; or (iii) owns a minority interest in a Competing Brand, so long as neither that individual or entity nor any of its affiliates is an officer, director, or employee of the Competing Brand, provides services (including as a consultant) to the Competing Brand, or exercises, or has the right to exercise, control over the business decisions of the Competing Brand. A "Competing Brand" means a hotel brand or trade name that, in our sole business judgment, competes with the System or any Brand Hotel or Network Hotel.

Any Management Company must have the authority to perform all of your obligations under the Franchise Agreement, including all indemnity and insurance obligations. We may require certain operational personnel, such as your general manager or director of sales, to complete training programs related to business operations in their function areas.

We do not require you or your Management Company to sign an agreement not to compete with us after termination of the Franchise Agreement. However, you may not engage, directly or indirectly, in any cross-marketing or cross-promotion of your hotel with any other hotel, motel or related business without our prior written consent, except for Network Hotels (as defined in the Franchise Agreement). You must not copy or disclose any confidential or proprietary materials.

We may require a guaranty of the Franchise Agreement. Each required guarantor must sign a Guaranty. A copy of the Guaranty is attached as Exhibit E.

## **PART VII INITIAL FEES AND ESTIMATED INITIAL INVESTMENT**

### **Initial Fees**

You must complete a Hotel Project Application (“Application”) for a Brand hotel, whether for New Development, Conversion, Change of Ownership, or Re-licensing. When you submit the Application to us, you must pay an initial fee (“Application Fee”). If you are applying for a franchise for a hotel that was previously operated as a System Hotel, we may require, as a condition of approving your Application, that you also pay outstanding royalties and other fees due under the prior franchise agreement relating to the System Hotel. If you are applying for Change of Ownership, Re-licensing or Conversion, we may require that you also pay a Product Improvement Plan (“PIP”) Fee for us to determine the renovation or remodeling requirements needed to bring the hotel to Brand Standards. Other initial fees and costs, estimated based on a 250-room DoubleTree hotel, are outlined in the following table.

### **ESTIMATED INITIAL INVESTMENT**

<b>Type of Expenditure</b>	<b>Amount</b>	<b>Method of Payment</b>	<b>When Due</b>	<b>To Whom Payment Is To Be Made</b>
Market Study (Note 1)	Varies	As arranged	As Arranged	Supplier
Application Fee (Note 2)	\$75,000	Lump sum	With Application	Us
Real Property (Note 3)	Varies	As Arranged	As Arranged	Seller
Construction (Note 4)	\$32,000,000 to \$54,000,000	As Arranged	As Arranged	Suppliers
Furniture, Fixtures and Equipment (Note 4)	\$6,000,000 to \$9,000,000	As Arranged	Before Opening	Suppliers
Architects, Designers, Engineers and Consultants	\$1,500,000 to \$2,500,000	As Arranged	As Arranged	Suppliers
Construction / Renovation Extension Fees (Note 5)	\$10,000	Lump Sum	When Approved	Us

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
PIP Fee	\$7,500	Lump Sum	As Arranged	Us
Permits, Licenses and Governmental Fees (Note 6)	\$270,000 to \$450,000	Lump Sum	As Arranged	Supplier
Insurance (Note 7)	Varies	As Required	As Required	Agent/Insurer
Software, Hardware and Installation Costs (Note 8)	\$175,000 to \$255,000	Lump Sum or As Arranged	45 days before Opening	Our Affiliates or Third Party Supplier
Guest Internet Access Program (Note 9)	\$78,750 to \$128,750	Lump Sum or As Arranged	45 days before Opening	Our Affiliates or Third Party Supplier
Pre-Opening / Marketing	\$111,500 to \$167,500	As Arranged	As Arranged	Supplier
Training	\$5,500 to \$15,000	As Arranged	As Incurred	Our Affiliates or Third Party Supplier
Inventory	\$156,250 to \$167,500	As Arranged	Before Opening	Suppliers
Signage	\$40,000 to \$150,000	As Arranged	Before Opening	Suppliers
Organization Expense	\$15,000 to \$25,000	As Agreed	As Agreed	Supplier
Contingencies	\$812,500 to \$1,562,500	As Incurred	As Agreed	Suppliers
eforea spa Initial Fee (Note 10)	\$75,000	As Agreed	As Agreed	Us
Additional Funds	\$380,000 to \$523,250	As Arranged	Before Opening	Suppliers
Additional Funds / eforea Spa (Note 11)	\$0 to \$3,125,875	As Incurred	As Agreed	Suppliers
<b>TOTAL</b> (Note 12)	<b>\$41,696,250 to \$72,267,125</b> THESE FIGURES DO NOT INCLUDE REAL ESTATE, MARKET STUDIES, INSURANCE, INTEREST, TAXES, TARIFFS OR IMPORT DUTIES, OR THE COST OF IMPROVEMENTS UNDER A CONVERSION, RE-LICENSING OR CHANGE OF OWNERSHIP			

## NOTES

**Note 1** – For new hotels, we recommend and may require a market study from a recognized independent firm which discusses the competition for your proposed hotel, together with a minimum 5-year operating pro forma from you, based on the market study, showing your anticipated operating results. We do not require prospective franchisees who are converting existing hotels to obtain a market study, but we may encourage a prospective franchisee to commission a market study to evaluate the economic consequences of conversion. Our acceptance of the market study with a pro forma is not a financial performance representation on our part or a ratification of the projections performed by the consultant.

**Note 2** – The Application Fee for new development is \$75,000 plus \$400 for each additional guest room over 250. If you increase the proposed number of guest rooms for the hotel after your

Application is approved and before the opening of the hotel, you must obtain our approval and pay us any additional Application Fee amount owed as if you had included those additional rooms as part of your original Application. If you withdraw your Application before we approve it, or we deny your Application, we will refund the Application Fee without interest, less a \$7,500 processing fee. Once we approve your Application, the Application Fee is non-refundable, even if we subsequently terminate our approval.

**Note 3** –Because land costs vary dramatically depending on location, size, highway accessibility, special assessments and many other factors, we do not provide an estimate of the per guest room cost or the overall cost to purchase land. You should work with local advisors to prepare an estimate of this cost. If you are converting an existing hotel, you may have no land costs.

**Note 4** – Building construction costs vary greatly depending on material, labor costs and other variables. The estimate does not take into account local requirements such as earthquake requirements or impact fees. The expenditures depend on many variables, such as the quantity and quality of the items being purchased, the terms on which the purchases are made and fluctuations in labor costs. If we or our affiliates furnish, supply, service or equip your hotel at your request before it opens, then you must pay or reimburse us or them for all costs incurred at your request, including freight and any sales tax, consumption tax, value added tax or any equivalent of any of these taxes, tariffs or import duties, plus a procurement fee.

**Note 5** – For New Construction, you must start construction at your hotel by the construction commencement date and complete construction at your hotel by the construction work completion date specified on the Addendum to your Franchise Agreement. If you are converting or renovating your hotel under a PIP, you must start the renovation by the renovation commencement date and complete renovation by the renovation work completion date specified on the Addendum to your Franchise Agreement. If you want to request an extension of any of these dates, you must submit a written request before the applicable deadline and pay our then-current fee.

**Note 6** – The licenses and permits you must obtain to operate your hotel vary depending on the requirements of the municipality and other political subdivisions in which the hotel is located.

**Note 7** – You must, at your expense, maintain the minimum levels and types of insurance we periodically specify in the Manual, and participate in any insurance programs that we specify. Insurance coverage must be with insurers having minimum ratings we specify; name as additional insureds the parties we periodically specify; and carry the endorsements and notice requirements we specify. We cannot estimate the cost of insurance premiums, which vary widely by reason of location, size of hotel and type of coverage purchased.

**Note 8** –Estimate includes: HSPMS hardware – to be procured by hotel and estimated at \$60,000 to \$83,000 plus \$10,000 to \$15,000 for third-party operating systems. Installation and start-up fees – services provided by third party and HSS; to be paid by hotel, estimated to be \$100,000 to \$150,000. Cost of communications vehicles for support and operation of HSPMS is estimated to be \$5,000 to \$7,000. The standard up-front installation fees and charges include the cost of having our Systems Implementation Consultant (“SIC”) on site for your hotel’s opening in connection with the start up of HSPMS. All Brand hotels must have computer workstations and



printers available for guest use, free-of-charge, in either a traditional business center or in an open zone in the lobby. You must purchase at least 2 workstations and 1 printer from our approved suppliers or in accordance with our specifications. You must pay the related taxes, tariffs and duties for the importation of computer equipment into Brazil.

**Note 9** – Third-party supplier business models (revenue share and length of contract) and the building will have a major impact on the number or wireless access points required for Guest Internet Access, and will affect the cost. You may be required to arrange for the installation of a circuit that meets Brand Standards, and pay the ongoing cost of using the circuit. HSS or its designee will monitor your utilization of the circuit. When utilization of the circuit reaches 80% of the available capacity during 3 or more consecutive days in any calendar month, the circuit is considered “saturated” and not in compliance with Brand Standards. You must upgrade the circuit within 45 days after being notified the hotel has a “saturated circuit.” The lifespan of hardware and software used in the delivery of Guest Internet Access is 4 years at which time a mandatory refresh of the hardware and software is required. The refresh installation must comply with the same obligations outlined above for all Guest Internet Access installations. We currently estimate that it will cost between \$95,000 and \$155,000 to complete the refresh installation for a 300-room hotel depending on the type of solution you deploy for Guest Internet Access. This estimate, exclusive of any taxes, is based on a hotel with the number of guest rooms specified above and currently includes hardware, software, installation, and certain other costs and fees with the exception of structured cable and cabling installation.

**Note 10** – The estimate assumes that you are electing to install our eforea spa concept. You will sign the Spa Amendment and pay us an initial fee. We or one of our affiliates will provide you with eforea design and construction guidelines, a collateral suite, spa menus, and access to required training provided by suppliers.

**Note 11** – The low estimate assumes that you are not opening a spa. The high estimate assumes you are installing a 5,000 to 10,000 square foot spa to our current eforea spa standard. Costs may be greater for a conversion hotel or to convert space in an existing hotel into an eforea spa or another branded spa that meets our specifications.

**Note 12** – None of the expenses described in this chart are refundable. We have relied on our management and affiliates’ years of experience in the lodging business in the U.S.A. to compile these estimates. We also have experience gained from franchising Brand hotels internationally, but we lack relevant and reliable information to provide estimates of the initial investment to develop a Brand hotel in all countries. In particular we do not have any specific initial investment information about establishing a Brand hotel in Brazil. The expenses shown in this chart are for typical Brand hotels if built in the U.S.A. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. We encourage you to independently investigate the costs as they will specifically affect your investment. **DO NOT RELY ON THESE NUMBERS WHEN MAKING A DECISION ABOUT INVESTING IN A FRANCHISE WITHOUT FIRST INVESTIGATING COMPARABLE COSTS BASED ON YOUR EXPERIENCE WITH THE LOCAL BRAZIL MARKET.** With respect to an eforea spa, we relied on our parent’s experience over the last four years in operating eforea spas in the U.S.A. and overseas. In a Change of Ownership, Re-licensing or Conversion situation, you will incur costs to bring your existing property into conformity with the System. We cannot estimate

these costs at this time as they vary significantly based on the amount, type and physical condition of the hotel's existing property, fixtures, equipment, furnishings, furniture, signage, and similar items.

**PART VIII  
PERIODIC AND OTHER FEES**

Type of Fee (1)	Amount	Due Date	Remarks
<b>General</b>			
Monthly Royalty Fee	5% of Gross Rooms Revenue.	Payable monthly by the 15 <sup>th</sup> day of the following month.	Payment must be accompanied by our standard schedule showing computation of the fee for the month (Note 2).
Monthly Spa Royalty Fee	5% of Gross Spa Revenue.	Payable monthly by the 15 <sup>th</sup> day of the following month.	Payable if Spa Amendment is in effect, Payment must be accompanied by our standard schedule showing computation of the fee for the month (Note 2).
Monthly Program Fee	4% of Gross Rooms Revenue	Payable monthly by the 15 <sup>th</sup> day of the following month.	Payment must be accompanied by our standard schedule showing computation of the fee for the month. We can change the Monthly Program Fee (Note 3).
Room Addition Fee	Currently, \$400 per additional guest room or suite, multiplied by the number of additional guest rooms.	Due with application for approval.	Payable if you add or construct additional guest rooms at the hotel. You must submit the application to us before you enter into any agreement to add any guest rooms to the hotel.
HSPMS Email	Currently, \$120 1-time set-up fee per user, \$9.20 per user per month, and \$22 per month for approved mobile devices.	Set up fees owed when billed; monthly fees are billed quarterly.	You must pay for each additional email account beyond the 7 provided under the program.
HSPMS Software Fee for Additional Rooms	Currently, \$120 per additional guest rooms or suites.	As billed.	If you add or construct additional guest rooms at the Hotel at any time after you sign the Franchise Agreement, you must pay the then-current fee charged to System Hotels, multiplied by the number of additional guest rooms or suites.
HSPMS Hardware Maintenance Fees	Currently, 15% to 25% of the actual hardware cost per year, determined by the number of workstations and other equipment at the hotel.	Billed monthly.	You must pay the cost of break-fix maintenance service on all HSPMS hardware from a local service provider. You must also include certain maintenance agreements such as 24x7 support for application servers in the original computer hardware purchase and extend that support for the duration of said equipment's life cycle in the hotel.
HSPMS Software Maintenance Contract	Currently, a portion of your Monthly Program Fee pays for your	Monthly.	Software maintenance is mandatory. Currently, the HITS Agreement includes a software maintenance contract for

Type of Fee (1)	Amount	Due Date	Remarks
	software maintenance costs.		HSPMS.
HSPMS Hotel Opening Delay and SIC Rescheduling Fees	Currently, \$900 per SIC per day for each additional day an SIC remained at the hotel due to delays in a hotel opening date and \$5,000 re-scheduling fee if the delay results in the departure and re-scheduling of the SIC's on-site service period	As incurred.	PHRI determines the number of SICs and number of days on site for the hotel's opening based on size and type of hotel. Once the SIC is on-site, any delays in your hotel's opening result in additional fees and expense to you, including any additional travel expenses for of the SIC.
Wide Area Network (WAN) connection	Currently, from \$1,000 to \$4,000, depending on location and services available in your area.	Billed monthly through Hilton affiliate accounts.	You are responsible for the costs of procuring and maintaining a dedicated WAN connection currently offered through an approved third party.
Guest Internet Access Support Fees	Currently, \$1,750 to \$5,700 per month, depending on circuit size, type and physical location of the Hotel.	Approved third-party provider invoices monthly.	All third-party circuits for guest internet access must meet Brand Standards before installation. HSS or its designee may monitor your utilization of the circuit. When utilization of the circuit reaches 80% of the available capacity during 3 or more consecutive days in any calendar month, the circuit is considered "saturated" and you must upgrade the circuit within 45 days after being notified the hotel has a "saturated circuit."
<b>Guest Assistance and Quality Assurance Programs</b>			
Guest Assistance Program/ Customer Satisfaction Guarantee Reimbursement	Currently, \$150 for HHonors Gold, \$200 for HHonors Diamond, and \$100 for all others, plus actual costs to compensate a guest.	Within 48 hours of receipt of invoice.	The actual cost of compensation may include the cost of the guest's stay and any other payments made to insure the guest's satisfaction. We may change the intervention fee or maximum guest reimbursement amount. See Note 5.
Guest Assistance Program/Our Best Rates. Guaranteed. Intervention Fee and Costs	Currently, \$100 intervention fee includes the cost of the American Express Gift Cheque and other fees.	Within 10 days of billing.	If a guest finds a lower qualifying rate for a qualified booking at your Hotel and submits an on-line claim form that is verified by the Guest Assistance Department, the Guest Assistance Department will 1) adjust the rate to the lower rate; 2) issue a \$50 American Express Gift Cheque to the guest; and 3) notify the hotel that an intervention fee will be charged to the hotel. Guest Assistance invoices are processed and faxed to the hotels weekly. The fee is subject to change. In addition, we may modify the amount provided and the method of payment to the guest.

Type of Fee (1)	Amount	Due Date	Remarks
Guest Assistance Program: First Contact Resolution	Currently, \$15 administrative fee.	Within 10 days of billing.	Payable if more than 5 files are created in a month by Guest Assistance to resolve guest complaints about products, services or cleanliness. You pay the cost of any compensation we provide to a guest to resolve the complaint, even if the fee does not apply.
Quality Assurance Re-evaluation Fee	Currently, \$2,500 per re-evaluation visit.	Within 10 days of billing.	Payable if we conduct a special on-site quality assurance evaluation after your hotel has failed a follow-up quality assurance evaluation, or to verify that deficiencies noted in a quality assurance evaluation report or PIP have been corrected or completed by the required dates, or for any evaluations exceeding 2 annually, whether required or requested, or if your Hotel fails to open during the initial opening evaluation. You must also provide complimentary accommodations for the quality assurance auditor during the re-evaluation inspection.
<b>Conferences and Training</b>			
Brand Conference	Currently, \$1,200 per attendee.	When Required.	General Manager and/or Director of Sales must attend the brand conference, held at various hotel locations in the world, annually or bi-annually. You also pay wages, travel, lodging and miscellaneous expenses of your attendees.
Director of Sales Symposium	Currently, \$2,300 per attendee.	Before Attendance.	Your Director of Sales must attend this training. You are also responsible for wages, living expenses and miscellaneous expenses of your attendees.
General Manager Brand Training	Currently, \$2,300 per attendee.	Before Attendance	Your General Manager must attend this training as soon as possible after being hired. You must also pay wages, travel, lodging and miscellaneous expenses of your attendees.
Other Mandatory and Optional Training	Currently, \$0 to \$9,745 per program per attendee.	Before attending or delivery of materials.	You are responsible for wages, living expenses and miscellaneous expenses of your attendees. You may also be required to pay travel, lodging, tax and meals of the trainers if our trainers travel to you.
Replacement and Additional Trainees	Currently, \$0-\$5,000 per program per attendee.	Before Attendance.	If you hire a replacement for any of the categories of personnel referred to in Part XII who must attend a training program, the replacement must successfully complete the appropriate training program. You must pay the then-current fee for any replacement or additional attendees.

Type of Fee (1)	Amount	Due Date	Remarks
Pre-Opening Kit	Currently, \$3,500.	When shipped.	Payable for start-up materials when we approve the Hotel Project Application, at start of construction and before initial operations consultation.
Online Learning Management Fee	Currently \$100.	Any time an online course is consumed.	Payable in addition to program fee for any online courses, or courses that are part online and part instructor led. This fee is disclosed to the student before he/she registers for an online course.
<b>Frequent Customer, Affiliation and Distribution Programs</b>			
Frequent Traveler/Guest Reward Program	Currently, 4.3% of total eligible guest folio.	10 days after billing.	You must participate in any brand specific or System-wide guest frequency or reward program. Currently, you must participate in HHonors. These programs are subject to change. See Note 3.
Global Affiliate Program	Currently, up to 10% commission on total room rate for consumed stays.	Within 10 days after billing.	Payable through us to participating 3 <sup>rd</sup> parties that refer customers to Hilton Worldwide websites if the customer books a reservation on the Hilton Worldwide website and completes the booked stay at your Hotel.
AAA/CAA Show Your Card & Save Program	Currently, \$0.30 per available room.	Within 15 days of billing.	Payable annually for American Automobile Association (AAA) and Canada Automobile Association (CAA) approved hotels.
AAA/CAA Discounts and Rewards Program: Member Direct	Currently, 10% commission.	If invoiced, within 15 days. If through Automated Clearing House (“ACH”), by the 12 <sup>th</sup> business day of each month.	Payable for each consumed stay booked through the dedicated AAA / CAA “member-direct” line at Hilton Reservations & Customer Care (“HRCC”).
Travel Planner Centralized Commission Payment Program (TPCP)	Currently, up to 10% commission and \$0.18 per transaction processing charge.	If invoiced, within 15 days of billing. If ACH, on the 12 <sup>th</sup> business day of each month.	You must participate in the TPCP, which consolidates all commissionable consumed travel planner bookings and remits one payment per agency. The processing charge on commissionable reservations, cancellations, no-shows and non-commissionable transactions covers all costs to make commission payments including postage, labor, checks, envelopes and use of our TPCP system.
Unlimited Rewards Travel Planner Incentive and Loyalty Program	Weekday stay (Monday -Thursday) = \$0.71; Weekend stay (with 1 Fri/Sat/Sun) = \$1.42; Weekend stay (with 2 Fri/Sat/Sun) = \$2.13. The costs increase to \$1.42, \$2.63 and \$3.63, respectively, for Double Points payouts.	If invoiced, within 15 days of billing. If ACH, on the 12 <sup>th</sup> business day of each month.	Mandatory participation for all HSPMS-enabled hotels participating in the TPCP program. These funds are remitted to Budget (a portion is paid to the travel planner; Budget retains the remaining amount as a processing charge).

Type of Fee (1)	Amount	Due Date	Remarks
Third-Party Reservation Charges	Currently, \$4.65 per stay.	If invoiced, within 15 days of billing. If ACH, then on the 12 <sup>th</sup> business day of each month.	Presently includes the costs and fees incurred in connection with Third-Party Reservation Systems, such as GDS, airline reservation services and other service reservation providers for using their distribution system for reservations.
<b>Transfers, Relicensing and Financing</b>			
Change of Ownership Transfer	Currently, \$100,000.	With Hotel Project Application.	Payable for any proposed transfer that does not qualify as a Permitted Transfer or as one that does not require our consent. The fee is subject to change.
Permitted Transfer Processing Fee	Currently, \$5,000.	When you submit transfer consent request.	Payable for any proposed Permitted Transfer. The fee is non-refundable and is subject to change.
Re-licensing Application Fee	Currently, \$75,000.	With Hotel Project Application.	Payable if we agree to relicense to the same ownership group for a new Term. The fee is non-refundable and is subject to change.
Public Offering Processing Fee	Currently, \$5,000.	When request is submitted.	Payable if you or any of your owners request approval for a public offering. You must also reimburse us for any additional costs we may incur in reviewing your documents, including reasonable attorneys' fees.
<b>Management and Consultation</b>			
Management Fees	Terms, including fees, are established by mutual agreement.	As incurred.	One of our affiliates may offer you its management contract but you may hire an outside management company with our approval.
Consultation Fees	Set by us on a project-by-project basis.	As arranged.	Payable if you request and we agree to make consultation and advice services available to you on the same basis as other System Hotels.
<b>Remedies and Damages</b>			
Insurance	Actual amount.	On demand.	Payable if you do not obtain or maintain the required insurance or policy limits and we elect to obtain and maintain the insurance for you.
Taxes	Actual amount.	On demand.	If any sales, use, gross receipts, withholding or any other tax (excluding withholding on monthly royalty fee) is imposed on the receipt of any payments you are required to make to us under the Franchise Agreement, then you must also make an additional payment to us such that, net of any sales, use, gross receipts, withholding or any other tax, the amount received by us is equal to the amount we would have received had no such tax been

Type of Fee (1)	Amount	Due Date	Remarks
			imposed. This does not apply to income taxes payable by us as a result of our net income relating to any fees collected under the Franchise Agreement.
Service Charges for Overdue Payments	Lesser of 1½% per month or the maximum rate permitted by applicable law.	On demand.	Payable if you do not make any payment when due. Our acceptance of your payment of any deficiency will not waive our right to terminate the Franchise Agreement under its terms.
Audit	Actual amount of deficiency plus service charges.	On demand.	Payable if audit reveals that you understated or underpaid any payment due to us which is not fully offset by overpayments. If audit reveals that underpayment is willful or for 5% or more of the total amount owed for the period being inspected, you must also reimburse us for all inspection and audit costs. If audit discloses an overpayment, we will credit this overpayment against your future payments, without interest, or if no future payments are due under the Franchise Agreement we will promptly pay you the amount of the overpayment without interest.
Indemnification	Actual expenses including attorneys' fees, court costs and other expenses.	Case by case basis as incurred.	Payable if we incur expenses to protect us and our affiliates, or to remedy your defaults under the Franchise Agreement, or as a result of any claim, demand, tax, penalty, or judicial or administrative investigation or proceeding arising from any claimed occurrence at your hotel. You must also defend us, our affiliates, and each of our affiliates' current and/or future subsidiaries, and affiliates and any of their officers, directors, employees, agents, successors and assigns.
Actual Damages under Special Circumstances	Actual amount.	On demand.	Payable in lieu of Liquidated Damages if (i) within 12 months of each other, 2 or more franchise agreements for the Brand between yourself or any of your affiliates and us or any of our affiliates terminate before their expiration date either because you or any of your affiliates unilaterally terminate the franchise agreements or because we or any of our affiliates terminate the franchise agreements as a result of your or your affiliate's breach or default or (ii) your agreement for the Hotel terminates automatically or is terminated by us or any of our affiliates after an unapproved Transfer either to a Competitor or to a buyer that converts the

Type of Fee (1)	Amount	Due Date	Remarks
			Hotel to a Competitor hotel within 2 years from the date your agreement terminates.
Liquidated Damages for Post-Opening Premature Termination	\$3,600 for each authorized guest room.	On demand.	Payable if we terminate the Agreement before the 2 <sup>nd</sup> anniversary of the Opening Date.
	Amount equal to the sum of the Monthly Royalty Fees due to us for the previous 24 months, divided by 24, and multiplied by 60.	On demand.	Payable if we terminate the Agreement after the 2 <sup>nd</sup> anniversary but before the final 5 years of the Term.
	Amount equal to the sum of the Monthly Royalty Fees due to us for the previous 24 months, divided by 24, and multiplied by the number of months remaining in the Term.	On demand.	Payable if we terminate the Agreement within 60 months of the Expiration Date of the Term.
Liquidated Damages for Unauthorized Opening	\$5,000 per day that your hotel is open without authorization.	On demand.	Payable if you open your hotel before we authorize it to open under the Brand. You must also reimburse us for our costs of enforcing our rights, including attorney's fees.
Liquidated Damages for Pre-Opening Premature Termination	\$3,600 for each authorized guest room.	On demand.	Payable if we terminate the Agreement before you open because you default, or because you terminate the Franchise Agreement without cause.
	\$3,600 for each authorized guest room.	On demand.	Payable if we terminate the Agreement and you or any Guarantor enter into an agreement for or begin construction of a Competitor Brand within 1 year after termination.
Liquidated Damages for Failure to Perform De-identification Actions	\$10,000 per day for each day of delay in complying with your obligations.	On demand.	Payable if you fail to comply with your post-term obligations within 30 days after termination or expiration. You must also reimburse all of our and our affiliate's costs and expenses, including reasonable attorneys' fees, incurred in connection with your non-compliance.
Interim Remedies	Actual costs plus intervention or administration fees set forth in the Manual.	If dollar amount, when notice specifies. If percentage increase to fee, when agreement requires fee paid.	Payable if we choose to impose an interim remedy; such as the cost of computer hardware, computer software or information technology service previously provided at no extra charge, costs related to suspending and disabling your right to use any software, information technology and/or network services provided to you and the costs of any computer hardware, computer software, other information technology and/or information technology service



Type of Fee (1)	Amount	Due Date	Remarks
			provided to you after the date of the notice of default.
<b>Miscellaneous Services/Programs</b>			
TMC/Consortia Program	Currently, \$2.70 for each consumed night booked under the TMC/consortia "parity" rate.	If invoiced, within 15 days of billing. If ACH, on the 12th business day of each month.	You must participate in BOTH or NEITHER the TMC/Consortia Program and the Pay-On-All-Pay-For Performance Program. The list of participating travel planner accounts may vary. We pay a portion of the fee directly to the travel planner account; the remainder is used to fund marketing efforts with travel planner accounts and as a processing charge.
TMC Pay-On-All-Pay-For Performance Program	Currently, \$1.03 for each consumed night booked by a TMC travel planner.	If invoiced, within 15 days of billing. If ACH, on the 12th business day of each month.	You must participate in BOTH or NEITHER the TMC/Consortia Program and the Pay-On-All-Pay-For Performance Program. The list of participating travel planner accounts may vary. We pay a portion of the fee directly to the TMC; the remainder is used to fund marketing efforts with the TMC and as a processing charge.
FedRooms Participation Fee	Currently, 2.75% of room revenue – for each consumed stay booked under the FedRooms rate/SRP.	Billed on TACS invoice. Due within 15 days of billing if invoiced. If ACH, on the 15th of the month.	We pay the entire fee to FedRooms. The fee is subject to change.
CWTSatoTravel Pay for Performance Fee	Currently, \$2.70 for each consumed night booked under the Sato Travel SRP.	Billed on TACS invoice. Due within 15 days of billing if invoiced. If ACH, on the 15th of the month.	We pay a portion of the fee directly to CWTSato Travel; the remainder is used to fund marketing efforts with CWTSato Travel and as a processing charge. The fee is subject to change.
CWTSatoTravel Commission	Standard Travel Agency Commission 10% .	Billed on TACS invoice. Due within 15 days of billing if invoiced. If ACH, on the 15th of each month.	Payable if you participate. The fee is subject to change.
Omega World Travel Government Pay for Performance Fee	Currently \$2.70 for each consumed night booked under the Omega World Travel Government SRPs.	Billed on TACS invoice. Due within 15 days of billing if invoiced. If ACH, on the 15th of each month.	Payable if you participate. We pay a portion of the fee directly to CWTSatoTravel in lieu of "up-front" annual participation fees for preferred status. The remainder is used to pay for training and marketing directed at the agents booking hotels
Omega World Travel Commissions	Standard Travel Agency Commission 10% .	Billed on TACS invoice. Due within 15 days of billing if invoiced. If ACH, on the 15th of each month.	Payable if you participate. The fee is subject to change.
ADTRAV Government Pay for Performance Fee	Currently \$2.70 for each consumed night booked under the ADTRAV Government SRPs.	Billed on TACS invoice. Due within 15 days of billing if invoiced. If ACH, on	Payable if you participate. We pay a portion of the fee directly to CWTSatoTravel in lieu of "up-front" annual participation fees for preferred

Type of Fee (1)	Amount	Due Date	Remarks
		the 15th of each month.	status. The remainder is used to pay for training and marketing directed at the agents booking hotels.
ADTRAV Commissions	Standard Travel Agency Commission 10%.	Billed on TACS invoice. Due within 15 days of billing if invoiced. If ACH, on the 15th of each month.	Payable if you participate. The fee is subject to change.
Revenue Management Consolidated Center (RMCC)	Currently, \$3,318 to \$7,985 per month.	Within 10 days of billing.	Payable if you participate in this optional, supplemental service under which revenue management analysis, strategy and coaching services are conducted for your hotel.
Procurement Fees	Currently, up to 10% of product cost.	Within 10 days after billing.	Payable if you buy from HSM. You must pay product cost, freight, import duties, and any services, sales, consumption, value added or any equivalent taxes.

### NOTES

**Note 1** – Unless otherwise indicated, all fees are payable to us in US Dollars, are non-refundable and may be subject to change. You must convert Gross Rooms Revenue into US Dollars daily, based on WSJ.com rates that are reported by Reuters as blended rates by multiple banks that trade in excess of \$1 million daily.

**Note 2** – “Gross Rooms Revenue” means all revenues derived from the sale or rental of guest rooms (both transient and permanent) of your hotel, including revenue derived from the redemption of points or rewards under the loyalty programs in which the hotel participates, amounts attributable to breakfast (where the guest room rate includes breakfast), and guaranteed no-show revenue and credit transactions, whether or not collected, at the actual rates charged, less allowances for any guest room rebates and overcharges, and will not include taxes collected directly from patrons or guests.

“Gross Spa Revenue” means all revenue from services and retail sales of products from the eforea spa, less allowances for spa rebates and overcharges, but does not include any sales or other taxes collected directly from spa customers or any revenues from food and beverage sales of the spa.

If there is a fire or other insured casualty at your hotel that results in a reduction of Gross Rooms Revenue or Gross Spa Revenue, the Monthly Program and Monthly Royalty Fees will be equal to the Monthly Program and Monthly Royalty Fees forecasted on the basis of the Gross Rooms Revenue and Gross Spa Revenue amount you agree on with your insurer(s). However, we have the right to participate with you in negotiating the value of your Gross Rooms Revenue and Gross Spa Revenue claim with your insurer(s). Group booking rebates, if any, paid by you or on your behalf to third-party groups for group stays must be included in, and not deducted from, the calculation of Gross Rooms Revenue.

There may be an annual adjustment within 90 days after the end of each operating year so that the total Monthly Royalty Fees and Monthly Program Fees paid annually will be the same as the

amounts determined by audit. We can require you to transmit the Monthly Royalty Fee and the Monthly Program Fee and all other payments required under the Franchise Agreement by wire transfer or other form of electronic funds transfer. You must bear all costs of wire transfer or other form of electronic funds transfer, and make all arrangements to send payments to us in the U.S.A.

**Note 3** – We may change the amount of the Monthly Program Fee at any time. The Monthly Program Fee rate will not exceed the current rate plus 1% over the term of the Franchise Agreement. We do not apply this fee toward the cost, installation or maintenance of the computer reservation services equipment or training for your hotel or for you receiving reservations from the reservation service. The Monthly Program Fee pays for various programs to benefit the System, including (i) advertising, promotion, publicity, public relations, market research, and other marketing programs; (ii) developing and maintaining directories and Internet sites for System Hotels; (iii) developing and maintaining the Reservation Service systems and support; (iv) quality assurance programs; and (v) administrative costs and overhead related to the administration or direction of these projects and programs. We may create any programs, and allocate monies derived from Monthly Program Fees to any regions or localities. The Monthly Program Fee does not cover your costs of participating in any optional marketing programs and promotions periodically offered by us or our affiliates in which you voluntarily choose to participate. These fees also do not cover the cost of operating the hotel in accordance with the standards in the Manual.

**Note 4** – You must participate in, and pay all charges related to, our and our affiliate’s marketing programs not covered by Monthly Program Fees, and all guest frequency programs we or our affiliates require. You must also honor the terms of any discount or promotional programs (including any frequent guest program) that we or our affiliates offer to the public on your behalf, any room rate quoted to any guest at the time the guest makes an advance reservation, and any award guest certificates issued to hotel guests participating in these programs. Our affiliates’ other hotel brands and our affiliates’ brands may also participate in these programs. These programs are subject to change. You pay your share of the costs of the programs.

Currently, these programs include the Hilton HHonors® guest reward program operated by Hilton HHonors Worldwide, and airline and rental car company frequent user programs in which our affiliates participate. HHonors members may accumulate HHonors points with most stays for all eligible dollars spent at participating HHonors hotels. Guests, including non-HHonors members, can obtain frequent flyer mileage credit in one participating airline’s frequent flyer program per stay with most stays at participating HHonors hotels. HHonors members may earn both HHonors points and frequent flyer mileage credit for the same stay at participating HHonors hotels. Additionally, HHonors members may also earn additional HHonors points for using HHonors car rental and/or other partners in conjunction with a stay and may periodically earn additional point and/or mileage bonuses through promotional activity. The only room rates that are not eligible for HHonors point and/or mileage earnings are wholesale/tour operator packages, contracted airline crew rates, complimentary or barter rooms, stays on NET Group/Series Group/IT Group rates, contracted Entertainment or Encore rates, stays using airline percent-off award certificates, stays that are booked via third-party websites other than the websites of Hilton HHonors airline partners or stays booked via Priceline.com, Hotwire or similar booking

channels where the hotel brand is unknown at time of purchase. HHonors members may redeem their accumulated points for discounted and free hotel room nights and other rewards.

These HHonors fees are assessed on any stay for which a guest (a) earns HHonors points, (b) earns airline mileage credit or (c) earns both HHonors points and airline mileage credit. Additional HHonors bonus points that HHonors members earn as a result of promotions that your hotel agrees to participate in will result in an additional fee payable by your hotel based on a set cost per point or a percentage of the eligible guest folio, depending on the type of promotion. Similarly, bonus airline mileage credit that guests earn as a result of promotions that your hotel agrees to participate in will result in an additional fee payable by your hotel – amount varies by participating airline partner program. All program costs are subject to change.

In addition to the HHonors fees outlined above, hotels are also responsible for the cost of certain guest amenities provided to HHonors members. Hotels must also allocate a certain percentage of rooms inventory for free night reward redemption by HHonors members as specified by the HHonors program. Hotels will be reimbursed for these reward redemptions on the same basis as other similarly situated participating hotels as specified by HHonors program.

**Note 5** – You must participate in all required System guest assistance programs. These programs may include chargebacks to your hotel for guest refunds or credits. You must pay all charges in connection with guest complaint resolution and guest assistance programs. If a guest is not completely satisfied with the stay for any reason, you must not charge for the stay. If the dissatisfied guest is charged, you must make a refund to ensure the guest's satisfaction. If the dissatisfied guest is charged and does not receive a refund from you and subsequently files a complaint with us, our corporate Guest Assistance Department will issue a complimentary voucher or a cash refund to the guest. We will then require you to reimburse us for the total amount of the refund plus an intervention fee per handled transaction. The corporate Guest Assistance Department will handle most complaints directed to them within 48 hours. We expect you to handle any complaints forwarded to you within 48 hours.

## **PART IX FRANCHISEE INFORMATION**

We do not currently have any DoubleTree franchisees in Brazil. The names of all DoubleTree franchisees and the addresses and telephone numbers of all their hotels as of December 31, 2015 are attached as Exhibit A. The names, address, business telephone number, or, if unknown, the last known home telephone number, of every Doubletree franchisee who has had an outlet terminated, cancelled or not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during 2015 are attached as Exhibit B.

## **PART X TERRITORY**

We grant you a non-exclusive license to use the System during the term of the Franchise Agreement to operate a franchised hotel at a specified location. There are no provisions in the standard Franchise Agreement granting you a protected area or territory. You will not receive an exclusive territory.

We may, however, agree to give you certain specific territorial restrictions (“Area Restriction”) for an area surrounding the franchised hotel and encompassing the immediate competitive market for the hotel as may be agreed on by the parties (“Restrictive Area”). If we agree to give you an Area Restriction for your New Development or Conversion, it will normally be for an agreed-on time period, which is shorter than the term of the Franchise Agreement (“Restrictive Period”). We will not normally grant an Area Restriction for a Change of Ownership or Re-licensing, although we will occasionally do so under certain unique circumstances.

We do not permit the relocation of franchised hotels. You have no options, rights of first refusal or similar rights to acquire additional franchises.

## **PART XI RESTRICTIONS ON SOURCES OF GOODS, SERVICES AND MATERIALS**

This Part describes your obligations to buy or lease goods, services and materials from us or our designees, from suppliers we permit you to use, or in accordance with our specifications.

You must build, design, furnish, equip and supply your hotel in accordance with the standards and specifications in our Brand Standards manual (“Manual”). The standards for an eforea spa are included in the eforea spa manual. We periodically review, modify, update and implement product standards and specifications to reflect operational requirements, advances in technology, improved methods of manufacture, new materials and structures, new products, improved prices and other factors. We currently issue, modify and update specifications in the form of updates to the Manual. We may periodically require you to modernize, rehabilitate and/or upgrade your hotel’s fixtures, equipment, furnishings, furniture, signs, computer hardware and software and related equipment, supplies and other items to meet the then current standards and specifications specified in the Manual. You are responsible for the costs of implementing all changes required because of modifications to the standards in the Manual.

You must comply with our standards regarding the purchase of products and services, including furniture, fixtures, equipment, food, operating supplies, consumable inventories, merchandise for resale to be used at and/or sold from the hotel, in-room entertainment, property management, revenue management, telecommunications and telephone systems, long distance services, signs/environmental graphics, customer satisfaction measurement programs, uniforms, materials with logos, property print advertising, guest assistance program, computer networking and other computer and technology systems, and any and all other items used in the operation of the hotel (collectively, “Supplies”), including our specifications for all Supplies. You must also maintain acceptable product quality ratings at your hotel and maintain the hotel in accordance with the Manual. In some cases, we may require you to purchase a particular brand of product (“Required Brand”); however, you may purchase this Required Brand from any authorized source of distribution. The requirements are generally contained in our manuals, but may be issued to you separately.

### **Purchases through Our Affiliates**

You must obtain and use the Hilton Worldwide Standard Property Management System (“HSPMS”), our required business software and hardware system, for the operation of the hotel.

You must purchase items bearing our logo, trademark or service mark from a supplier approved by us. We may derive profit from such sales.

Hilton Supply Management (“HSM”), our affiliate, is a stockless distributor of hotel furniture, furnishings, fixtures, equipment and supplies, and certain food and beverage supplies. HSM negotiates lower prices with manufacturers and suppliers, and then passes these savings on to franchisees when it sells to franchisees. You may, but are not obligated to, purchase specified items from HSM.

You may purchase the furniture, fixtures, and equipment (“FF&E”) and other supplies for your hotel from any source as long as the specifications and standards in the Manual are met. However, we may require you to purchase FF&E and supplies from a supplier approved by us, or we may require you to purchase a particular brand or model of supplies or equipment that is available only from one source, and we may derive profit as a result of those purchases.

HSM has various discount agreements with manufacturers and suppliers, under which it receives rebates and allowances based on the total volume purchased from the manufacturer. These volume fees include sales to franchisees by the manufacturers and in some cases, through suppliers. HSM also receives certain volume and national account marketing allowances from manufacturers in connection with the sale to franchisees of certain items, such as coffee, soft drinks, cleaning compounds, and paper products. In addition, HSM receives cash discounts for early payment on orders it places with manufacturers and suppliers to fill purchase orders placed with it by franchisees.

With the exception of HSPMS, if you want to use a product or a particular brand or model that has not been specified as having met our standards, or if you want to purchase from an unapproved supplier an item that must be purchased from an approved supplier, then you can submit a written request for us to approve the product or supplier. We may require certain information or samples which you must provide at your expense. We will review all of the pertinent information. While we have no obligation to respond within a certain timeframe, our review typically takes 30 days to complete. We do not provide any material benefit, such as license renewal (since the Franchise Agreement is non-renewable) or the grant of additional licenses, to you based on your use of designated or pre-approved suppliers.

We evaluate suppliers based on many factors, including: (i) the quality and cost of the products and/or services; (ii) the supplier’s established history in serving the System with products that consistently meet or exceed the standards and specifications as set forth in the Manual; (iii) the level of support and recognition of the supplier by us and our franchisees, as well as the System’s demand for those products/services; (iv) the supplier’s ability to service the needs of the System and (v) the supplier’s potential for active participation and support of the Primary Supplier Distribution Program (“PSDP”). Certain suppliers we approve (“PSDP Suppliers”) become members of our PSDP. If a PSDP Supplier no longer meets our criteria, the PSDP Supplier’s name and materials are removed from the PSDP. The revenues collected from rebates, administration fees and purchasing fees are primarily used to offset the cost of establishing the purchasing programs and supporting the expenses of HSM.

## **Signage**

You must install, display, and maintain signage displaying or containing the Brand name and other distinguishing characteristics in accordance with plans, specifications and standards we establish for System Hotels. You must purchase exterior signage from a supplier licensed by us. You may contact your Architecture & Construction representative for a current list.

## **Computer/Guest Internet Access Systems and Services**

You must obtain, install and use HSPMS in your operation of the hotel. We may periodically change the requirements for HSPMS, and the software and hardware components that comprise HSPMS. Currently, HSPMS is comprised of software components that include property management, reservations, revenue management, rate & inventory, learning management and other components our affiliate considers necessary to support: reservations, distribution, sales, customer relationship management, hotel operations, and business intelligence gathering and analysis. Some of the components are proprietary to us and our affiliates. HSPMS also requires specific hardware to operate its software components. Certain online training courses will be made available through the HSPMS on-line learning management system.

About 90 to 120 days before your hotel opens, you must sign the agreements that we or our third-party suppliers require, which will govern your access to, use of and support for HSPMS, including the Hilton Information Technology System Agreement (“HITS Agreement”). The current form of HITS Agreement is attached to this Disclosure Document as Exhibit G. Depending on the time that elapses between signing the franchise agreement and signing the HITS Agreement, you may sign a later version and the required schedules will depend on the specific components required for your Hotel.

You must pay us, HSS or its designated third party the related up-front fees and travel costs associated with configuration, installation and opening live support of these systems on receipt of the invoices, which may be from about 45 days before your hotel opens to about two months after the opening. The standard up-front installation fees and charges vary based on the number of workstations, size of the hotel and complexity of its operation. We determine the number of Systems Implementation Consultants and number of days on site based on size and type of hotel.

You must also purchase certain software licenses such as Windows Server operating systems and related client access licenses, database applications and malware and virus detection and removal tools. Where applicable, these licenses must be purchased through existing Enterprise agreements we or our affiliates have in place with suppliers. Our affiliate will invoice the hotel for such purchases. You may purchase other software not covered by such Enterprise agreements from other third-party suppliers. Costs of these licenses may vary based on the number of users or computers at the hotel and other factors.

You must purchase all IT hardware necessary for the proper operation of the hotel and strictly adhere to the specifications and standards that are established and agreed to by our affiliates and third-party suppliers. Hardware and its related costs will vary by hotel, but will generally include such items as servers, desktops, switches, printers, card readers, etc. You must also pay the related taxes, tariffs and duties for the importation of the hardware.

For operation of non-HSPMS business systems, including but not limited to financial systems used outside of HSPMS, point of sale, telephone systems, key locks, inventory, spa & health club memberships and related charges, you are able to contract with the supplier of your choice for both the applications and associated hardware, subject to meeting Brand Standards on features and functionality. The only restriction would be where such hardware and applications need to interface to HSPMS. In those instances, the choice of supplier is restricted to those that have an existing working interface to HSPMS. This hardware, applications and interfaces must be installed by, and fees must be paid to, the respective business system supplier.

You must provide (at your cost) the communications services and connections necessary for the support and proper operation of HSPMS. Currently, these include wide area network (“WAN”) connections to the Reservations Service, electronic mail and Internet HSPMS connectivity and/or online connections, routers, and CSU/DSU equipment. These services are currently offered through one or more approved third party suppliers. You will be responsible for any fees that are assessed by the supplier, or any other connectivity installation supplier designated by HSS, including rescheduling or cancellation fees.

In addition to the computer hardware and software requirements for HSPMS, you must provide Guest Internet Access for all guest rooms, meeting rooms and public areas at your hotel in accordance with Brand Standards. The purchase and installation of the hardware and software must be arranged with approved suppliers. You must provide a dial-in-line for out-of-band equipment management at your own cost. You may be required to arrange for the installation of a circuit that meets Brand Standards, and pay the ongoing cost of using the circuit. HSS or its designee will monitor your utilization of the circuit. When utilization of the circuit reaches 80% of the available capacity during 3 or more consecutive days in any calendar month, the circuit is considered “saturated” and not in compliance with Brand Standards. You must upgrade the circuit within 45 days after being notified the hotel has a “saturated circuit.” The lifespan of hardware and software used in the delivery of Guest Internet Access is 4 years, at which time a mandatory refresh of the hardware and software is required. The refresh installation must comply with the same obligations outlined above for all Guest Internet Access installations. We currently estimate that it will cost between \$95,000 and \$155,000 to complete the refresh installation for a 300-room hotel depending on the type of solution you deploy for Guest Internet Access. This estimate, exclusive of any taxes, is based on a hotel with the number of guest rooms specified above and currently includes hardware, software, installation, and certain other costs and fees with the exception of structured cable and cabling installation.

We encourage and may require you to use Delphi.fdc, a standardized cloud-based sales and events system powered by Newmarket International. The currently anticipated costs include a one-time set up fee of between \$2,000 and \$3,000. Additional one-time costs may apply, depending on implementation approach the hotel chooses, and potential hotel specific data migration needs. Annual license fee and system maintenance is charged at \$1,220 per user. Delphi.fdc is our approved sales and events system with integration to other Hilton Worldwide business systems, including the MeetingBroker lead distribution platform.



## **Reservation Service**

You must use the Hilton Reservation Service for reservation referrals. You must also purchase computer terminal equipment and software compatible for use with the Hilton Reservation Service. The computer equipment and software you purchase for HSPMS satisfies the requirement that you purchase computer equipment and software compatible with the Hilton Reservation Service. Although you must use the Hilton Reservation Service, you may also use other reservation services to refer reservations to (but not by or from) your hotel.

## **General**

Before we permit you to proceed with your plans for construction or remodeling of the hotel, and any time you make changes that affect usability or access to your hotel, your architect or other applicable certified professional must certify to us that the hotel's plans and specifications comply with all laws and applicable legal requirements related to accessibility/accommodations/facilities for those with disabilities, as further described in the Manual. If requested, you must arrange for us and our affiliate to participate in all progress meetings during the development and construction of the hotel, to have access to all contract and construction documents for the hotel and to have access to the hotel during reasonable business hours to inspect the hotel and its construction, completion, furnishing and equipment for conformity to the finally-approved construction documents. However, we and our affiliate have no obligation to participate in progress meetings or to inspect the hotel. Our approval is not a representation of the adequacy of the plans and specifications, the structural integrity, or the sufficiency of the mechanical and electrical systems for the hotel. When you complete construction of the hotel and before your hotel opens for business, your architect or general contractor must provide us with a certificate stating that the as-built premises complies with all applicable legal requirements relating to accessibility/accommodations/facilities for those with disabilities, as may be further described in the Manual.

During the term of the Franchise Agreement and any term extensions, we may periodically require you to make additional expenditures and investments to maintain your hotel in accordance with the System standards in the Franchise Agreement and the Manual and to remove any deficiencies in your hotel's operations.

Except as stated above, we do not negotiate purchase arrangements with suppliers for the benefit of franchisees. There are no purchasing or distribution cooperatives. We provide you with no material benefits (such as license renewal or the grant of additional licenses) based on your use of designated or permitted sources (the Franchise Agreement is non-renewable). Except as described above, we presently receive no payments, discounts, rebates, credits or commissions from any supplier based on your purchases from that supplier.

## **PART XII FRANCHISOR'S SERVICES**

Except as listed below, we are not required to provide you with any assistance. We may provide any of these services through our employees and representatives, through our affiliates or through any third-party provider we designate.

## **Pre-Opening Phase Obligations**

After we approve your Application and/or you sign the Franchise Agreement, but before you open your business:

1. We will loan to you a copy of our Manual, which contains mandatory and suggested specifications, standards and procedures. The Manual is confidential and is the property of our affiliate Hilton Worldwide Holding LLP (“Trademark Owner”). References to the “Manual” include all written standards and requirements that have been and are periodically developed by us in connection with the construction, equipping, furnishing, supplying, operating, maintaining and marketing of System Hotels, including your hotel. We may provide these standards and requirements in one or more documents or guides. All of these items, as we modify them periodically, will be considered the Manual. We will periodically change the Manual. (Franchise Agreement, Section 4.6)
2. Before you retain or engage an architect, interior designer, general contractor and major subcontractors, we will review your selection, and you must obtain our prior written consent, which may be conditioned on the architect, interior designer, general contractor or major subcontractor obtaining a performance bond from a surety on terms acceptable to us. (Franchise Agreement, Section 6.1.1)
3. We will review the plans, layouts and specifications, drawings and designs for constructing and furnishing your hotel, including guest room areas, and grant or deny approval, which may be conditioned on your architect or other certified professional certifying to us that the Plans comply with all laws related to accessibility/accommodations/facilities for those with disabilities. You may not start construction until you receive our approval. Once you receive our approval, you may not make any changes to the plans without our advance consent. (Franchise Agreement, Sections 6.1.2, 6.1.3 and 6.1.4)
4. We will review and approve or disapprove your proposed management of the hotel. (Franchise Agreement, Section 7.0) In evaluating the proposed management, we look at the proposed management organizational structure, prior experience and performance in managing similar first-class, full-service or focused service hotels, as well as other relevant factors. If we do not approve your proposed management, then we will require you to hire a professional hotel management company satisfactory to us to manage the hotel for at least the first year of operations. At the end of the year, if you request it, we will reevaluate this requirement.
5. We will provide you with the HITS Agreement (which will be countersigned by HSS) before you open your hotel. The HITS Agreement governs your access to and use of HSPMS. The HITS Agreement also governs the installation and on-going support and maintenance of your Guest Internet Access service.
6. We will make available to you for use in your hotel various purchase, lease, or other arrangements with respect to exterior signs, operating equipment, operating supplies and furnishings, which we or our affiliate may have and which we make available to other Brand franchisees. (Franchise Agreement, Section 4.7)

7. We will specify required and optional training programs. (Franchise Agreement, Section 4.1) You must pay a fee for these programs and the training materials. You must also pay for travel, lodging and other expenses associated with training.

## **Training**

This section generally describes the training that we make available for hotels in the U.S.A. as of the date of issuance of this Disclosure Document. We provide relatively similar training for hotels in Brazil but the training schedule, courses offered and the location of the training will vary.

Our affiliate offers required training courses to those affiliated with the System for orientation and as part of the certification process. Employees designated to take training must complete the required training to our satisfaction. You must pay the costs for required and optional courses, along with all travel, lodging and other expenses associated with training. Our affiliate may also charge for training materials.

Your general manager must attend our General Manager Brand Training Program before the opening of your hotel or within 180 days of assuming responsibility. An owner who intends to act as general manager of his/her hotel must also attend this program. The program focuses on compliance with brand standards, operating systems and management values and philosophies. This General Manager Brand Training Program is held in McLean, Virginia or other designated U.S.A. location, and must be completed to our satisfaction.

Your Director of Sales must attend a Director of Sales Symposium, held in McLean, Virginia or other designated U.S.A. location before the hotel opens or is converted. Our affiliate will offer this orientation periodically based on demand.

Before the opening of your hotel, all hotel staff that will be utilizing HSPMS must first complete their respective self-paced training and provide documentation of a printed certificate.

Under the HITS Agreement, HSS provides, at your cost, services in connection with the start up of HSPMS. The number of Systems Implementation Consultants and number of days on site is determined by our affiliates and is based upon size and type of hotel. As part of these required services, a representative will verify that all front desk staff and management have successfully completed training. If training is not completed successfully, the opening of your hotel may be delayed and a rescheduling fee may be applied.

Staff-member training programs must be conducted at your hotel. Every employee must complete this training within the required timeframe.

If you hire a replacement for any of the categories of personnel referred to above in this Part XI who must attend a training program, then that person must successfully complete the appropriate training program. You must pay the then-current fee for the applicable training program for replacement trainees and for any additional persons you wish to attend a training program.

## **Operational Phase Obligations**

During the operation of the franchised business we will:

1. Directly or through one of our affiliates periodically publish and make available to the traveling public a directory of Brand hotels, including your hotel. Additionally, we will include your hotel, or cause your hotel to be included in national or regional group advertising of Brand hotels, and in international, national and regional market programs offered by us or our affiliates, all subject to and in accordance with the general practice for System Hotels. (Franchise Agreement, Section 4.4)
2. Afford you access to the Reservation Service and Reservation System on the same basis as other Brand hotels in Brazil, so long as you are in full compliance with the material obligations set forth in the Franchise Agreement, including all standards set forth in the Manual. These services currently consist of a reservation system and database that connect your hotel to the Reservations Service, and global distribution systems (airline reservation systems such as Sabre and Galileo). (Franchise Agreement, Section 4.2) However, if you are in default, we can suspend our obligations to you under the Franchise Agreement, including removing the listing of your hotel from any directories we publish and from any advertising we publish, and/or removing or suspending you from the Reservation System immediately on notice to you. (Franchise Agreement, Section 14.3)
3. Administer a quality assurance program for the System that may include conducting periodic inspections of the hotel and guest satisfaction surveys and audits to ensure compliance with System standards. (Franchise Agreement, Section 4.5)

In furnishing these benefits, facilities or services to you, neither we nor our affiliate will exercise control or supervision over you. Management and operation of the hotel is your sole responsibility and obligation.

## **Advertising Information**

We will use your Monthly Program Fee to pay for various programs to benefit the System, including advertising, promotion, publicity, public relations, market research, and other marketing programs; developing and maintaining Brand directories; developing and maintaining the Reservation Service systems and support; and administrative costs and overhead related to the administration or direction of these projects and programs. We will have the sole right to determine how and when we spend these funds, including sole control over the creative concepts, materials and media used in the programs, the placement and allocation of advertising and the selection of promotional programs. We may enter into arrangements for development, marketing, operations, administrative, technical and support functions, facilities, programs, services and/or personnel with any other entity, including any of our affiliates. Monthly Program Fees are intended for the benefit of the System, and will not simply be used to promote or benefit any one property or market. We will have no obligation in administering any activities paid by the Monthly Program Fee to make expenditures for you that are equivalent or proportionate to your payments, or to ensure that the hotel benefits directly or proportionately from such expenditures. We may create any programs, and allocate monies derived from Monthly Program Fees to any regions or localities as we consider appropriate in our sole judgment. The aggregate of Monthly

Program Fees paid to us by franchisees does not constitute a trust or “advertising fund” and we are not a fiduciary with respect to the Monthly Program Fees paid by you and other franchisees. We are not obligated to expend funds in excess of the amounts received from franchisees using the System. If any interest is earned on unused Monthly Program Fees, we will use the interest before using the principal. The Monthly Program Fee does not cover your costs of participating in any optional marketing programs and promotions in which you voluntarily choose to participate. These fees also do not cover the cost of operating your hotel in accordance with the standards in the Manual. (Franchise Agreement, Section 4.4.7)

We are not required to engage in or maintain any particular advertising program, apart from our general obligations to periodically publish and make available to the traveling public a directory of all Brand hotels (including your hotel), to include your hotel in international, national or regional group advertising of Brand hotels, and to include your hotel in international, national and regional market programs (Franchise Agreement, Section 4.4.5). Most advertising is placed on cable TV, radio, newspaper, magazine, direct email, and various internet platforms, generally with national coverage. The source of our advertising is our in-house marketing department and national and regional advertising agencies. Media coverage is international in scope.

You must advertise and promote your hotel and related facilities and services on a local and regional basis in a first-class, dignified manner, using our identity and graphics standards for all System Hotels, at your cost and expense. You must submit to us samples of all advertising and promotional materials that we have not previously approved (including any materials in digital, electronic or computerized form, or in any form of media that exists now or is developed in the future) before you produce or distribute them. You may not begin using the materials until we approve them. You must immediately discontinue your use of any advertising or promotional materials we reasonably believe are not in the best interest of your hotel or the System, even if we previously approved the materials. Any advertising or promotional materials, or sales or marketing concepts, you develop for your hotel that we approve may be used by other hotels in the System without any compensation to you. (Franchise Agreement, Section 5.1.7)

You may not engage, directly or indirectly, in any cross-marketing or cross-promotion of your hotel with any other hotel, motel or related business without our prior written consent, except for Brand and Network hotels. The “Network” means the network of hotels, inns, conference centers, timeshare properties and other operations which Hilton Worldwide and its subsidiaries and affiliates own, license, lease, operate or manage now or in the future. “Network Hotel” means any hotel, inn, conference center, timeshare property or other similar facility within the Network. There is no advertising council composed of Brand franchisees to advise us on advertising policies.

You must participate in local or regional advertising cooperatives as we direct. We allocate the fees for these cooperatives on a fair and equitable basis among all participants. We administer the cooperatives and are not required to provide financial statements for the cooperatives. We have the power to form, change or dissolve any cooperative.

Apart from our general obligations to include your hotel in our directories, our international, national or regional group advertising and marketing programs and other promotional material (Franchise Agreement, Section 4.4.2), we are not required to engage in or maintain any particular

advertising program. We occasionally provide for placement of advertising on behalf of the entire System with international, national and local coverage. In the past, we have hired a U.S.A. advertising agency and utilized in-house staff to create and place advertising.

### **PART XIII**

#### **STATUS OF TRADEMARKS AND PATENTS BEFORE INPI**

##### **Trademark Use: Your Rights and Obligations**

We grant you a limited, nonexclusive right to use our System in the operation of a hotel at a specified location under one of the Brands “DoubleTree by Hilton” or “DoubleTree Suites by Hilton.” As used in the Franchise Agreement and this Disclosure Document, the System includes the Marks, including the Principal Mark “DoubleTree.” The Marks include the Brand and all other service marks, copyrights, trademarks, logos, insignia, emblems, symbols, and designs (whether registered or unregistered), slogans, distinguishing characteristics, trade names, domain names, and all other marks or characteristics associated or used with or in connection with the System, and similar intellectual property rights, that we designate to be used in the System.

You may use the Marks only in connection with the System and only in the manner we designate, as set out in the Franchise Agreement and the Standards. We may designate additional Marks, change the way Marks are depicted, or withdraw Marks from use at any time. We will not withdraw the Principal Mark. We reserve the right to limit what Marks the Brand hotel may use. For example, a DoubleTree hotel is not referred to as a DoubleTree Suites hotel without our written consent.

Your hotel will be initially known by the trade name set forth in the Franchise Agreement (“Trade Name”). We may change the Trade Name at any time, but we will not change the Principal Mark. You may not change the Trade Name without our specific written consent.

You must operate under and prominently display the Marks in your hotel. You may not adopt any other names in operating your hotel that we do not approve. You also may not use any of the Marks, or the words “DoubleTree” or “Hilton,” or any similar word(s) or acronyms: (a) in your corporate, partnership, business or trade name except as we provide in the Franchise Agreement or the Manual; (b) any Internet-related name (including a domain name), except as we provide in the Franchise Agreement or in the Manual; or (c) any business operated separate from your hotel, including the name or identity of developments adjacent to or associated with your hotel. Any unauthorized use of the Marks will be an infringement of our rights and a material breach of the Franchise Agreement.

Under the terms of the Franchise Agreement, you acknowledge and agree that you are not acquiring the right to use any service marks, copyrights, trademarks, logos, designs, insignia, emblems, symbols, designs, slogans, distinguishing characteristics, trade names, domain names or other marks or characteristics owned by us or licensed to us that we do not specifically designate to be used in the System. The Franchise Agreement does not grant you the right to use any other marks owned by us or our affiliates.

## Registration and Ownership of the Trademarks and Other Intellectual Property

Trademark Owner holds the rights to the Marks, including the trademarks and service marks listed in the table below, which are registered in Brazil.

Mark	Registration Number	Registration Date	Trademark Owner	Franchisor's Rights to Use Mark
HILTON (word)	6375499	July 10, 1986	Hilton Worldwide Holding LLP	License
DOUBLETREE BY HILTON (word)	901812099	May 22, 2012	Hilton Worldwide Holding LLP	License

Trademark Owner also holds the right to the following Mark, for which application is pending in Brazil.

Mark	Application Number	Application Date	Trademark Owner	Franchisor's Rights to Use Mark
D with TREE DESIGN	903440563	March 4, 2011	Hilton Worldwide Holding LLP	License

Trademark Owner entered into a license agreement with Hilton Worldwide Manage Limited which in turn entered into a license agreement with us, which grants us the right to use the Marks and other intellectual property in connection with the System in Brazil. The term of the agreements between Trademark Owner and Hilton Worldwide Manage Limited and between Hilton Worldwide Manage Limited and us continue indefinitely so long as all of the parties continue to be affiliates of Hilton Worldwide. Hilton Worldwide Manage Limited has certain enforcement rights in the event we default under our license agreement, including the right to terminate the license agreement if we fail to cure a default within the time period specified in the license agreement. These enforcement rights or any other rights of Hilton Worldwide Manage Limited to terminate the license agreement will not affect your right to use the intellectual property assets licensed to you under the Franchise Agreement as long as you are in good standing under the Franchise Agreement. In the future, Trademark Owner and/or Hilton Worldwide Manage Limited may transfer the Marks or related licenses to the Marks to other affiliates for administrative purposes periodically. If that occurs, we will continue to have a license to use the Marks in our franchise business, and your license to use the Marks under the Franchise Agreement will not be disturbed.

Hilton Hospitality, Inc. (“HHI”) held a trademark registration for DOUBLETREE in Brazil beginning October 18, 2005, in Class 43 *for providing food and drink; temporary accommodation with the specification to motel and hotel services; restaurant services and furnishing of meals*, Registration Number 820731080. On November 7, 2006, the Industrial Property Review (“RPI”) published an administrative process for annulment filed by Blue Tree Hotels & Resorts do Brasil S/A against the DOUBLETREE trademark registration claiming that it is a reproduction of its BLUETREE trademark registered on January 11, 2000, in Class 38: 50-60 *for services of communication, publicity, advertising, transport, storage, package, hotels and alimentation in general; services of alimentation*. HHI filed a reply petition on January 4, 2007,

to contest the administrative proceeding and stating that there is a difference in meaning between the two subject trademarks and were registered in different classes of service. The Brazilian Institute of Industrial Property (“INPI”) granted the nullity and the DOUBLETREE registration was cancelled January 27, 2009. Accordingly, HLT International IP LLC, Trademark Owner’s predecessor, filed a new application for the word and design to replace the cancelled DOUBLETREE registration and for the letter D and Tree Design, as shown in the above table. The first Mark matured to registration in 2012. If unopposed, the second Mark is expected to mature sometime in 2016. These are the Marks licensed to you under the Franchise Agreement.

There are no patents that are material to the franchise.

### **Protection of the Marks**

We have the right to control any administrative proceedings or litigation involving a Mark licensed by us to you. We will have the sole right and responsibility to handle disputes with third parties concerning use of the Marks or the System. The protection of the Marks and their distinguishing characteristics as standing for the System is important to all of us. For this reason, you must immediately notify us of any infringement of or challenge to your use of any of the Marks. You may not communicate with any other person regarding any such infringement, challenge or claim. We will take the action we consider appropriate with respect to such challenges and claims and only we have the right to handle disputes concerning the Marks or the System. You must fully cooperate with us in these matters. Under the terms of the Franchise Agreement, you appoint us as your exclusive attorney-in-fact, to defend and/or settle all disputes of this type. You must sign any documents we believe are necessary to obtain protection for the Marks and the System and assign to us any claims you may have related to these matters. Our decision as to the prosecution, defense and settlement of the dispute will be final. All recoveries made as a result of disputes with third parties regarding the System or the Marks will be for our benefit or that of Trademark Owner.

## **PART XIV CERTAIN OF FRANCHISEE’S RIGHTS AND OBLIGATIONS ON TERMINATION OR EXPIRATION**

During the Term and after termination or expiration of the Franchise Agreement, you must treat as confidential the Manual, and all other information or materials concerning the methods, techniques, plans, specifications, procedures, information, systems and knowledge of and experience in the development, operation, marketing and licensing of the System (“Proprietary Information”). You do not acquire any interest in the Proprietary Information other than the right to utilize it in the development and operation of the Hotel under the terms of the Franchise Agreement while it is in effect, so that you have no interest in the Proprietary Information after termination or expiration of the Franchise Agreement. You are required to maintain the absolute confidentiality of the Proprietary Information during and after the Term. You may not use the Proprietary Information after termination or expiration of the Franchise Agreement. You must adopt and implement all reasonable procedures we may periodically establish to prevent unauthorized use or disclosure of the Proprietary Information, including restrictions on disclosure to employees and the use of non-disclosure and non-competition clauses in agreements with employees, agents and independent contractors who have access to the



Proprietary Information. These restrictions will not apply to any information that does not relate or refer in any way or part to the System, Manual, Brand and/or Marks and that you can demonstrate came lawfully to your attention before our disclosure or which, at the time of or after our disclosure, becomes a part of the public domain through lawful publication or communication by others.

On early termination of the Franchise Agreement, you must pay charges, fees, and actual or Liquidated Damages as described in Part VIII.

On expiration or termination of the Franchise Agreement for any reason, you must immediately stop holding the Hotel out to the public as a System Hotel, and take whatever action is necessary to assure that no use is made of any part of the System (including the Marks, all forms of advertising and other indicia of operation as a System Hotel), and discontinue use of all distinguishing indicia of System and Hilton Worldwide hotels, including such indicia on exterior and interior signs, stationery, operating equipment and supplies, Internet sites, brochures and other promotional material at or in connection with the Hotel or otherwise. You must return to us the Manual and all other proprietary materials, remove all distinctive System features of the Hotel, including the primary freestanding sign down to the structural steel, and take all other actions (“De-identification Actions”) we require to preclude any possibility of confusion on the part of the public that the Hotel is still using all or any part of the System or is otherwise holding itself out to the public as a System Hotel. If you fail to comply with this obligation within 30 days after termination or expiration of the Franchise Agreement, you must pay us Liquidated Damages for failing to perform your obligations when due for each day of delay in complying with your obligations until full compliance is given to our satisfaction, in addition to the payment of all costs and expenses, including reasonable attorneys’ fees that we and/or our affiliates incur in connection with your non-compliance.

## **PART XV FRANCHISE AGREEMENT AND OTHER AGREEMENTS**

Exhibit D contains the Franchise Agreement and Addendum.

Exhibit E contains the Guaranty of Franchise Agreement.

Exhibit F contains the Hotel Project Application.

Exhibit G contains the HITS Agreement.

# EXHIBIT A

## EXHIBIT A

### DOUBLETREE

**The following franchisees operated franchise hotels outside of the USA during 2015.**

#### **Bulgaria**

Helios Hotels EAD, DoubleTree by Hilton Hotel Varna - Golden Sands, Golden Sands Varna, Bulgaria 9007 52-356 108

#### **Canada**

SilverBirch No. 19 Operations Limited Partnership, DoubleTree by Hilton Hotel & Conference Centre Regina, 1975 Broad Street Regina, Canada S4P 1Y2 306-525-6767

Executive House Ltd, DoubleTree by Hilton Hotel & Suites Victoria, 777 Douglas Street Victoria, Canada V8W 2B5 250-940-3100

Kenpier Investments Ltd., DoubleTree by Hilton Hotel Gatineau - Ottawa, 1170 Aylmer Road Gatineau, Canada J9H 7L3 819-778-0000

Blue Light Hotels Ltd., DoubleTree by Hilton Hotel Kamloops, 339 St. Paul Street Kamloops, Canada V2C 2J5 250-851-0026

Chestnut Park Hotel Limited Partnership, DoubleTree by Hilton Hotel Toronto Downtown, 108 Chestnut Street Toronto, Canada M5G1R3 416-977-5000

SilverBirch No. 3 Operations Limited Partnership, DoubleTree by Hilton Hotel West Edmonton, 16615 109th Avenue North West Edmonton, Canada T5P 4K8 780-484-0821

Orsini Bros. Inns Inc., DoubleTree Fallsview Resort & Spa by Hilton - Niagara Falls, 6039 Fallsview Blvd Niagara Falls, Canada L2G 3V6 905-358-3817

Royal Host Limited Partnership, Hilton London Ontario, 300 King Street London, Canada N6B 1S2 519-439-1661

Manga Hotels (Halifax) Inc., The Hollis Halifax - a DoubleTree Suites by Hilton, 1649 Hollis Street Halifax, Canada B3J 1V8 902-429-7233

#### **Chile**

Hotelera Vitacura S.A., DoubleTree by Hilton Santiago - Vitacura, Avenida Vitacura 2727, Las Condes Santiago, Chile 2-25877000

#### **China**

Interstate Pudong Franchisee, LLC, DoubleTree by Hilton Hotel Shanghai - Pudong, 889 Yanggao Nan Road Pudong Shanghai, China 200127 21-50504888

#### **Colombia**

Fideicomiso Insignia Hotel, DoubleTree by Hilton Bogota Parque 93, Carrera 11B no. 96-59 Bogota Bogota, Colombia 1-6506900

#### **Costa Rica**

Desatur Cariari S.A., DoubleTree by Hilton Hotel Cariari San Jose - Costa Rica, San Antonio de Belen Ciudad Cariari San Jose, Costa Rica 2-239-0022

#### **Croatia**

Upravljanje Hotelima P.B. D.O.O., DoubleTree by Hilton Hotel Zagreb, Ulica Grada Vukovara 269a Zagreb, Croatia 10000 1-6001900

#### **India**

Panchshil Hotels Pvt Ltd., DoubleTree by Hilton Hotel Pune - Chinchwad, C-32, MIDC, Tata Motors Road Chinchwad Pune, India 411019 20-67313333

#### **Ireland**

Swift Row Limited, The Morrison, a DoubleTree by Hilton Hotel, Ormond Quay Lower Dublin, Ireland 1-8872400

#### **Italy**

Acaya S.p.A., DoubleTree by Hilton Acaya Golf Resort, Lecce, Strada Comunale di Acaya Km. 2 Acaya, Italy 73029 0832-861385

G&W Invest S.r.l., DoubleTree by Hilton Hotel Milan, Via Ludovico di Breme 77 Milan, Italy 20156 02-928831

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PROMA Srl, DoubleTree by Hilton Hotel Olbia - Sardinia, via Isarco 5 / 7 (Via dei Lidi) Olbia, Italy 07026 0789-5561  
D Hotels S.R.L., DoubleTree by Hilton Venice North, Via Bonfadini, 1 Mogliano Veneto, Italy 31021 041-5977001

### Luxembourg

Albergo S.a.r.l., DoubleTree by Hilton Hotel Luxembourg, 12 Rue Jean Engling Luxembourg, Luxembourg L 1466 43-781

### Mexico

Operadora de Hoteles y Restaurantes ITER, S.A. de, DoubleTree by Hilton Hotel México City Airport Area, Mexico City, Mexico 9310 55-5640-0460  
GS Consorcio Operador S.A. de C.V., DoubleTree by Hilton Hotel Queretaro, Luis Vega y Monroy 410 Queretaro, Mexico 76030 442-3683000  
Servicios Turisticos de Saltillo, SA de CV, DoubleTree Suites by Hilton Hotel Saltillo, Boulevard Venustiano Carranza 8800 Saltillo, Mexico 25208 844-438-7000

### Netherlands

Hotel Brooklyn B.V., DoubleTree by Hilton Amsterdam – NDSM Wharf, NDSM-Plein 28 Amsterdam, Netherlands 1033 WB 20-7220666

### Panama

El Carmen Investments, S.A., DoubleTree by Hilton Hotel Panama City - El Carmen, Via Espana & Ave. Federico Boyd Bella Vista Panama City, Panama 3-95-9100

### Peru

Inversiones Brade S.A., DoubleTree Resort by Hilton Hotel Paracas - Peru, Lote 30-34 Urb. Santo Domingo Ica Paracas, Peru Pisco 056-581919  
Inversiones Brade S.A., El Pardo DoubleTree by Hilton Hotel, Jr. Independencia 141 Miraflores Lima, Peru Lima 18 1-617-1000

### Poland

Polaris Hospitality Enterprises Sp.z.o.o., DoubleTree by Hilton Hotel & Conference Centre Warsaw, Skalnica Street 21 Warsaw, Poland 04-797 22-2780000  
Film Hotel Sp.z.o.o., DoubleTree by Hilton Hotel Lodz, 29 Lakowa Street Lodz, Poland 90-554 42-2088000  
Euro-Hotele Sp. z.o.o., DoubleTree by Hilton Krakow, ul. Dabska 5 Krakow, Poland 31-572 12-2014000

### Romania

Vis 7 Import Export S.R.L., DoubleTree by Hilton Hotel Bucharest - Unirii Square, 3A Str Nerva Traian St. Sector 3 Bucharest, Romania 031041 21-2006270

### Russia

Alfa LLC, DoubleTree by Hilton Ekaterinburg City Centre, Lenina Avenue 9a Ekaterinburg, Russia 620014 343-3100101  
Autoconcept Co. LLC, DoubleTree by Hilton Hotel Moscow - Marina, Bld.1,39 Leningradskoe Shosse Moscow, Russia 125212 495-2122020  
ZAO Russkaya Kompaniya Razvitiya, DoubleTree by Hilton Hotel Novosibirsk, 7/1 Kamenskaya Street Novosibirsk, Russia 630099 383-2230100  
Geraschenko Zhanna Vladimirovna, DoubleTree by Hilton Kazan City Center, 21 Chernyshevskogo street Kazan, Russia 420111 843-210 00 21

### Slovakia

Tehelne Pole A.S., DoubleTree by Hilton Hotel Bratislava, 27/A Trnavská cesta Bratislava, Slovakia 831 04 2-32340-111  
Interhouse Kosice, a.s., DoubleTree by Hilton Hotel Kosice, Hlavna 1 Kosice, Slovakia 040 01 55-3251100

### South Africa

Upper Eastside Hotel (Pty) Ltd., DoubleTree by Hilton Hotel Cape Town - Upper Eastside, 31 Brickfield Road, Woodstock Cape Town, South Africa 7935 21-4040570

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### Spain

A. Hotels, S.A., Alexandra Barcelona, a DoubleTree by Hilton Hotel, Calle Mallorca, 251 Barcelona, Spain 08008 93-4677166  
Urbano-Rural Hotelera, SL., DoubleTree by Hilton Girona, Carrer Mossen Joan Pons 1 Girona, Spain 17001 972-414600  
Management Proyecto Inmuebles, SL, DoubleTree by Hilton Hotel & Conference Center La Mola, Cami dels Plans de Can Bonvilar s/n Terrassa, Spain 08227 93-7367267  
Urbano-Rural Hotelera, SL., DoubleTree by Hilton Hotel & Spa Emporda, C/ Torroella a Palafrugell s/n Gualta, Spain 17257 972-782030  
Reserva del Higueron Servicios Hoteleros, S.L., DoubleTree by Hilton Resort & Spa Reserva del Higueron, Avenida del Higueron,48 Fuengirola, Spain 29640 95-1505101

### Tanzania

Golden Sand Services Apartments Ltd., DoubleTree by Hilton Hotel Dar es Salaam - Oyster Bay, Slipway Road Msasani Peninsular Dar es Salaam, Tanzania 22-221 0000  
Opulent (Z) Limited, DoubleTree by Hilton Hotel Zanzibar - Stone Town, 90 / 90A Shanghani Zanzibar City, Tanzania 24-2234 062  
Nungwi Village Beach Resort Ltd., DoubleTree Resort by Hilton Hotel Zanzibar - Nungwi, Nungwi Village P.O. Box 2651 Zanzibar, Tanzania 779-000 008

### Turkey

Ata Turizm Isletmecilik Tasimacilik Sanayi ve Ticaret Ltd. S, DoubleTree by Hilton Hotel Avanos - Cappadocia, Yeni Mah. Kizilirmak Cad. No:1 Avanos - Nevsehir, Turkey 50500 384-5111111  
Sonkar Turizm Otelcilik Sanayi ve Ticaret A.S., DoubleTree by Hilton Hotel Istanbul - Avcilar, Cihangir Mah. D 100 Guney Yan Yol No:289; Avcilar Istanbul, Turkey 34325 212-4564646  
Tasyapi Insaat Taahhut Sanayi ve Ticaret A.S., DoubleTree by Hilton Hotel Istanbul - Moda, Caferaga Mh Albay F Sozdener Cd 31 Kadikoy, Istanbul, Turkey 34710 216-5424344  
Erpet Turizm Insaat Taahhut Sanayi ve Ticaret A.S., DoubleTree by Hilton Hotel Istanbul - Old Town, Ordu cad. No:31 Beyazit-Istanbul, Turkey 34130 212-4535800  
Izzet Yildizhan Turizm Insaat Sanayi ve Ticaret Limited Sirk, DoubleTree by Hilton Hotel Izmir - Alsancak, Ismet Kaptan Mahallesi 1373Sk N5 Konak Izmir, Turkey 35210 232-4020202  
Goctur Turizm Yatirim ve Ticaret A.S., DoubleTree by Hilton Hotel Kusadasi, Yat Limani Mevkii Kusadasi, Turkey 09400 256-6336060  
Ofton Insaat Turizm Ve Yatirim Sanayi Ticaret A.S., DoubleTree by Hilton Istanbul - Piyalepasa, Kaptanpasa Mahallesi, Piyalepasa Bulvari 5 Istanbul, Turkey 34440 212-3114311  
Koksu Turizm Insaat Saglik ve Otelcilik Hizmetleri A.S., DoubleTree by Hilton Istanbul - Tuzla, Evliya Celebi Mah. Mustafa Kemal Cad 5,Tuzla Istanbul, Turkey 34947 216-2663370

### United Kingdom

BPH Hoole Chester Limited and Hoole Hall Country Club Limite, DoubleTree by Hilton Hotel & Spa Chester, Warrington Road Hoole Chester, United Kingdom CH2 3PD 1244-408800  
Dale Street Hotel Limited, DoubleTree by Hilton Hotel & Spa Liverpool, 6 Sir Thomas Street Liverpool, United Kingdom L1 6BR 0151-5561222  
Arena Coventry Limited, DoubleTree by Hilton Hotel at the Ricoh Arena - Coventry, Phoenix Way Coventry, United Kingdom CV6 6GE 0844-8736500  
Focus Hotels Management (Bristol) Limited, DoubleTree by Hilton Hotel Bristol City Centre, Redcliffe Way Bristol, United Kingdom BS1 6NJ 117-9260041  
Cadbury House Hotel and Country Club Limited, DoubleTree by Hilton Hotel Bristol South - Cadbury House, Frost Hill, Congresbury Bristol, United Kingdom BS49 5AD 1934-834343  
BDL Select Operations Limited, DoubleTree by Hilton Hotel Dundee, Kingsway West Dundee, United Kingdom DD2 5JT 1382-641122  
Redefine Hotel Management Limited, DoubleTree by Hilton Hotel Edinburgh City Centre, 34 Bread Street Edinburgh, United Kingdom EH3 9AF 131-2215555  
BPH Acquisition 1 Leeds Limited, DoubleTree by Hilton Hotel Leeds City Centre, Granary Wharf, 2 Wharf Approach Leeds, United Kingdom LS1 4BR 113-241 1000  
Brayford Hotel Lincoln Ltd., DoubleTree by Hilton Hotel Lincoln, On Brayford Wharf North Lincoln, United Kingdom LN1 1YW 1522-565180  
Jurys Hotel Management (UK) Limited, DoubleTree by Hilton Hotel London - Chelsea, Imperial Road Imperial Wharf London, United Kingdom SW6 2GA 20-7411 2200  
Dorset London West Limited, DoubleTree by Hilton Hotel London - Ealing, 2-8 Hanger Lane Ealing, United Kingdom W5 3HN 208-8968400  
Maya Hyde Park Limited, DoubleTree by Hilton Hotel London - Hyde Park, 150 Bayswater Road London, United Kingdom W2 4RT 207-2291212  
Jurys Hotel Group (UK) Limited, DoubleTree by Hilton Hotel London - Islington, 60 Pentonville Road London, United Kingdom N1 9LA 20-7282 5500  
Rathern Limited, DoubleTree by Hilton Hotel London - Marble Arch, 4 Bryanston Street Marble Arch London, United Kingdom W1H 7BY 20-79352361  
London Victoria Hotel No.2 Limited, DoubleTree by Hilton Hotel London - Victoria, 2 Bridge Place London, United Kingdom SW1V 1QA 207-8348123

## EXHIBIT A

Southampton Row Hotel LLP, DoubleTree by Hilton Hotel London - West End, 92 Southampton Row London, United Kingdom WC1B 4BH 0207-2422828  
Focus Hotels Management (Heathrow) Limited, DoubleTree by Hilton Hotel London Heathrow Airport, 745 Bath Road Cranford, United Kingdom TW5 9QE 20-8564 4450  
BPH Acquisition 1 Manchester Limited, DoubleTree by Hilton Hotel Manchester - Piccadilly, One Piccadilly Place, 1 Auburn St. Manchester, United Kingdom M1 3DG 161-2421000  
Hotel MK Limited, DoubleTree by Hilton Hotel Milton Keynes, Stadium Way West Milton Keynes, United Kingdom MK1 1ST 845-4545045  
Minhoco 24 Limited, DoubleTree by Hilton Hotel Newcastle International Airport, Woolsington Newcastle, United Kingdom NE13 8BZ 1661-824266  
Sheffield Park Hotel Limited, DoubleTree by Hilton Hotel Sheffield Park, Chesterfield Road South Sheffield, United Kingdom S8 8BW 114-2829988  
London Kensington Hotel Limited, DoubleTree by Hilton London - Kensington, 100 Queen's Gate London, United Kingdom SW7 5AG 207-373 7878  
Exceptional Hotels and Resorts (UK) Ltd., DoubleTree by Hilton Nottingham-Gateway, Nuthall Road Nottingham, United Kingdom NG8 6AZ 115-9794949  
Millcroft Management Limited, DoubleTree by Hilton Woking, Victoria Way Woking, United Kingdom GU21 8EW 1483-221000

### United States

#### ALABAMA

Enterprise Lodging of Huntsville, LLC, Huntsville-South, AL, 6000 Memorial Parkway SW Huntsville, AL 35802 256-882-9400  
Columbia Properties Alabama, LLC, Birmingham, AL, 808 South 20th Street Birmingham, AL 35205 205-933-9000  
Decatur Hotel Company, Decatur, AL, 1101 6th Avenue NE Decatur, AL 35601 256-355-3150  
Montgomery Downtown Hotels, LLC, Montgomery, AL, 120 Madison Avenue Montgomery, AL 36104 334-245-2320

#### ARIZONA

FOLSOM HOTEL CORP., Phoenix, AZ, 320 North 44th St. Phoenix, AZ 85008-7698 602-225-0500  
Tucson Suites, LLC, Tucson Airport, AZ, 7051 South Tucson Blvd. Tucson, AZ 85756 520-225-0800  
HSL EBS Properties LLC, Tucson-Williams Center, AZ, 5335 East Broadway Tucson, AZ 85711 520-745-2700  
Woodlands Plaza Hotel Limited Partnership, Flagstaff, AZ, 1175 West Route 66 Flagstaff, AZ 86001 928-773-8888  
San Tan Center, LLC, Phoenix - Gilbert, AZ, 1800 South SanTan Village Parkway Gilbert, AZ 85295 480-809-4100  
CGD Tempe, LP, Phoenix-Tempe, AZ, 2100 South Priest Drive Tempe, AZ 85282 480-967-1441  
Procaccianti AZ, L.P., Scottsdale/Paradise Valley, AZ, 5401 N. Scottsdale Rd. Scottsdale, AZ 85250-7090 480-947-5400  
WBCMT 2007-C31 South Alvernon Way LLC, Tucson-at Reid Park, AZ, 445 S. Alvernon Way Tucson, AZ 85711-4198 520-881-4200

#### ARKANSAS

Vision Hospitality, LLC, Springdale, AR, 4677 West Sunset Avenue Springdale, AR 72762 479-751-7200  
VIDHATA, L.L.C., Bentonville, AR, 301 SE Walton Blvd. Bentonville, AR 72712 479-845-7770  
FAC-W Markham, LLC, Little Rock, AR, 424 West Markham St. Little Rock, AR 72201 501-372-4371

#### CALIFORNIA

JHC INVESTMENT, INC., Orange County Airport, CA, 7 Hutton Centre Dr. Santa Ana, CA 92707-5794 714-751-2400  
Orangewood, LLC, Anaheim Resort/Convention Ctr, CA, 2085 South Harbor Blvd. Anaheim, CA 92802 714-750-3000  
ERGS AIM Hotel Realty, L.L.C., Doheny Beach, CA, 34402 Pacific Coast Highway Dana Point, CA 92629 949-661-1100  
PCA I, LP, Santa Monica, CA, 1707 Fourth Street Santa Monica, CA 90401-3310 310-395-3332  
Gringteam Inc, Bakersfield, CA, 3100 Camino Del Rio Court Bakersfield, CA 93308 661-323-7111  
200 Marina Boulevard, Berkeley, LLC, Berkeley Marina, CA, 200 Marina Blvd. Berkeley, CA 94710 510-548-7920  
Carson Hotel, LLC, Carson, CA, 2 Civic Plaza Carson, CA 90745 310-830-9200  
Claremont Star, L.P., Claremont, CA, 555 W. Foothill Blvd. Claremont, CA 91711 909-626-2411  
Uniwell Fresno Hotel, LLC, Fresno Convention Center, CA, 2233 Ventura Street Fresno, CA 93721 559-268-1000

## EXHIBIT A

T Alliance One - Palm Springs, LLC, Golf Resort Palm Springs, CA, 67967 Vista Chino Cathedral City, CA 92234 760-322-7000  
Queensbay Hotel, LLC, Hotel Maya, a Doubletree Hotel, Long Bea, 700 Queensway Drive Long Beach, CA 90802 562-435-7676  
Arris-CWG MDR Operator, LLC, Hotel MDR, Marina del Rey, CA, 13480 Maxella Avenue Marina del Rey, CA 90292 310-822-8555  
Spectrum Hotel Group, LLC, Irvine-Spectrum, CA, 90 Pacifica Irvine, CA 92618 949-471-8888  
El Segundo - AREP III Associates, LLC, LAX/El Segundo, CA, 1985 East Grand Ave. El Segundo, CA 90245-5015 310-322-0999  
Good Hotel Management Group LLC, Livermore, CA, 720 Las Flores Rd Livermore, CA 94551 925-443-4950  
120 South Los Angeles Street Hotel Operator LLC, Los Angeles Downtown, CA, 120 South Los Angeles Street Los Angeles, CA 90012 213-629-1200  
Urban Commons Sycamore, LLC, Los Angeles Norwalk, CA, 13111 Sycamore Drive Norwalk, CA 90650 562-863-5555  
CRP Centinela, L.P., Los Angeles Westside, CA, 6161 West Centinela Avenue Culver City, CA 90230-6306 310-649-1776  
TPG LA Commerce, LLC, Los Angeles/Commerce, CA, 5757 Telegraph Road Commerce, CA 90040 323-887-8100  
Sunshine Inn Limited Partnership, Los Angeles/Rosemead, CA, 888 Montebello Blvd. Rosemead, CA 91770 323-722-8800  
Modesto Hospitality, LLC, Modesto, CA, 1150 Ninth Street Modesto, CA 95354 209-526-6000  
Meile Investment LLC, Monrovia-Pasadena Area, CA, 924 West Huntington Drive Monrovia, CA 91016 626-357-1900  
Butterfly Effect Hotels, LLC, Napa Valley/American Canyon Hotel & Spa,, 3600 Broadway Street American Canyon, CA 94503 707-674-2100  
S.M. Broadway Corporation, Newark/Fremont, CA, 39900 Balentine Drive Newark, CA 94560-0564 510-490-8390  
Johnson Hotel Company, Inc, Pleasanton-at the Club, CA, 7050 Johnson Drive Pleasanton, CA 94588-3396 925-463-8000  
WMK Sacramento, LLC, Sacramento, CA, 2001 Point West Way Sacramento, CA 95815 916-929-8855  
NK Investment, LP, San Bernardino, CA, 285 East Hospitality Lane San Bernardino, CA 92408-3411 909-889-0133  
Harbor View Hotel Ventures, LLC, San Diego Downtown, CA, 1646 Front Street San Diego, CA 92101 619-239-6800  
San Diego Hotel Circle Owner, LLC, San Diego, CA, 1515 Hotel Circle South San Diego, CA 92108 619-881-6900  
SD Carmel Hotel Partners LLC, San Diego-Golf Resort, CA, 14455 Penasquitos Dr. San Diego, CA 92129-1603 858-672-9100  
SWVP Del Mar Hotel LLC, San Diego/Del Mar, CA, 11915 El Camino Real San Diego, CA 92130-2539 858-481-5900  
Summit Hotel TRS 114, LLC, San Francisco Airport North, CA, 5000 Sierra Point Parkway Brisbane, CA 94005 415-467-4400  
LA Sky Harbor LLC, San Pedro, CA, 2800 Via Cabrillo Marina San Pedro, CA 90731 310-514-3344  
Imperial Hotel Group, LLC, Santa Ana/Orange County Airport, CA, 201 East MacArthur Blvd Santa Ana, CA 92707 714-825-3333  
CTC Group, Inc, Torrance/South Bay, CA, 21333 Hawthorne Boulevard Torrance, CA 90503 310-540-0500

### COLORADO

Vail Summit Resorts, Inc., Breckenridge, CO, 550 Village Road P.O. Box 8059 Breckenridge, CO 80424 970-547-5550  
DHCS Associates LLC, Colorado Springs, CO, 1775 East Cheyenne Mountain Blvd. Colorado Springs, CO 80906 719-576-8900  
HC Denver LLC, Denver - Westminster, CO, 8773 Yates Drive Westminster, CO 80031-3680 303-427-4000  
Orchard Lodging, LLC, Denver Tech, CO, 7801 East Orchard Rd Greenwood Village, CO 80111-2508 303-779-6161  
Aurora Hotel OpCo LLC, Denver-Aurora, CO, 13696 East Iliff Place Aurora, CO 80014-1319 303-337-2800  
Stone Castle Corporation, Denver-Thornton, CO, 83 East 120th Avenue Thornton, CO 80233 303-920-8000  
Grand Conjunction LLC, Grand Junction, CO, 743 Horizon Dr Grand Junction, CO 81506-3906 970-241-8888  
TCH Property LLC, The Curtis Hotel, Denver, CO, 1405 Curtis Street Denver, CO 80202 303-571-0300

### CONNECTICUT

AFP 100 Corp., Bradley-International Airport, CT, 16 Ella T. Grasso Turnpike Windsor Locks, CT 06096-0020 860-627-5171  
Bristol Hotel, LLC, Bristol, CT, 42 Century Drive Bristol, CT 06010 860-589-7766  
CT Hotel Partners, L.P., Norwalk, CT, 789 Connecticut Avenue Norwalk, CT 06854 203-853-3477

### DELAWARE

## EXHIBIT A

700 North King Street Wilmington, LLC, Downtown Wilmington - Legal District, DE, 700 N. King Street Wilmington, DE 19801 302-655-0400  
Wilmington Hotel Operating Group, Inc., Wilmington, DE, 4727 Concord Pike Wilmington, DE 19803 302-478-6000

### FLORIDA

DW MLB D LLC, Melbourne Beach Oceanfront, FL, 1665 N. StateRoute A1A Melbourne, FL 32903 321-723-4222  
Guest Services Company of Virginia, LLC, Naples, FL, 12200 Tamiami Trail North Naples, FL 34110 239-593-8733  
Tampa Falcon Hotel, LLC, Tampa Bay, FL, 3050 N. Rocky Point Dr. West Tampa, FL 33607-5800 813-888-8800  
X Fund Properties LLC, At The Entrance to Universal Orlando, FL, 5780 Major Blvd. Orlando, FL 32819 407-351-1000  
P.H. Hotel, Inc., Biscayne Bay, FL, 1717 North Bayshore Drive Miami, FL 33132-1180 305-372-0313  
Pandey Hotel Cocoa Beach LLC, Cocoa Beach-Oceanfront, FL, 2080 North Atlantic Avenue Cocoa Beach, FL 32931 321-783-9222  
Garrison Deerfield OpCo LLC, Deerfield Beach - Boca Raton, FL, 100 Fairway Drive Deerfield Beach, FL 33441-1856 954-427-7700  
RLJ DBT Key West Lessee, LLC, Grand Key Resort - Key West, FL, 3990 S. Roosevelt Blvd Key West, FL 33040 305-293-1818  
JAX Airport Hotel, LLC, Jacksonville Airport, FL, 2101 Dixie Clipper Drive Jacksonville, FL 32218 904-741-1997  
SOHO Jacksonville TRS LLC, Jacksonville Riverfront, FL, 1201 Riverplace Boulevard Jacksonville, FL 32207 904-398-8800  
AFP 103 Corp., Miami Airport Convention Center, FL, 711 N.W. 72nd Avenue Miami, FL 33126 305-261-3800  
Kelco/FB Ocean Point, LLC, Ocean Pt Rst & Spa-Miami Bch, FL, 17375 Collins Avenue North Miami Beach, FL 33160 786-528-2500  
Columbia Properties Orlando, LLC, Orlando Airport, FL, 5555 Hazeltine National Drive Orlando, FL 32812 407-856-0100  
AWH Orlando Property, LLC, Orlando at SeaWorld, FL, 10100 International Drive Orlando, FL 32821 407-352-1100  
Alena Hospitality UCF, LLC, Orlando East - UCF Area, FL, 12125 High Tech Avenue Orlando, FL 32817 407-275-9000  
RSLLC-Orlando Downtown Hotel, LLC, Orlando-Downtown, FL, 60 South Ivanhoe Boulevard Orlando, FL 32804 407-425-4455  
BACM 2006-2 Hotel At Palm Beach Gardens, LLC, Palm Beach Gardens Hotel & Exec Mtg Ctr., 4431 PGA Boulevard Palm Beach Gardens, FL 33410 561-622-2260  
116 San Marco, LLC, St. Augustine Historic District, FL, 116 San Marco Avenue St Augustine, FL 32084 904-825-1923  
SWVP Sawgrass Mills LLC, Sunrise - Sawgrass Mills, FL, 13400 West Sunrise Boulevard Sunrise, FL 33323 954-851-1020  
IB Tallahassee, LLC, Tallahassee, FL, 101 South Adams Street Tallahassee, FL 32301-7774 850-224-5000  
North Redington Beach Associates, Ltd, Tampa Bay-North Redington Beach, FL, 17120 Gulf Boulevard North Redington Beach, FL 33708-1443 727-391-4000  
BRE Imagination Hotel Owner LLC, Tampa-Airport Westshore, FL, 4500 West Cypress Street Tampa, FL 33607 813-879-4800  
BB Hotel Owner JV, LLC, Waterstone Resort & Marina Boca Raton, F, 999 East Camino Real Boca Raton, FL 33432 561-368-9500  
Hotel West Palm Beach Opco, L.L.C., West Palm Beach Airport, FL, 1808 S. Australian Avenue West Palm Beach, FL 33409 561-689-6888

### GEORGIA

Encore Corpus I ATL Hotel, LLC & Encore Burseson ATL Hotel,, Atlanta-Galleria, GA, 2780 Windy Ridge Parkway Atlanta, GA 30339 770-980-1900  
Atlanta Airport, LLC, Atlanta Airport, GA, 3400 Norman Berry Drive Atlanta, GA 30344 404-763-1600  
Legacy AMH-B, LLC, Atlanta Downtown, GA, 160 Spring Street NW Atlanta, GA 30303 404-688-8600  
Legacy LaVista, LLC, Atlanta NE/Northlake, GA, 4156 LaVista Road Atlanta, GA 30084 770-938-1026  
2014 SE Lessee 4 - NDH, LLC, Atlanta North Druid Hills/Emory Area, GA, 2061 N. Druid Hills Rd NE Atlanta, GA 30329 404-321-4174  
HI TRS, LLC, Atlanta-Buckhead, GA, 3342 Peachtree Road, NE Atlanta, GA 30326 404-231-1234  
NPH Hotels, LLC, Atlanta/Alpharetta-Windward, GA, 2925 Jordan Court Alpharetta, GA 30004 678-347-0022  
EZ 69/RH Windy Hill, LLC, Atlanta/Marietta, GA, 2055 South Park Place Atlanta, GA 30339-2014 770-272-9441  
NHH CMS Roswell, L.P., Atlanta/Roswell-Alpharetta Area, GA, 1075 Holcomb Bridge Road Roswell, GA 30076 770-992-9600  
GJM Hospitality, Inc, Augusta, GA, 2651 Perimeter Parkway Augusta, GA 30909 706-855-8100  
Four J S Family LLLP, Columbus, GA, 5351 Sidney Simons Blvd Columbus, GA 31904 706-327-6868  
Flotel II, Inc., Historic Savannah, GA, 411 West Bay Street Savannah, GA 31401 912-790-7000  
Pooler Financing, LLC, Savannah Airport, GA, 50 Yvette J. Hagins Drive Savannah, GA 31408 912-965-9595



## EXHIBIT A

### ILLINOIS

US Downers Grove, LLC, Chicago-Downers Grove, IL, 2111 Butterfield Rd. Downers Grove, IL 60515 630-971-2000  
Snyder Brickyard Hotel, LLC, Bloomington, IL, 10 Brickyard Drive Bloomington, IL 61701 309-664-6446  
Alsip Hospitality of Delaware, LLC, Chicago - Alsip, IL, 5000 West 127th Street Alsip, IL 60803 708-371-7300  
Arlington Heights, LLC, Chicago - Arlington Heights, IL, 75 W. Algonquin Road Arlington Heights, IL 60005 847-364-7600  
CCC Hotel, LLC, Chicago - Magnificent Mile, IL, 300 E. Ohio Street Chicago, IL 60611 312-787-6100  
WPS Wood Dale, LLC, Chicago Wood Dale-Elk Grove, IL, 1200 N. Mittel Blvd Wood Dale, IL 60191 630-860-2900  
Waterton Skokie Hotel Property Company, L.L.C., Chicago-North Shore Hotel & Conf Ctr, IL, 9599 Skokie Boulevard Skokie, IL 60077-1314 847-679-7000  
PD Rosemont Associates 2, LLC, Chicago-O'Hare Airport-Rosemont, IL, 5460 North River Road Rosemont, IL 60018 847-292-9100  
WPS Schaumburg, LLC, Chicago-Schaumburg, IL, 800 National Parkway Schaumburg, IL 60173 847-605-9222  
PHF Oak Brook LLC, Chicago/Oak Brook, IL, 1909 Spring Road Oak Brook, IL 60523 630-472-6000  
ECD-Great Street DE, LLC, Chicago/theWit - a Doubletree Hotel, IL, 201 N. State Street Chicago, IL 60601 312-467-0200  
COLHOT, LLC, Collinsville/St. Louis, IL, 1000 Eastport Plaza Drive Collinsville, IL 62234 618-345-2800  
Williamsburg Hotel Corporation, Libertyville-Mundelein, IL, 510 East IL Route 83 Mundelein, IL 60060 847-949-5100

### INDIANA

CREFII Waramaug Carmel Lessee LLC, Indianapolis-Carmel, IN, 11355 North Meridian Street Carmel, IN 46032-4540 317-844-7994  
Indiana Gaming Company, LLC, Lawrenceburg, IN, 51 Walnut Street Lawrenceburg, IN 47025 812-539-8888  
Jenna Hotel Investments, LLC, South Bend, IN, 123 North St. Joseph Street South Bend, IN 46601 574-234-2000

### IOWA

City of Cedar Rapids, Cedar Rapids Convention Complex, IA, 350 First Avenue NE Cedar Rapids, IA 52401 319-731-4444  
HOA Hotels LLC, Des Moines/Airport, IA, 6800 Fleur Drive Des Moines, IA 50321 515-285-7777

### KANSAS

2015 Wichita Investment LLC, Wichita Airport, KS, 2098 Airport Road Wichita, KS 67209-1941 316-945-5272

### KENTUCKY

RBHV Lexington, LLC, Lexington, KY, 2601 Richmond Road Lexington, KY 40509 859-268-0060  
Columbia Properties Hebron, LLC, Cincinnati Airport, KY, 2826 Terminal Drive Hebron, KY 41048 859-371-6166

### LOUISIANA

ARC Hospitality SWN TRS, LLC, Baton Rouge, LA, 4964 Constitution Avenue Baton Rouge, LA 70808 225-925-1005  
Lafayette Hotel OpCo, LLC, Lafayette, LA, 1521 West Pinhook Road Lafayette, LA 70503-3158 337-235-6111  
IC-New Orleans, LLC, New Orleans Airport, LA, 2150 Veterans Memorial Boulevard Kenner, LA 70062 504-467-3111

### MAINE

VanEastland, LLC, Portland, ME, 363 Maine Mall Road Portland, ME 04106 207-775 6161

### MARYLAND

AWH-BP Annapolis Hotel, LLC, Annapolis, MD, 210 Holiday Court Annapolis, MD 21401 410-224-3150  
PMD I, LLC, Baltimore - BWI Airport, MD, 890 Elkridge Landing Road Linthicum, MD 21090 410-859-8400

## EXHIBIT A

Pikesville Hotel Limited Partnership, Baltimore North/Pikesville, MD, 1726 Reisterstown Road Pikesville, MD 21208 410-653-1100  
Tar Heel Lessee LLC, Bethesda, MD, 8120 Wisconsin Ave. Bethesda, MD 20814-3624 301-652-2000  
RLJ III - DBT Columbia Lessee, LLC, Columbia, MD, 5485 Twin Knolls Road Columbia, MD 21045-3247 410-997-1060  
RWN-Colonnade Hotel LLC, Inn at the Colonnade Baltimore, MD, 4 West University Parkway Baltimore, MD 21218-2306 410-235-5400  
Largo Hotel LLC, Largo-Washington DC, MD, 9100 Basil Court Largo, MD 20774 301-773-0700  
MHI Hospitality TRS, LLC, Laurel, MD, 15101 Sweitzer Lane Laurel, MD 20707 301-776-5300

### MASSACHUSETTS

Beau Geste XXV, LLC, Boston, MA, 400 Soldiers Field Road Boston, MA 02134-1893 617-783-0090  
LVP CP Boston Holding Corp., Boston North Shore, MA, 50 Ferncroft Road Danvers, MA 01923 978-777-2500  
L-O Bedford Operating LLC, Boston/Bedford Glen, MA, 44 Middlesex Turnpike Bedford, MA 01730 781-275-5500  
Milford TBL Operating Group, Inc., Boston/Milford, MA, 11 Beaver Street Milford, MA 01757 508-478-7010  
WCP Computer Drive, L.L.C., Boston/Westborough, MA, 5400 Computer Drive Westborough, MA 01581 508-366-5511  
Ridgewood Avenue, LLC, Cape Cod - Hyannis, MA, 287 Iyannough Road Hyannis, MA 02601 508-771-1700  
99 Erdman Way Holdings, LLC, Leominster, MA, 99 Erdman Way Leominster, MA 01453 978-534-9000

### MICHIGAN

Fort Shelby Hotel Master Tenant, LLC, Detroit Downtown-Fort Shelby, MI, 525 West Lafayette Blvd Detroit, MI 48226 313-963-5600  
Hotel Investment Services, Inc., Bay City-Riverfront, MI, One Wenonah Park Place Bay City, MI 48708 989-891 6000  
WPS Novi, LLC, Detroit - Novi, MI, 42100 Crescent Blvd Novi, MI 48375 248-344-8800  
Dearborn Operations, LLC, Detroit/Dearborn, MI, 5801 Southfield Expressway Detroit, MI 48228 313-336-3340  
Largo SPE, LLC, Grand Rapids-Airport, MI, 4747 28th Street SE Grand Rapids, MI 49512-1915 616-957-0100  
HSS Holland Hotel, L.L.C., Holland, MI, 650 East 24th Street Holland, MI 49423 616-394-0111  
JB Real Estate Development, LLC, Port Huron, MI, 800 Harker St Port Huron, MI 48060 810-984-8000

### MINNESOTA

MDT Tenant, LLC, Minneapolis, MN, 1101 LaSalle Avenue Minneapolis, MN 55403 612-332-6800  
Edgewater Group, Bemidji, MN, 115 Lakeshore Drive Bemidji, MN 56601 218-441-4400  
Bloomington Hotel Investors, LLC, Bloomington - Minneapolis South, MN, 7800 Normandale Boulevard Minneapolis, MN 55439 952-835-7800  
MLCV STLP, LLC, Minneapolis-Park Place, MN, 1500 Park Place Blvd. Minneapolis, MN 55416 952-542-8600  
BGD5 Hotel, LLC, Rochester-Mayo Clinic Area, MN, 150 South Broadway Rochester, MN 55904 507-281 8000  
411 Minnesota Street, LLC, St. Paul Downtown, MN, 411 Minnesota Street Saint Paul, MN 55101 651-291-8800

### MISSOURI

Broadway Lodging LLC, Columbia - The Broadway, MO, 1111 East Broadway Columbia, MO 65201 573-875-7000  
Vinca Enterprises, Inc., Jefferson City, MO, 422 Monroe Street Jefferson City, MO 65101 573-636-5101  
O'Reilly Hospitality, LLC, Springfield, MO, 2431 N. Glenstone Avenue Springfield, MO 65803 417-831-3131  
WPHI, LLC, St. Louis - Westport, MO, 1973 Craigshire Road Saint Louis, MO 63146 314-434-0100  
USH Master Tenant LLC, St. Louis Union Station Hotel, MO, 1820 Market St. St Louis, MO 63103 314-231-1234  
DCH, LLC, St. Louis-Hotel & Conf. Ctr., MO, 16625 Swingley Ridge Road Chesterfield, MO 63017 636-532-5000

## EXHIBIT A

### NEBRASKA

WMK Omaha, LLC, Omaha Downtown Exec Meeting Center, 1616 Dodge Street Omaha, NE 68102 402-346-7600  
72nd Street Hospitality, LLC, Omaha Southwest, NE, 3650 S. 72nd Street Omaha, NE 68124 402-905-9414

### NEVADA

Tropicana Las Vegas, Inc., Las Vegas-The New Tropicana, NV, 3801 Las Vegas Blvd South Las Vegas, NV 89109 702-739-2222

### NEW JERSEY

Davis Hotel Associates, LLC, Mt. Laurel, NJ, 515 Fellowship Road North Mount Laurel, NJ 08054-3404 856-778-8999  
C & K Holding Company, Inc., Fort Lee/George Washington Bridge, NJ, 2117 Route 4 Eastbound Fort Lee, NJ 07024 201-461-9000  
Mahwah Ventures, LP, Mahwah, NJ, 180 Route 17 South Mahwah, NJ 07430 201-529-5880  
ARL Newark Management LLC, Newark Airport, NJ, 128 Frontage Road Newark, NJ 07114 973-690-5500  
Princeton Hospitality, LLC, Princeton, NJ, 4355 US Route 1 Princeton, NJ 08540 609-452-2400  
DTS 287, LLC, Somerset, NJ, 200 Atrium Drive Somerset, NJ 08873-4197 732-469-2600  
Tinton Falls Lodging Realty LLC, Tinton Falls-Eatontown, NJ, 700 Hope Road Eatontown, NJ 07724 732-544-9300

### NEW MEXICO

ABQ Hotel Ventures, LLC, Albuquerque, NM, 201 Marquette Avenue Northwest Albuquerque, NM 87102-2248 505-247-3344  
Karson Hotel Investments, LLC, Santa Fe, NM, 4048 Cerrillos Road Santa Fe, NM 87507 505-473-4646

### NEW YORK

Med Inn Centers of America, LLC, Buffalo Downtown, NY, 125 High Street Buffalo, NY 14203 716-845-0112  
Times Square Hotel Operating Lessee, LLC, New York City-Times Square, NY, 1568 Broadway New York, NY 10036-8201 212-719-1600  
BHCC II, LLC, Binghamton, NY, 225 Water Street Binghamton, NY 13901 607-722-7575  
Golden Triangle Associates, LLC, Buffalo/Amherst, NY, 10 Flint Road Amherst, NY 14226 716-689-4414  
Palisades Lodging Corp., Nanuet, NY, 425 State Route 59 Nanuet, NY 10954 845-623-6000  
Brisam West 29 LLC, New York City - Chelsea, NY, 128 West 29th Street New York, NY 10001 212-564-0994  
AL-Stone Operating LLC, New York City - Financial District, NY, 8 Stone Street New York, NY 10004 212-480-9100  
RLJ III - DBT Metropolitan Manhattan Lessee, LLC, New York City-Metropolitan Hotel, NY, 569 Lexington Avenue New York, NY 10022 212-752-7000  
CM-36 Operator, LLC, New York-Times Square South, NY, 341 West 36th Street New York, NY 10018 212-542-8990  
550 East Ave LLC, Rochester - The Strathallan, NY, 550 East Avenue Rochester, NY 14607-2077 585-461-5010  
AFP 108 Corp., Rochester, NY, 1111 Jefferson Road Rochester, NY 14623 585-475-1510  
GNS Schenectady Hotel, LLC, Schenectady, NY, 100 Nott Terrace Schenectady, NY 12308 518-393-4141  
MCCK Syracuse Hotel LLC, Syracuse, NY, 6301 State Route 298 East Syracuse, NY 13057 315-432-0200  
455 Hospitality LLC, Tarrytown, NY, 455 South Broadway Tarrytown, NY 10591 914-631-5700

### NORTH CAROLINA

SWVP Charlotte LLC, Charlotte-Southpark, NC, 6300 Morrison Boulevard Charlotte, NC 28211 704-364 2400  
Durham Falcon Hotel, LLC, Raleigh/Durham, NC, 2515 Meridian Parkway Durham, NC 27713-5221 919-361-4660  
Atlantic Newport Hospitality LLC, Atlantic Beach Oceanfront, NC, 2717 West Fort Macon Road Atlantic Beach, NC 28512 252-240-1155  
BFHG II, LLC, Biltmore Hotel-Asheville, NC, 115 Hendersonville Road Asheville, NC 28803 828-274-1800  
GTA Charlotte LLC, Charlotte Airport, NC, 2600 Yorkmont Road Charlotte, NC 28208 704-357-9100  
Johnson & Wales University, Charlotte-Gateway Village, NC, 895 W. Trade Street Charlotte, NC 28202-1122 704-347-0070

## EXHIBIT A

FHCC 1965 Cedar Creek Road, LLC, Fayetteville, NC, 1965 Cedar Creek Road Fayetteville, NC 28312 910-323-8282  
Hospitality Associates of Greensboro, LP, Greensboro, NC, 3030 West Gate City Blvd Greensboro, NC 27403 336-292-4004  
RPG Hospitality, LLC, New Bern Riverfront, NC, 100 Middle Street New Bern, NC 28560 252-638 3585  
Sotherly Hotels, Raleigh - Brownstone - University, NC, 1707 Hillsborough Street Raleigh, NC 27605 919-828-0811  
SWVP Raleigh LLC, Raleigh Durham Airport at Research Trian, 4810 Page Creek Lane Durham, NC 27703 919-941-6000  
Parks Investment I, LLC, Raleigh/Cary, NC, 500 Caitboo Avenue Cary, NC 27518 919-239-4777  
RB/WH Rocky Mount DB LLC, Rocky Mount, NC, 651 N. Winstead Avenue Rocky Mount, NC 27804 252-937-6888  
Salem Hotel Group, LLC, Winston Salem - University, NC, 5790 University Parkway Winston Salem, NC 27105 336-767-9595

### OHIO

6300 Sharonville Associates, LLC, Cincinnati Blue Ash, OH, 6300 E. Kemper Road Sharonville, OH 45241-2364 513-489-3636  
50 South Front, LLC, Columbus, OH, 50 S Front St Columbus, OH 43215-4145 614-228-4600  
Cloverleaf Investments, Inc., Dayton - Miamisburg, OH, 300 Prestige Place Miamisburg, OH 45342-5300 937-436-2400  
PAC Associates, Inc., Akron/Fairlawn, OH, 3150 West Market Street Akron, OH 44333 330-869-9000  
Cleveland Airport Hospitality II LLC, Cleveland - Westlake, OH, 1100 Crocker Road Westlake, OH 44145 440-871-6000  
Cami Hotel Investments II, LLC, Cleveland Downtown - Lakeside, OH, 1111 Lakeside Avenue Cleveland, OH 44114 216-241-5100  
Cleveland South Hospitality, LLC, Cleveland-Independence, OH, 6200 Quarry Lane Independence, OH 44131-2218 216-447-1300  
Cleveland Beachwood Hospitality, LLC, Cleveland/Beachwood, OH, 3663 Park East Drive Beachwood, OH 44122 216-464-5950  
Columbus Worthington II LLC, Columbus/Worthington, OH, 175 Hutchinson Avenue Columbus, OH 43235 614-885-3334  
Newark Metropolitan Management, LLC, Newark, OH, 50 N 2nd Street Newark, OH 43055 740-322-6455  
Tudor Arms Master Subtenant LLC, The Tudor Arms Hotel-Cleveland, OH, 10660 Carnegie Avenue Cleveland, OH 44106 216-455-1260

### OKLAHOMA

Suenos, LLC, Oklahoma City Airport, OK, 4410 SW 19th Street Oklahoma City, OK 73108 405-688-3300  
IPROCTULSA, LLC, Tulsa at Warren Place, OK, 6110 S. Yale Avenue Tulsa, OK 74136-1904 918-495-1000

### OREGON

PIH Beaverton, LLC, Beaverton, OR, 15402 NW Cornell Road Beaverton, OR 97006 503-614-8100  
PIH Bend, LLC, Bend, OR, 300 NW Franklin Avenue Bend, OR 97701 541-317-9292  
PIH Tigard, LLC, Portland - Tigard, OR, 9575 SW Locust Street Tigard, OR 97223 503-6249000  
WMK Portland, LLC, Portland, OR, 1000 NE Multnomah Street Portland, OR 97232 503-281-6111  
PIH Salem, LLC, Salem, OR, 1590 Weston Court NE Salem, OR 97301 503-581-7004

### PENNSYLVANIA

AREP I PM Hotel Owner, LP, Philadelphia West, PA, 640 Fountain Road Plymouth Meeting, PA 19462-1003 610-834-8300  
Willow Valley Associates, Inc., Lancaster, PA, 2400 Willow Street Pike Lancaster, PA 17602 717-464-2711  
TNHYIF REIV Uniform, LLC, Philadelphia - Valley Forge, PA, 301 West DeKalb Pike King of Prussia, PA 19406 610-337-1200  
MHI Hospitality TRS, LLC, Philadelphia-Airport, PA, 4509 Island Avenue Philadelphia, PA 19153 215-365-4150  
Elmpros Hotel LLC, Pittsburgh - Cranberry, PA, 910 Sheraton Drive Mars, PA 16046 724-776-6900  
Pitt WCP Hotel, L.L.C., Pittsburgh Airport, PA, 8402 University Blvd Moon Township, PA 15108 412-329-1400  
Bigelow Square LLC, Pittsburgh-Downtown, PA, One Bigelow Square Pittsburgh, PA 15219 412-281-5800  
PIT Hotel Partners, LLC, Pittsburgh-Green Tree, PA, 500 Mansfield Avenue Pittsburgh, PA 15205 412-922-8400  
MM Hotel, L.P., Pittsburgh/Monroeville Convention Center, 101 Mall Blvd. Monroeville, PA 15146 412-373-7300

## EXHIBIT A

READING HOSPITALITY, LLC, Reading, PA, 701 Penn Street Reading, PA 19601 610-375-8000  
IC-Pittsburgh, LLC, Washington-Meadow Lands, PA, 340 Racetrack Road Washington, PA 15301 724-222-6200

### SOUTH CAROLINA

RB Historic Charleston LLC, Charleston-Historic District, SC, 181 Church Street Charleston, SC 29401 843-577-2644  
Columbia Hotel and Conference Center, LLC, Columbia, SC, 2100 Bush River Road Columbia, SC 29210 803-731-0300  
Homecourt Hospitality North Charleston, LLC, North Charleston, SC, 7401 Northwoods Boulevard North Charleston, SC 29406 843-518-6200

### TENNESSEE

Nashville Ventures, LLC, Nashville-Airport, TN, 2424 Atrium Way Nashville, TN 37214-5103 615-889-8889  
Vision Chestnut Hotel Group, LLC, Chattanooga, TN, 407 Chestnut Street Chattanooga, TN 37402 423-756-5150  
GP Jackson, LP, Jackson, TN, 1770 Highway 45 Bypass Jackson, TN 38305 731-664-6900  
GP Johnson City, LP, Johnson City, TN, 211 Mockingbird Lane Johnson City, TN 37604 423-929-2000  
Memphis Hotel Operator (TN) TRS 16-121, Inc., Memphis Downtown, TN, 185 Union Avenue Memphis, TN 38103 901-528-1800  
GP Memphis, LP, Memphis, TN, 5069 Sanderlin Avenue Memphis, TN 38117 901-767-6666  
GP Murfreesboro, LP, Murfreesboro, TN, 1850 Old Fort Parkway Murfreesboro, TN 37129 615-895-5555  
W Nashville Hotel VII, G.P., Nashville Downtown, TN, 315 4th Avenue North Nashville, TN 37219-1693 615-244-8200  
GP Oak Ridge, LP, Oak Ridge, TN, 215 S. Illinois Avenue Oak Ridge, TN 37830 865-481-2468  
RB Hotel Park Vista, LLC, The Park Vista-a Doubletree Hotel - Gatli, 705 Cherokee Orchard Road Gatlinburg, TN 37738 865-436-9211

### TEXAS

HG Hotel Property LLC, Houston by the Galleria, TX, 5353 Westheimer Road Houston, TX 77056-5474 713-961-9000  
8901 Austin Hotel Lessee, LLC, Austin Northwest - Arboretum, TX, 8901 Business Park Dr Austin, TX 78759 512-343-0888  
Partners VII SA Austin Hotel LLC, Austin, TX, 6505 N Interstate 35 Austin, TX 78752-4346 512-454-3737  
Pinnacle UT, LP, Austin-University Area, TX, 1617 North Interstate 35 Austin, TX 78702 512-479-4000  
Dallas H28 Owner LLC, Dallas - DFW Airport North, TX, 4441 W. John Carpenter Freeway Irving, TX 75063 972-929-8181  
Mockingbird Partners, L.P., Dallas - Love Field, TX, 3300 West Mockingbird Lane Dallas, TX 75235 214-357-8500  
Taraz Kooch, L.L.C., Dallas - Richardson, TX, 1981 North Central Expressway Richardson, TX 75080 972-644-4000  
CHA Galleria LP, Dallas Near the Galleria, TX, 4099 Valley View Lane Dallas, TX 75244 972-385-9000  
Black Forest - CC Hotel, LLC, Dallas-Campbell Centre, TX, 8250 N. Central Expressway Dallas, TX 75206-1888 214-691-8700  
DACSHI, LIMITED, Dallas-Farmers Branch, TX, 11611 Luna Road Farmers Branch, TX 75234 972-506-0055  
2015 Market Center LLC, Dallas-Market Center, TX, 2015 Market Center Blvd Dallas, TX 75207 214-741-7481  
Hotel Don Quixote, Ltd, El Paso Downtown/City Center, TX, 600 N. El Paso Street El Paso, TX 79901 915-532-8733  
17th Street Properties, LLC, Galveston Beach, TX, 1702 Seawall Boulevard Galveston, TX 77550 409-762-4141  
Houston Lodging OpCo LLC, Houston Greenway Plaza, TX, 6 E Greenway Plaza Houston, TX 77046 713-629-1200  
1859 Historic Hotels, Ltd., Houston Hobby Airport, TX, 8181 Airport Boulevard Houston, TX 77061-4142 713-645-3000  
IAH 15747 Hotel, LLC, Houston Intercontinental Airport, TX, 15747 JFK Boulevard Houston, TX 77032 281-848-4000  
CalMac Suites, Ltd., McAllen, TX, 1800 S 2nd Street McAllen, TX 78503 956-686-3000  
Wall Street Hospitality, Ltd, Midland Plaza, TX, 117 West Wall Street Midland, TX 79701 432-683-6131  
Emily Morgan LLC, San Antonio - The Emily Morgan, TX, 705 East Houston Street San Antonio, TX 78205 210-225-5100  
Amgreen-Karena Hotel Partnership, Ltd., San Antonio Downtown, TX, 502 W. Cesar E. Chavez San Antonio, TX 78207 210-224-7155  
WMK San Antonio, LLC, San Antonio-Airport, TX, 37 NE Loop 410 (at McCullough) San Antonio, TX 78216 210-366-2424

## EXHIBIT A

### UTAH

Urban Salt Lake Hotel Company, LLC, Salt Lake City Downtown, UT, 110 West 600 South Salt Lake City, UT 84101 801-359-7800  
SLC Hotel Partners LLC, Salt Lake City Airport, UT, 5151 Wiley Post Way Salt Lake City, UT 84116-2891 801-539-1515  
Yarrow Resort TRS, LLC, The Yarrow Park City, UT, 1800 Park Avenue Park City, UT 84060 435-649-7000

### VERMONT

Rich Burlington Hotel, LLC, Burlington, VT, 1117 Williston Road Burlington, VT 05403-5717 802-658-0250

### VIRGINIA

Rich Charlottesville Hotel, LLC, Charlottesville, VA, 990 Hilton Heights Road Charlottesville, VA 22901 434-973-2121  
1500 N. Military, LLC, Norfolk-Airport, VA, 1500 North Military Highway Norfolk, VA 23502-1813 757-466-8000  
Koger, LLC, Richmond-Midlothian, VA, 1021 Koger Center Boulevard Richmond, VA 23235 804-379-3800  
Steeplechase Hospitality, LLC, Sterling-Dulles, VA, 21611 Atlantic Boulevard Sterling, VA 20166 703-230-0077  
1900 Pavilion, LLC, Virginia Beach, VA, 1900 Pavilion Drive Virginia Beach, VA 23451 757-422-8900  
VWI Operations, LLC, Williamsburg, VA, 50 Kingsmill Road Williamsburg, VA 23185 757-220-2500

### WASHINGTON

CHA Tukwila LLC, Seattle Airport/Southcenter, WA, 16500 Southcenter Parkway Seattle, WA 98188-3388 206-575-8220  
Arctic Club Master Tenant LLC, Arctic Club Hotel - Seattle Downtown, WA, 700 3rd Ave. Seattle, WA 98104 206-340-0340  
PIH Olympia, LLC, Olympia, WA, 415 Capitol Way North Olympia, WA 98501 360-570-0555  
PIH Vancouver, LLC, Vancouver, WA, 12712 SE 2nd Circle Vancouver, WA 98684 360-891-9777

### WISCONSIN

Motor Lodge Associates of Madison Limited Partners, Madison Downtown, WI, 525 West Johnson Street Madison, WI 53703 608-251-5511  
Downtown Ventures LLP, Milwaukee City Center, WI, 611 W. Wisconsin Avenue Milwaukee, WI 53203 414-273-2950  
Bluemound Road Investments LLC, Milwaukee/Brookfield, WI, 18155 Bluemound Road Brookfield, WI 53045 262-792-1212

### DISTRICT OF COLUMBIA

IA Urban Hotels Washington DC Terrace TRS, L.L.C., Washington D.C., 1515 Rhode Island Avenue, NW Washington, DC 20005-5595 202-232-7000

### PUERTO RICO

Swiss Chalet, San Juan, Puerto Rico, 105 Avenida De Diego San Juan, Puerto Rico 00914 787-721-1200

### Signed but not opened

#### Algeria

Dahli Spa, DTbH Algiers - Marina Bay, Pins Maritimes Mohammadia 16 000 Algiers, Algeria 000

#### Armenia

Velofirma LLC, Doubletree by Hilton Yerevan City Centre, Grigor Lusavorich Street,4/2 Yerevan, Armenia 0015 11-555 333

## EXHIBIT A

### **Burundi**

Opulent (B) Limited, DoubleTree by Hilton Bujumbura, 1 Avenue du Peuple Murundi B.P. 1015 Bujumbura, Burundi

### **Canada**

Coastal Prime Hospitality Corp., DoubleTree by Hilton Toronto Airport West, 5444 Dixie Road Mississauga, Canada L4W 2L2 905-6241144

Manga Hotels (Dixon) Inc., DoubleTree by Hilton Toronto Airport, 925 Dixon Road Toronto, Canada M9W 1J8

### **Colombia**

Inversiones Libra S.A., DoubleTree by Hilton Bogotá - Calle 100, Transversal 21 # 98-20 Bogota, Colombia 571-651-1450

### **Congo**

Africa Hospitality Investments, DoubleTree by Hilton Kinshasa - The Stanley, Tshad Avenue Kinshasa Gombe Kinshasa, Dem Republic of Congo

### **Germany**

Aytex Hotel-Betriebs GmbH, DoubleTree by Hilton Aachen, Aachen, Germany 52062

### **Macedonia**

DTU Stonebridge-Hotel DOO Skopje, DoubleTree by Hilton Skopje, Bulevar Avnoj bb Skopje, F. Y. R.O. Macedonia 1000

### **Mexico**

Inmobiliaria Ugon SA de CV, DoubleTree by Hilton Celaya, Blvd. Adolfo Lopez Mateos Ote No. 128 Celaya, Mexico 38080

Yapar SA de CV, DoubleTree by Hilton Toluca, Blvd. Industria Minera 503 Col. San Lorenzo Tepaltitlan Toluca, Mexico 50010 722-7190003

### **Romania**

SC Transilvania Trek SRL, DoubleTree by Hilton Cluj - City Plaza, 9-13 Sindicatelor Street Cluj-Napoca Cluj, Romania 400029 264-450101

SC Valdor SRL, DoubleTree by Hilton Hotel Ploiesti, Strada Constantin Dobrogeanu Gherea Ploiesti, Romania 100035 244-526850

SC Delason SRL, DoubleTree by Hilton Sighisoara, 6, Consiliul Europei St. Sighisoara, Romania 545400 365-085555

### **Russia**

Spring Investments LLC, DoubleTree by Hilton Nizhny Novgorod Center, Akademika Blokhinoy street Nizhny Novgorod, Russia

L-Finance LLC, DoubleTree by Hilton Omsk Irtysh Riverside, 1, Prospekt Mira Omsk, Russia

Quality-Tyumen LLC, DoubleTree by Hilton Tyumen, 46 Ordzhonikidze Street Tyumen, Russia 625002 3452-494040

### **Spain**

Green Investment, S.L., DoubleTree by Hilton Madrid Prado, Calle San Agustín, 3 Madrid, Spain 28014 91-3600820

### **Tunisia**

Societe Immobiliere et Touristique de Tunisie, DoubleTree by Hilton Tunis Africa, 50 Avenue Habib Bourguiba BP 73 1001 Tunis, Tunisia x

### **Turkey**

Parktec Otopark ve Otopark Sistemleri Sanayi ve Ticaret A.S., DoubleTree by Hilton Canakkale, Barbaros Mahallesi, Ataturk Caddesi Merkez, 870 Ada 170 Parsel Canakkale, Turkey x

Immotrust Gayrimenkul ve Alt Yapi Gelistirme Yatirim A.S., DoubleTree by Hilton Eskisehir, Orhangazi Mah. Kütahya Yolu Mevkii No: 304/1A; Eskisehir Eskisehir, Turkey 26160

## EXHIBIT A

Cayirli Turizm Otelcilik Tic. A.S., DoubleTree by Hilton Istanbul Sirkeci, Nobethane Cad. Darussade Sk. No.5 34110 Sirkeci, Fatih Istanbul, Turkey 34110 212-5132550  
Murat Mustafa Sati Insaat Turizm Sanayi ve Ticaret A.S., Doubletree by Hilton Kocaeli, Kocaeli ili, Kartepe ilcesi, S.cift 636 ada, 1 parsel, B blok Kocaeli, Turkey  
Tan Turizm Hava yolu Tasimacilik Bilgisayar Elektronik San v, DTbH Urgup - Cappadocia, Ataturk Bulvari No 45, Ürgüp, Türkiye Urgup, Turkey 50400 384-3415335  
AK-AY Gida Muhendislik Insaat ve Turizm Pazarlama Sanayi ve, Doubletree by Hilton Van, Ipek Yolu Caddesi 8.km, Van, Turkey Van, Turkey 65300 432-2270227

### United Kingdom

Curzon Hotels (Operator) Limited, DTbH Glasgow Central, Cambridge Street Glasgow, United Kingdom G2 3HN 141-332 3311  
REQ OpCo (Kingston) Limited, DoubleTree by Hilton London - Kingston upon Thames, 1 Skerne Road Kingston upon Thames, United Kingdom KT2 5FJ 0203-0960099  
Shiva Excel Limited, DoubleTree by Hilton London Excel, Excel, 2 Festoon Way Royal Victoria Dock London, United Kingdom E16 1RH 0207-5404820  
Strand Palace Hotel & Restaurants Limited, DoubleTree by Hilton London Strand Palace, 372 Strand London, United Kingdom

### United States

#### ALABAMA

Island House, Inc., Orange Beach Beachfront, AL, 26650 Perdido Beach Boulevard Orange Beach, AL 36561

#### ARIZONA

W.A.K. LLC, Phoenix - Scottsdale North, AZ, 10801 NW 89th Place Scottsdale, AZ 85260

#### ARKANSAS

Arkansas Hospitality Group, LLC, Fort Smith-City Center, AR, 700 Rogers Ave Fort Smith, AR 72901 479-783-1000

#### CALIFORNIA

PR Rancho Hotel LLC, Sacramento-Rancho Cordova, CA, 11260 Point East Drive Rancho Cordova, CA 95742 916-638 4141  
220 Hotel Atlantic, LLC, Los Angeles - Monterey Park, CA, 220 N. Atlantic Blvd Monterey Park, CA 91754  
Investel One LLC, Pomona, CA, 3101 W. Temple Avenue Pomona, CA 92626

#### FLORIDA

Hospitality Doral, LLC, Miami - Doral, FL, NW 102nd Avenue & NW 19th Street Doral, FL 33172  
Holi Corp., Pensacola Downtown, FL, 200 E. Gregory Street Pensacola, FL 32502

#### HAWAII

WHR, LLC, Hilo-Naniloa, HI, 93 Banyan Drive Hilo, HI 96720 808-969-3333

#### ILLINOIS

Baldwin Enterprises, Inc., Mt. Vernon, IL, 222 Potomac Blvd. Mt Vernon, IL 62864

#### INDIANA

HCW Evansville Hotel, LLC, Evansville, IN, 202 SE 6th Street Evansville, IN 47713

#### KANSAS

Hulsing Hotels Kansas, Inc., Lawrence, KS, 200 McDonald Drive Lawrence, KS 66044 785-841-7077



## EXHIBIT A

### MASSACHUSETTS

LCP Andover Hospitality, LLC, Boston - Andover, MA, 123 Old River Road Andover, MA 01810 978-975-3600  
Rockland TBL Operating Group, Inc., Boston-Rockland, MA, 929 Hingham Street Rockland, MA 02370 781-871-0545

### MINNESOTA

Huron Hotel, LLC, Minneapolis - University Area, MN, 501 Huron Blvd Minneapolis, MN 55414 612-504-3000

### MISSISSIPPI

Suraj Lodging Associates, LLP, Hattiesburg, MS, 10 Gateway Drive Hattiesburg, MS 39402  
PHG Biloxi, LLC, Biloxi, MS, 940 Beach Boulevard Biloxi, MS 39530 228-546-3100

### MISSOURI

Om Capital Joplin LLC, Joplin, MO, 3132 E Hammons Blvd Joplin, MO 64804-4447 417-621-0027

### MONTANA

Makenna Hotel Investments, LLC, Billings, MT, 27 N. 27th Street Billings, MT 59101 406-252-7400

### NEW YORK

HH Jamestown, LLC, Jamestown, NY, 150 West 4th St Jamestown, NY 14701  
NYHK West 40 LLC, New York - Times Square West, NY, 346-354 W. 40th Street New York, NY 10018  
Merani Hospitality, Inc., Niagara Falls, NY, 401 Buffalo Avenue Niagara Falls, NY 14303

### NORTH CAROLINA

LDC-RLW/Pharos, LLC, Mooresville-Langtree, NC, 115 Mecklyn Road Mooresville, NC 28117

### OHIO

HC Dayton LLC, Downtown Dayton, OH, 11 South Ludlow Street Dayton, OH 45402 937-461-4700  
Youngstown Stambaugh Holdings, LLC, Youngstown Downtown, OH, 44 Federal Plaza East Youngstown, OH 44503

### SOUTH CAROLINA

Lowcountry Hotels II, LLC, North Charleston-Convention Center, SC, 5264 International Boulevard North Charleston, SC 29418 843-576-0300

### TEXAS

Admiral Hotel Group, LLC, Arlington DFW South, TX, 1507 North Watson Road Arlington, TX 76006 817-640-7712  
5\*Star Hospitality LLC, Houston-Energy Corridor, TX, Eldridge & I-10 (Intersection of I- Houston, TX  
Q-505, LLC, Lubbock - University Area, TX, 505 Avenue Q Lubbock, TX 79401

### WISCONSIN

Riverwalk Hospitality, LLC, Neenah, WI, 123 E. Wisconsin Ave Neenah, WI 54956  
Harbourwalk Hotel Limited Partnership, Racine Harbourwalk, WI, 223 Gaslight Circle Racine, WI 53403 262-632-7777  
Pablo Properties, LLC, The Lismore Hotel Eau Claire, WI, 333 Gibson Street Eau Claire, WI 54701 715-835-8888

## EXHIBIT B

## **Exhibit B**

### **DOUBLETREE**

The names, following franchisees had an outlet terminated, cancelled or not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement outside of the USA during 2015.

#### **Italy**

Siena Monteriggioni Chianti, Italy Edilgest S.r.l. Colle di Val d'Elsa (SI), Italy 53034 39-0577 931900  
Rome, Italy Edilmonte Roma Srl. Rome, Italy 00142 39-06 4542 6442

#### **Russia**

Perm, Russia BC-Development LLC Perm, Russia 614039

#### **United States**

##### **ALABAMA**

Birmingham - Homewood, AL Maya Mooresville, LLC Charlotte, NC 704-391-2960

##### **ARKANSAS**

Little Rock TB Little Rock LLC New York, NY 212-433-1600

##### **CALIFORNIA**

Livermore, CA Good Hotel Management Group LLC Hillsborough, CA 650-376-3623  
Los Angeles Commerce IVC WHH Commerce, LLC New York, NY 212-599-4700  
San Diego Del Mar PHF Ruby, LLC San Francisco, CA 415-315-2020  
San Diego Hotel Circle PBP Hotels, LLC Newport Beach, CA 949-610-8016

##### **COLORADO**

Denver Westminister HHP - Westminister, L.L.C. Metairie, LA 504-212-1492  
The Curtis 1405 Hotel LLC Denver, CO 303-595-7275

##### **FLORIDA**

At the Entrance to Universal Orlando MeriStar Sub 5G, LP New York, NY 212-583-5849  
Orlando at SeaWorld 10100 International Drive Owner, LLC New York, NY 212-612-9100  
Tampa Airport Westshore BRE Imagination Hotel Owner LLC New York, NY 212-583-5898

## **Exhibit B**

### **GEORGIA**

Atlanta Downtown Atlanta American Owner, LLC New York, NY 212-583-5849  
Atlanta North Druid Hills/Emory Area Druid Hills Hotel, LLC Greenville, SC 864-248-1556

### **ILLINOIS**

Chicago Schaumburg Schaumburg National Hotel, LLC Chicago, IL 312-634-2538  
Chicago Wood Dale - Elk Grove Wood Dale Mittel Hotel, LLC Chicago, IL 312-634-2538

### **INDIANA**

Evansville, IN HCW Evansville Hotel, LLC Branson, MO 417-332-3444  
Indianapolis Carmel MeriStar Sub 7F, LLC New York, NY

### **IOWA**

Bettendorf-Quad Cities, IA Spruce Hills Investment Partners, LLC Bettendorf, IA 563-823-2503

### **KANSAS**

Wichita Airport Wichita Airport Hotel Associates, L.P. Overland, KS 913-451-1300

### **LOUISIANA**

Baton Rouge Summit Hotel TRS 047, LLC Austin, TX 605-361-9566

### **MASSACHUSETTS**

Boston Westborough IVC WHH Westborough, LLC New York, NY 212-599-4700

### **MICHIGAN**

Detroit - Novi Novi Crescent Hotel, LLC Chicago, IL 312-634-2538

### **MINNESOTA**

Minneapolis-Park Place IVC WHH Minneapolis, LLC New York, NY 212-599-4700

### **NEBRASKA**

Omaha, NE GP Hotel Omaha, LLC Auckland, New Zealand 000-302-0732

### **NEW JERSEY**

Newark Airport Columbia Properties Newark, LLC Crestview Hills, KY 859-578-1116  
Princeton Leeward Strategic Properties, Inc. Philadelphia, PA 334-793-6855

## **Exhibit B**

### **NORTH CAROLINA**

Charlotte Airport GTA Charlotte LLC Plano, TX 972-952-9521

Raleigh Durham Airport at Research Triangle Park 4810 Page Creek LLC North Palm Beach, FL 561-207-2700

### **OHIO**

Cincinnati Downtown, OH Cincinnati Lodging Associates, LLC Indianapolis, IN 317-632-5555

### **PENNSYLVANIA**

Pittsburgh-Green Tree RIDA Greentree LLC Houston, TX 713-961-3835

### **SOUTH CAROLINA**

Charleston Historic District City Market Hotel Associates, LLC Charleston, SC 843-577-2644

### **TEXAS**

Austin Capstar AP Partners, L.P. New York, NY 212-583-5849

### **UTAH**

Salt Lake City Downtown Zion Suites Irvine, CA 949-453-9279

### **VIRGINIA**

Richmond Downtown, VA Richmond Hotel Partners, LP Dallas, TX 214-443-1924

Richmond-Airport, VA PCM Richmond Hotel Company, LLC Eatontown, NJ 732-544-2613

Virginia Beach, VA Harrison Virginia Atlantic, LLC Ocean City, MD 410-289-4444

### **WISCONSIN**

Milwaukee Brookfield GTA Brookfield LLC Plano, TX 972-952-9521

# EXHIBIT C

**REPORT OF THE MEMBERS AND  
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015  
FOR  
Hilton Worldwide Franchising LP**

**CONTENTS OF THE FINANCIAL STATEMENTS  
for the year ended 31 December 2015**

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<b>Profit and Loss Account</b>	6
<b>Balance Sheet</b>	7
<b>Notes to the Financial Statements</b>	8

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**Hilton Worldwide Franchising LP**

**GENERAL INFORMATION**  
**for the year ended 31 December 2015**

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**DESIGNATED MEMBERS:** Hilton Worldwide Limited  
Hilton Worldwide Manage Limited

**REGISTERED OFFICE:** Maple Court  
Reeds Crescent  
Watford  
United Kingdom  
WD24 4QQ

**REGISTERED NUMBER:** LP015958

**INDEPENDENT AUDITORS:** Ernst & Young LLP  
1 More London Place  
London  
SE1 2AF

# Hilton Worldwide Franchising LP

## STRATEGIC REPORT for the year ended 31 December 2015

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The members present their Strategic Report with the financial statements of the Limited Partnership ('LP') for the year ended 31 December 2015.

The LP was created pursuant to an agreement dated 10 March 2014 and was registered on 12 March 2014. Hilton Worldwide engaged in a corporate realignment ('CRA') programme effective 1 July 2014. In connection with this transaction, significant restructuring took place within the UK group structure. As part of these restructuring activities this LP was created. Contracts (franchised) from fellow group companies were contributed to the LP in exchange for partnership interest in the LP. The LP commenced trading on 1 July 2014.

### PRINCIPAL ACTIVITY

The principal activity of the LP under review was that of a franchise operator.

### REVIEW OF BUSINESS

The LP's key financial indicators of performance during the year are considered to be:

	Year Ended 31.12.15 \$	Period 12.3.14 to 31.12.14 \$
Turnover	142,668,976	66,576,242
Gross profit	132,974,532	63,958,910

Turnover has increased on last year as the current year results contain 12 months of trading compared with 6 months in the prior period. The primary driver behind the movement in gross profit is related to the movement in revenue.

### PRINCIPAL RISKS AND UNCERTAINTIES

#### Competitive risk

This LP operates in multiple locations around the world. Risks arise from competitors opening new hotels or improving existing hotels. The company monitors its competitors' performance and participates in regular benchmarking to understand the LP's position compared to its competitors.

#### Economic risk

The LP is subject to the cyclical nature of the hospitality and travel industry and is also impacted by the effect which global economic trends have on its customers. Budgeting and forecasting processes enable the LP to identify risks in market trends early to enable mitigation of such risks.

#### Interest rate risk


This company is subject to interest rate risk on intercompany loans where the interest rate is linked to LIBOR. The Hilton group treasury department monitors interest rates.

Management does not believe the LP is any more exposed to financial statement risk factors than others in the industry and has a system of internal controls and procedures that attempt to mitigate such risk.

### FUTURE DEVELOPMENTS

The LP will continue to operate as a franchise operator.

### ON BEHALF OF THE MEMBERS:

  
.....  
Hilton Worldwide Manage Limited - Designated Member

Date: 16 May 2016 .....

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## **Hilton Worldwide Franchising LP**

### **REPORT OF THE MEMBERS for the year ended 31 December 2015**

---

The members present their report with the financial statements of the Limited Partnership ('LP') for the year ended 31 December 2015.

#### **DESIGNATED MEMBERS**

The designated members during the year under review were:

Hilton Worldwide Limited  
Hilton Worldwide Manage Limited

#### **RESULTS FOR THE YEAR AND ALLOCATION TO MEMBERS**

The profit for the year before members' remuneration and profit shares was \$3,793,052 (2014 - \$1,892,114 profit).

The profits and losses (including profit and losses of a capital nature) shall be divided among the members in accordance with their percentage of capital contribution.

#### **EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE**

No significant post balance sheet events have occurred.

#### **STATEMENT OF MEMBERS' RESPONSIBILITIES**

The members are responsible for preparing the Strategic Report, Report of the Members and the financial statements in accordance with applicable law and regulations.

Legislation applicable to limited partnerships requires the members to prepare financial statements for each financial year. Under that law the members have elected to 'prepare the financial statements in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under legislation applicable to limited partnerships the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the LP and of the profit or loss of the LP for that period. In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LP will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LP's transactions and disclose with reasonable accuracy at any time the financial position of the LP and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the LP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the members are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the LP's auditors are unaware, and each member has taken all the steps that he ought to have taken as a member in order to make himself aware of any relevant audit information and to establish that the LP's auditors are aware of that information.

**Hilton Worldwide Franchising LP**

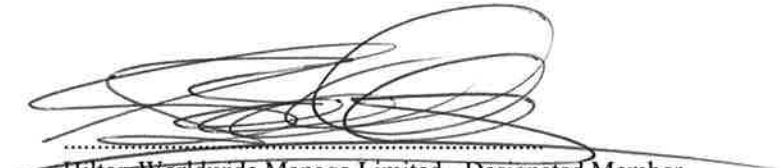
**REPORT OF THE MEMBERS  
for the year ended 31 December 2015**

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**AUDITORS**

The auditors, Ernst & Young LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE MEMBERS:**

  
.....  
Hilton Worldwide Manage Limited - Designated Member

Date: 16 May 2016.....

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
HILTON WORLDWIDE FRANCHISING LP**

---

We have audited the financial statements of Hilton Worldwide Franchising LP for the year ended 31 December 2015 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

This report is made solely to the partnership, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008. Our audit work has been undertaken so that we might state to the partnership those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the partnership, as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of members and auditors**

As explained more fully in the Statement of Members' Responsibilities set out on page three, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the qualifying partnership's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the members; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and Member' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial reporting Standard 101 'Reduced Disclosure framework'; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 as applied to qualifying partnerships requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

*Ernst + Young L.L.P.*

Cameron Cartmell (Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP  
1 More London Place  
London  
SE1 2AF

Date: 16/5/16

**Hilton Worldwide Franchising LP**

**PROFIT AND LOSS ACCOUNT**  
**for the year ended 31 December 2015**

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	Notes	Year Ended 31.12.15 \$	Period 12.3.14 to 31.12.14 \$
<b>TURNOVER</b>		142,668,976	66,576,242
Cost of sales		<u>(9,694,444)</u>	<u>(2,617,332)</u>
<b>GROSS PROFIT</b>		132,974,532	63,958,910
Administrative expenses		<u>(129,054,069)</u>	<u>(62,063,304)</u>
<b>OPERATING PROFIT</b>	4	3,920,463	1,895,606
Interest receivable and similar income		<u>3</u>	<u>-</u>
		3,920,466	1,895,606
Interest payable and similar charges	5	<u>(127,414)</u>	<u>(3,492)</u>
<b>PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS</b>	11	<u>3,793,052</u>	<u>1,892,114</u>

**CONTINUING OPERATIONS**

None of the LP's activities were acquired or discontinued during the current period.

**TOTAL RECOGNISED GAINS AND LOSSES**

The LP has no recognised gains or losses other than the profits for the current year or previous period.

The notes form part of these financial statements

Hilton Worldwide Franchising LP (Registered number: LP015958)

**BALANCE SHEET**  
31 December 2015

	Notes	2015 \$	2014 \$
<b>FIXED ASSETS</b>			
Intangible assets	7	21,798,445	16,176,088
<b>CURRENT ASSETS</b>			
Debtors: amounts falling due within one year	8	33,253,575	23,788,673
<b>CREDITORS</b>			
Amounts falling due within one year	9	<u>(27,213,459)</u>	<u>(15,940,792)</u>
<b>NET CURRENT ASSETS</b>		<u>6,040,116</u>	<u>7,847,881</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
<b>and</b>			
<b>NET ASSETS ATTRIBUTABLE TO MEMBERS</b>			
		<u>27,838,561</u>	<u>24,023,969</u>
<b>LOANS AND OTHER DEBTS DUE TO MEMBERS</b>			
	10	5,685,166	1,892,114
<b>MEMBERS' OTHER INTERESTS</b>			
Capital accounts	11	<u>22,153,395</u>	<u>22,131,855</u>
		<u>27,838,561</u>	<u>24,023,969</u>
<b>TOTAL MEMBERS' INTERESTS</b>			
Loans and other debts due to members	10	5,685,166	1,892,114
Members' other interests	11	<u>22,153,395</u>	<u>22,131,855</u>
		<u>27,838,561</u>	<u>24,023,969</u>

The financial statements were approved by the members of the LP on 16 May 2016 and were signed by:

  
Hilton Worldwide Manage Limited - Designated member

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2015

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1. **FUNDAMENTAL ACCOUNTING CONCEPT**

Hilton Worldwide Franchising LP is established and domiciled in England and Wales.

The financial statements have been prepared under the going concern basis because the LP has net assets and net current assets. Management believe that the LP has the ability to meet its liabilities as they fall due.

2. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in US Dollar (USD), which is the LP's functional currency. Amounts have been rounded to the nearest \$.

FRS 101 is effective for accounting periods beginning on or after 1 January 2015, although early application is permitted. The LP did select to early adopt.

The LP has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirements of paragraphs 10(d), 16 and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group.

**Accounting convention**

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards and the requirements of the Statement of Recommended Practice, Accounting by Limited Liability Partnerships.

**Revenue recognition**

Turnover which arose worldwide is derived from franchise and programme fees from franchise hotels. Turnover is recognised when earned and realised or realisable under the terms of the contract. Turnover is measured at the fair value of the consideration received, excluding discounts, rebates, value added tax and other sales taxes.

**Taxation**

Taxation on the profits of the Partnership is solely the responsibility of the members. Consequently neither the partnership taxation nor deferred taxation are dealt with in these financial statements. Any foreign tax deducted on non-UK income is treated as an administration expense of the LP.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into USD at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into USD at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.



2. ACCOUNTING POLICIES - continued

**Financial instruments**

Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than those financial assets and liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets and financial liabilities, as appropriate, on initial recognition.

**Financial assets**

Financial assets within the scope of IAS 39 (Financial Instruments: Recognition and Measurement) are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The company determines the classification of its financial assets at initial recognition.

The company's financial assets are all 'loans and receivables' including trade debtors and intercompany loans.

The subsequent measurement of financial assets depends on their classification as follows:

- Intercompany loans are initially recognised at fair value and subsequently measured at amortised cost using the effective interest (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest in profit or loss. Losses arising from impairment are recognised in profit or loss in cost of sales.

- Debtors are recognised and carried at the lower of their original invoiced value and recoverable amount. Provision for impairment is made through profit or loss when there is objective evidence that the company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

**Financial liabilities**

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The company determines the classification of its financial liabilities at initial recognition.

The only financial liabilities are intercompany loans and creditors.

The measurement of financial liabilities depends on their classification as follows:

- After initial recognition, intercompany loans are subsequently measured at amortised cost using the effective interest method.

- Creditors are recognised and carried at their original invoiced value. Trade creditors are non-interest bearing and are normally settled on 60 day terms.

A liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

**Fair values**

All the company's financial instruments (except for cash) are not traded in an active market, at initial recognition the fair value is determined using appropriate valuation techniques. Due to the nature of the financial instruments as short term and market rate instruments, transaction price is considered to be the fair value.

2. ACCOUNTING POLICIES - continued

**Intangible assets**

Intangible assets are stated at cost less accumulated amortisation and accumulated impairments losses. Intangible assets with finite lives are amortised on a straight line basis over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed annually.

Intangible assets are comprised of key money paid to the franchisee or development commissions paid to team members directly related to the acquisition of a franchise agreement. Key money or development commission is amortised over the length of the associated franchise agreement which is typically a period of 10 to 20 years.

**Judgements and key sources of estimation uncertainty**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

**Critical judgements**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

**Foreign currency**

An entity's functional currency is determined (not chosen). IAS 21 (The Effects of Changes in Foreign Exchange Rates) provides factors, often referred to as indicators, that are considered when identifying the functional currency. In some cases, the indicators will clearly identify a particular currency as the functional currency. In other cases they will not. When the factors provide a varied result and the functional currency is not obvious, management must use judgement based on the entity's individual facts and circumstances to determine its functional currency in a way that gives a fair presentation (ie faithfully represents the economic effects of transactions, events and conditions). As Hilton Worldwide Franchising LP has an array of differing cash flows, economic environments, and lack of autonomy, management has used their judgement in determining the functional currency to be USD.

**Key sources of estimation uncertainty**

The following are the key assumptions concerning the future, and other sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of resulting in a material adjustment to the carrying amounts of assets within the next financial year.

**Impairment of trade and other debtors**

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the credit rating of the receivable, the ageing profile of receivables and historical experience. See note "Debtors: amounts falling due within one year" for the net carrying amount of the trade debtors and associated impairment provision.

3. EMPLOYEE INFORMATION

All operations of the LP during the year ended 31 December 2015 have been undertaken by employees of other companies within Hilton Worldwide Holdings Inc.. A charge of \$- (2014: \$-) has been included in the financial statements in respect of their services.

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the year ended 31 December 2015

4. OPERATING PROFIT

This is stated after charging:

	Year Ended 31.12.15	Period 12.3.14 to 31.12.14
	\$	\$
Fee income repayable to group undertakings	62,235,604	27,335,080
Foreign tax deducted on non-UK income	6,994,607	2,627,134
Fees payable to group undertakings	59,823,858	32,101,090
Amortisation	<u>1,167,110</u>	<u>357,211</u>

The remuneration of the auditors is borne entirely by Hilton Worldwide Limited.

5. INTEREST PAYABLE AND SIMILAR CHARGES

	Year Ended 31.12.15	Period 12.3.14 to 31.12.14
	\$	\$
Bank interest	1	-
Interest payable to fellow group undertakings	<u>127,413</u>	<u>3,492</u>
	<u>127,414</u>	<u>3,492</u>

6. INFORMATION IN RELATION TO MEMBERS

	Year Ended 31.12.15	Period 12.3.14 to 31.12.14
	\$	\$
The amount of profit attributable to the member with the largest entitlement was	<u>3,793,049</u>	<u>1,891,925</u>

	Year Ended 31.12.15	Period 12.3.14 to 31.12.14
The average number of members during the year was	<u>2</u>	<u>2</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the year ended 31 December 2015**

**7. INTANGIBLE FIXED ASSETS**

	Development costs \$
<b>COST</b>	
At 1 January 2015	17,045,727
Additions	<u>6,789,468</u>
At 31 December 2015	<u>23,835,195</u>
<b>AMORTISATION</b>	
At 1 January 2015	869,639
Amortisation for year	<u>1,167,111</u>
At 31 December 2015	<u>2,036,750</u>
<b>NET BOOK VALUE</b>	
At 31 December 2015	<u>21,798,445</u>
At 31 December 2014	<u>16,176,088</u>

The amortisation period on the intangible assets is 10 to 20 years.

**8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015 \$	2014 \$
Trade debtors	31,256,721	22,088,646
Amounts owed by group undertakings	1,709,615	1,408,620
Other debtors	<u>287,239</u>	<u>291,407</u>
	<u>33,253,575</u>	<u>23,788,673</u>

Amounts owed by group undertakings are included in amounts due within one year where there are no specified repayment terms and there is no fixed repayment schedule in place. While amounts owed by group undertakings are technically repayable on demand, and hence are included in amounts due within one year. The loans bear interest at LIBOR plus a margin.

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015 \$	2014 \$
Amounts owed to group undertakings	22,213,106	12,360,363
Social security and other taxes	2,782,839	1,818,372
Other creditors	1,833,901	1,702,750
Accruals and deferred income	<u>383,613</u>	<u>59,307</u>
	<u>27,213,459</u>	<u>15,940,792</u>

Amounts owed to group undertakings are included in amounts due within one year where there are no specified repayment terms and there is no fixed repayment schedule in place. While amounts owed to group undertakings are technically repayable on demand, and hence are included in amounts due within one year, the members are of the opinion (as a result of their group role in relation to the group undertakings amounts are owed to) that in the ordinary course of business, repayment within such a timescale would not be required. The loans bear interest at LIBOR plus a margin.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
for the year ended 31 December 2015

10. **LOANS AND OTHER DEBTS DUE TO MEMBERS**

	2015	2014
	\$	\$
Amounts owed to members in respect of profits	<u>5,685,166</u>	<u>1,892,114</u>
Falling due within one year	<u>5,685,166</u>	<u>1,892,114</u>

11. **MEMBERS' INTERESTS**

	Members' other interests			Loans and other debts due to members	Total
	Members' capital (classified as equity)	Reserves	Total		
	\$	\$	\$	\$	\$
Balance at 1 January 2015	22,131,855	-	22,131,855	1,892,114	24,023,969
Profit for the financial year available for discretionary division among members	<u>-</u>	<u>3,793,052</u>	<u>3,793,052</u>	<u>-</u>	<u>3,793,052</u>
Members' interests after profit for the year	22,131,855	3,793,052	25,924,907	1,892,114	27,817,021
Other divisions of profit	<u>-</u>	<u>(3,793,052)</u>	<u>(3,793,052)</u>	<u>3,793,052</u>	<u>-</u>
Introduced by members	<u>21,540</u>	<u>-</u>	<u>21,540</u>	<u>-</u>	<u>21,540</u>
Balance at 31 December 2015	<u>22,153,395</u>	<u>-</u>	<u>22,153,395</u>	<u>5,685,166</u>	<u>27,838,561</u>

During the year a further franchise contract was contributed to the LP, from a fellow group company, in exchange for \$21,540 of partnership interests.

12. **PARENT UNDERTAKING, CONTROLLING PARTY AND CONSOLIDATING CAPITAL COMMITMENTS**

The LP's members are Hilton Worldwide Manage Limited and Hilton Worldwide Limited. Both members are limited companies registered in England and Wales.

The ultimate parent the only undertaking for which group financial statements were prepared and into which the company is consolidated for 31 December 2015, was Hilton Worldwide Holdings Inc., a Delaware company incorporated in the United States of America. These group financial statements are available from the company secretary, Hilton Worldwide Holdings Inc., 7930 Jones Branch Drive, McLean, Fairfax County, Virginia VA 22102-3302, United States of America.

13. **CAPITAL COMMITMENTS**

The LP has not entered into any capital commitments contracted for but not provided in the financial statements at period end.

14. **CONTINGENT LIABILITIES**

The LP had jointly and severally guaranteed the value added tax liability of other companies within the same UK VAT group, which amounted to approximately £8.8m/\$13.0m (2014: £9.4m/\$14.6m) at 31 December 2015.

# EXHIBIT D

**FRANCHISE AGREEMENT**

CLICK HERE AND INSERT HOTEL NAME

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ADDENDUM TO FRANCHISE AGREEMENT

## FRANCHISE AGREEMENT

This Franchise Agreement between Hilton Worldwide Franchising LP (“we,” “us,” “our” or “Franchisor”) and the Franchisee set forth in the Addendum (“you,” “your” or “Franchisee”) is dated as of the Effective Date. We and you may collectively be referred to as the “Parties.”

### INTRODUCTION

We are an Affiliate of Hilton Worldwide. Hilton Worldwide and its Affiliates own, license, lease, operate, manage and provide various services for the Network. We are authorized to grant licenses for selected, first-class, independently owned or leased hotel properties, to operate under the Brand. You have expressed a desire to enter into this Agreement with us to obtain a license to use the Brand in the operation of a hotel at the address or location described in the Addendum.

NOW, THEREFORE, in consideration of the premises and the undertakings and commitments of each Party to the other Party in this Agreement, the Parties agree as follows:

### 1.0 DEFINITIONS

The following capitalized terms will have the meanings set forth after each term:

“**Affiliate**” means any natural person or firm, corporation, partnership, limited liability company, association, trust or other entity which, directly or indirectly, controls, is controlled by, or is under common Control with, the subject entity.

“**Agreement**” means this Franchise Agreement, including any exhibits, attachments and addenda.

“**Anti-Corruption Laws**” means all applicable anti-corruption, anti-bribery, anti-money laundering, books and records, and internal controls laws of the United States of America and the United Kingdom, including the United States Foreign Corrupt Practices Act and the United Kingdom Bribery Act of 2010.

“**Brand**” means the brand name set forth in the Addendum.

“**Change of Ownership Application**” means the application that is submitted to us by you or the Transferee for a new franchise agreement in connection with a Change of Ownership Transfer.

“**Change of Ownership Transfer**” means any proposed Transfer that results in a change of Control of Franchisee, the Hotel, or the Hotel Site and is not otherwise permitted by this Agreement, all as set out in Subsection 13.2.3.

“**Competing Brand**” means a hotel brand or trade name that, in our sole business judgment, competes with the System, or any System Hotel or Network Hotel.

“**Competitor**” means any individual or entity that, at any time during the Term, whether directly or through an Affiliate, owns in whole or in part, or is the licensor or franchisor of a Competing Brand, irrespective of the number of hotels owned, licensed or franchised under such Competing Brand name. A Competitor does not include an individual or entity that: (i) is a franchisee of a Competing Brand; (ii) manages a Competing Brand hotel, so long as the individual or entity is not the exclusive manager of the Competing Brand; or (iii) owns a minority interest in a Competing Brand, so long as neither that individual or entity nor any of its Affiliates is an officer, director, or employee of the Competing Brand, provides services (including as a consultant) to the Competing Brand, or exercises, or has the right to exercise, Control over the business decisions of the Competing Brand.

“**Construction Commencement Date**” means the date set out in the Addendum, if applicable, by which you must commence construction of the Hotel. For the Hotel to be considered under construction, you must have begun to pour concrete foundations for the Hotel or otherwise satisfied any site-specific criteria for “under construction” set out in the Addendum.

“**Construction Work**” means all necessary action for the development, construction, renovation, furnishing, equipping and implementation of the Plans and Designs for the Hotel.

“**Construction Work Completion Date**” means the date set out in the Addendum, if applicable, by which you must complete construction of the Hotel.

“**Control**” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, or of the power to veto major policy decisions of an entity, whether through the ownership of voting securities, by contract, or otherwise.

“**Controlling Affiliate**” means an Affiliate that directly or indirectly Controls the Hotel and/or Controls the entity that Controls the Hotel.

“**Designs**” means your plans, layouts, specifications, drawings and designs for the proposed furnishings, fixtures, equipment, signs and décor of the Hotel that use and incorporate the Standards.

“**Effective Date**” means the date set out in the Addendum on which this Agreement becomes effective.

“**Entities**” means our present or future Affiliates and direct or indirect owners.

“**Equity Interest**” means any direct or indirect legal or beneficial interest in the Franchisee, the Hotel and/or the Hotel Site.

“**Equity Owner**” means the direct or indirect owner of an Equity Interest.

“**Expiration Date**” has the meaning set forth in Section 3.

“**Force Majeure**” means an event causing a delay in our or your performance that is not the fault of or within the reasonable control of the Party claiming Force Majeure. Force Majeure includes fire, floods, natural disasters, Acts of God, war, civil commotion, terrorist acts, any governmental act or regulation beyond such Party’s reasonable control. Force Majeure does not include the Franchisee’s financial inability to perform, inability to obtain financing, inability to obtain permits, licenses or zoning variances or any other similar events unique to the Franchisee or the Hotel or to general economic downturn or conditions.

“**General Manager**” has the meaning set forth in Subsection 7.1.

“**Government or Government Entity**” means: (i) any agency, instrumentality, subdivision or other body of any national, regional, local or other government; (ii) any commercial or similar entities owned or controlled by such government, including any state-owned and state-operated companies; (iii) any political party; and (iv) any public international organization.

“**Government Official**” means the following: (i) officers and employees of any national, regional, local or other Government; (ii) officers and employees of companies in which a Government owns an interest; (iii) any private person acting in an official capacity for or on behalf of any Government or Governmental Entity (such as a consultant retained by a government agency); (iv) candidates for political office at any level; (v) political parties and their officials; (vi) officers, employees, or official representatives of public (quasi-governmental) international organizations (such as the United Nations, World Bank, or International Monetary Fund).

**INSERT FOR HFS:** “**Gross Food and Beverage Revenue**” means all revenues (including credit transactions whether or not collected) derived from food and beverage-related operations of the Hotel and associated facilities, audio/visual equipment rentals and all banquet, reception and meeting room rentals, including all restaurants (unless leased from third-party operators, dining, bar, lounge, and retail food and beverage services, at the actual rates charged, less allowances for any rebates and overcharges, and excluding any sales, hotel, entertainment or similar taxes collected from patrons or guests.

“**Gross Receipts Tax**” means any gross receipts, sales, use, excise, value added or any similar tax.

“**Gross Rooms Revenue**” means all revenues derived from the sale or rental of Guest Rooms (both transient and permanent) of the Hotel, including revenue derived from the redemption of points or rewards under the loyalty programs in which the Hotel participates, amounts attributable to breakfast (where the guest room rate includes breakfast), and guaranteed no-show revenue and credit transactions, whether or not collected, at the actual rates charged, less allowances for any Guest Room rebates and overcharges, and will not include taxes collected directly from patrons or guests. Group booking rebates, if any, paid by you or on your behalf to third-party groups for group stays must be included in, and not deducted from, the calculation of Gross Rooms Revenue.

“**Guarantor**” means the person or entity that guaranties your obligations under this Agreement or any of Your Agreements.

“**Guest Rooms**” means each rentable unit in the Hotel generally used for overnight guest accommodations, the entrance to which is controlled by the same key, provided that adjacent rooms with connecting doors that can be locked and rented as separate units are considered separate Guest Rooms. The initial number of approved Guest Rooms is set forth in the Addendum.

“**Hilton Worldwide**” means Hilton Worldwide Holdings Inc., a Delaware corporation (NYSE:HTL).

“**Hotel**” means the property you will operate under this Agreement and includes all structures, facilities, appurtenances, furniture, fixtures, equipment, and entry, exit, parking and other areas located on the Hotel Site we have approved for your business or located on any land we approve in the future for additions, signs, parking or other facilities.

“**Hotel Site**” means the real property on which the Hotel is located or to be located, as approved by us.

“**Hotel Work**” means Construction Work and/or Renovation Work, as the case may be, and the context requires.

“**Improper Payment**” means: (a) any payment, offer, gift or promise to pay or authorization of the payment or transfer of other things of value, including without limitation any portion of the compensation, fees or reimbursements received hereunder or the provision of any service, gift or entertainment, directly or indirectly to (i) a Government Official; (ii) any director, officer, employee or commercial partner of a Party or its Affiliates; or, (iii) any other person at the suggestion, request or direction or for the benefit of any of the above-described persons and entities, for purposes of obtaining or influencing official actions or decisions or securing any improper advantage in order to obtain, retain or direct business; (b) payments made and expenses incurred in connection with performance of obligations under this Agreement that are not made and recorded with sufficient accuracy, detail, and control to meet the standards in applicable Anti-Corruption Laws; or, (c) any other transaction in violation of applicable Anti-Corruption Laws.

“**Indemnified Parties**” means us and the Entities and our and their respective predecessors, successors and assigns, and the members, officers, directors, employees, managers, and agents.

“**Information**” means all information we obtain from you or about the Hotel or its guests or prospective guests under this Agreement or under any agreement ancillary to this Agreement, including agreements relating to the computerized reservation, revenue management, property management, and other systems we provide or require, or otherwise related to the Hotel. Information includes, but is not limited to, Operational Information, Proprietary Information, and Personal Information.

“**Interim Remedy**” has the meaning set forth in Subsection 14.3.

“**Laws**” means all public laws, statutes, ordinances, orders, rules, regulations, permits, licenses, certificates, authorizations, directions and requirements of all Governments and Government Entities having jurisdiction over the Hotel, Hotel Site or over Franchisee to operate the Hotel, which, now or hereafter, may apply to the construction, renovation, completion, equipping, opening and operation of the Hotel.

“**License**” has the meaning set forth in Subsection 2.1.

“**Liquidated Damages**” has the meaning set forth in Subsections 6.4.4 and 14.4.

“**Management Company**” has the meaning set forth in Subsection 7.1.

“**Manual**” means all written compilations of the Standards. The Manual may take the form of one or more of the following: one or more looseleaf or bound volumes; bulletins; notices; videos; CD-ROMS and/or other electronic media; online postings; e-mail and/or electronic communications; facsimiles; or any other medium capable of conveying the Manual’s contents.

“**Marks**” means the Brand and all other business names, copyrights, designs, distinguishing characteristics, domain names, emblems, insignia, logos, slogans, service marks, symbols, trademarks, trade dress and trade names (whether registered or unregistered) used in the System.

“**Monthly Fees**” means, collectively, **INSERT FOR HFS:** the Monthly Food and Beverage Fee, ] the Monthly Program Fee and the Monthly Royalty Fee.

**INSERT FOR HFS:** “**Monthly Food and Beverage Fee**” means the fee we require from you in Subsection 8.1, which is set forth in the Addendum.

“**Monthly Program Fee**” means the fee we require from you in Subsection 8.1, which is set forth in the Addendum.

“**Monthly Royalty Fee**” means the fee we require from you in Subsection 8.1, which is set forth in the Addendum.

“**Network**” means the hotels, inns, conference centers, timeshare properties and other operations that Hilton Worldwide and its subsidiaries own, license, lease, operate or manage now or in the future.

“**Network Hotel**” means any hotel, inn, conference center, timeshare property or other similar facility within the Network.

“**Opening Date**” means the day on which we first authorize the opening of the facilities, Guest Rooms or services of the Hotel to the general public under the Brand.

“**Operational Information**” means all information concerning the Monthly Fees, other revenues generated at the Hotel, room occupancy rates, reservation data and other financial and non-financial information we require.

“**Other Business(es)**” means any business activity we or the Entities engage in, other than the licensing of the Hotel.

“**Other Hotels**” means any hotel, inn, lodging facility, conference center or other similar business, other than a System Hotel or a Network Hotel.

“**Permitted Transfer**” means any Transfer by you or your Equity Owners as specified in Section 13.2 of this Agreement.

“**Person(s)**” means a natural person or entity.

“**Personal Information**” means any information that: (i) can be used (alone or when used in combination with other information within your control) to identify, locate or contact an individual; or (ii) pertains in any way to an identified or identifiable individual. Personal Information can be in any media or format, including computerized or electronic records as well as paper-based files.

“**PIP**” means product improvement plan.

“**PIP Fee**” means the fee we charge for creating a PIP.

“**Plans**” means your plans, layouts, specifications, and drawings for the Hotel that use and incorporate the Standards.

“**Principal Mark**” is the Mark identified as the Principal Mark in the Addendum.

“**Privacy Laws**” means any international, national, federal, provincial, state, or local law, code, rule or regulation that regulates the processing of Personal Information in any way, including data protection laws, laws regulating marketing communications and/or electronic communications, information security regulations and security breach notification rules.

“**Proprietary Information**” means all information or materials concerning the methods, techniques, plans, specifications, procedures, data, systems and knowledge of and experience in the development, operation, marketing and licensing of the System, including the Standards and the Manuals, whether developed by us, you, or a third party.

“**Publicly Traded Equity Interest**” means any Equity Interest that is traded on any securities exchange or is quoted in any publication or electronic reporting service maintained by the National Association of Securities Dealers, Inc. or any other organization or entity in which your shares are listed or traded, or any of their successors.

“**Quality Assurance Re-Evaluation Fee**” has the meaning set forth in Subsection 4.5.



“**Renovation Commencement Date**” means the date set out in the Addendum, if applicable, by which you must commence Renovation Work.

“**Renovation Work**” means the renovation and/or construction work, as the context requires, including purchasing and/or leasing and installation of all fixtures, equipment, furnishings, furniture, signs, computer terminals and related equipment, supplies and other items that would be required of a new System Hotel under the Manual, and any other equipment, furnishings and supplies that we may require for you to operate the Hotel as set out in any PIP applicable to the Hotel.

“**Renovation Work Completion Date**” means any date set out in the Addendum by which you must complete Renovation Work.

“**Reports**” mean daily, monthly, quarterly and annual operating statements, profit and loss statements, balance sheets, and other financial and non-financial reports we require.

“**Reservation Service**” means the reservation service we designate in the Standards for use by System Hotels.

**INSERT ONLY IF RESTRICTED AREA PROVISION GRANTED** “**Restricted Area Provision**” has the meaning set forth in the Addendum.

“**Room Addition Fee**” means a sum equal to the then-current Room Addition Fee charged for new System Hotels multiplied by the number of Additional Guest Rooms you wish to add to the Hotel in accordance with Subsection 6.6.3.

“**Royalty Withholdings**” has the meaning set forth in Subsection 8.4.

“**Sanctioned Person**” means any person or entity, including those owned, controlled by, or acting on behalf of such persons or entities: (a) who is, or is owned or controlled by, or acting on behalf of the Government of any country subject to comprehensive U.S. sanctions in force and which currently include the Government of Cuba, Iran, North Korea, Sudan, and Syria (“**Sanctioned Countries**”); (b) located in, organized under the laws of or ordinarily resident in Sanctioned Countries; (c) identified by any government or legal authority under applicable Trade Restrictions as a person with whom dealings and transactions by Franchisee and/or its Affiliates are prohibited or restricted, including but not limited to persons designated under United Nations Security Council Resolutions, the U.S. Department of the Treasury’s Office of Foreign Assets Control (“**OFAC**”) List of Specially Designated Nationals and Other Blocked Persons; the U.S. Department of State’s lists of persons subject to non-proliferation sanctions; the European Union Financial Sanctions List; persons and entities subject to Special Measures regulations under Section 311 of the USA PATRIOT Act and the Bank Secrecy Act.

“**Securities**” means any public offering, private placement or other sale of securities in the Franchisee, the Hotel or the Hotel Site.

“**Site**” means domain names, the World Wide Web, the Internet, computer network/distribution systems, or other electronic communications sites, including mobile applications.

“**Standards**” means all standards, specifications, requirements, criteria, and policies that have been and are in the future developed and compiled by us for use by you in connection with the design, construction, renovation, refurbishment, appearance, equipping, furnishing, supplying, opening, operating, maintaining, marketing, services, service levels, quality, and quality assurance of System Hotels, including the Hotel, and for hotel advertising and accounting, whether contained in the Manual or set out in this Agreement or other written communication.

“**System**” means the elements, including know-how, that we designate to distinguish hotels operating worldwide under the Brand (as may in certain jurisdictions be preceded or followed by a supplementary identifier such as “by Hilton”) that provide to the consuming public a similar, distinctive, high-quality hotel service. The System currently includes: the Brand, the Marks, the Trade Name, and the Standards; access to a reservation service; advertising, publicity and other marketing programs and materials; training programs and materials; and programs for our inspection of the Hotel and consulting with you.

“**System Hotels**” means hotels operating under the System using the Brand name.

“**Taxes**” means any and all withholding, sales, use, excise, consumption, VAT and other similar taxes or duties, levies, fees or assessments of whatsoever nature.

“**Term**” has the meaning set forth in Section 3.0.

“**Territory**” means Brazil.

“**Trade Name**” means the name of the Hotel set forth in the Addendum.

“**Trade Restrictions**” means trade, economic or investment sanctions, export controls, anti-terrorism, non-proliferation, anti-money laundering and similar restrictions in force pursuant to laws, rules and regulations imposed under Laws to which the Parties are subject.

“**Transfer**” means in all its forms, any sale, lease, assignment, spin-off, transfer, or other conveyance of a direct or indirect legal or beneficial interest.

“**Transferee**” means the proposed new franchisee resulting from a Transfer.

“**Your Agreements**” means any other agreement between you and us or any of the Entities related to this Agreement, the Hotel and/or the Hotel Site.

## 2.0 GRANT OF LICENSE

**2.1 Non-Exclusive License.** We grant to you and you accept a limited, non-exclusive License to use the Marks and the System during the Term at, and in connection with, the operation of the Hotel in accordance with the terms of this Agreement.

## 2.2 Reserved Rights.

**2.2.1** This Agreement does not limit our right, or the right of the Entities, to own, license or operate any Other Business of any nature, whether in the lodging or hospitality industry or not, and whether under the Brand, a Competing Brand, or otherwise. We and the Entities have the right to engage in any Other Businesses, even if they compete with the Hotel, the System, or the Brand, and whether we or the Entities start those businesses, or purchase, merge with, acquire, are acquired by, come under common ownership with, or associate with, such Other Businesses.

**2.2.2** We may also:

**2.2.2.1** add, alter, delete or otherwise modify elements of the System;

**2.2.2.2** use or license to others all or part of the System;

**2.2.2.3** use the facilities, programs, services and/or personnel used in connection with the System in Other Businesses; and

**2.2.2.4** use the System, the Brand and the Marks in the Other Businesses.

**2.2.3** You acknowledge and agree that you have no rights to, and will not make any claims or demands for, damages or other relief arising from or related to any of the foregoing activities, and you acknowledge and agree that such activities will not give rise to any liability on our part, including liability for claims for unfair competition, breach of contract, breach of any applicable implied covenant of good faith and fair dealing, or divided loyalty (as such terms are known in the United States of America).

### **[INCLUDE ONLY IF RESTRICTED AREA PROVIDED:]**

**2.3 Restricted Area Provision.** The Restricted Area Provision is set forth in the Addendum.

## 3.0 TERM

The Term shall begin on the Effective Date and will end, without further notice, on the Expiration Date set forth in the Addendum, unless terminated earlier under the terms of this Agreement. You acknowledge and agree that this Agreement is non-renewable and that this Agreement confers on you absolutely no rights of license renewal or extension whatsoever following the Expiration Date.

## 4.0 OUR RESPONSIBILITIES

We have the following responsibilities to you under this Agreement. We reserve the right to fulfill some or all of these responsibilities through one of the Entities or through unrelated third

parties, in our sole business judgment. We may require you to make payment for any resulting services or products directly to the provider.

**4.1 Training.** We may specify certain required and optional training programs and provide these programs at various locations. We may charge you for required training services and materials and for optional training services and materials we provide to you. You are responsible for all travel, lodging and other expenses you or your employees incur in attending these programs.

**4.2 Reservation Service.** We will furnish you with the Reservation Service. The Reservation Service will be furnished to you on the same basis as it is furnished to other System Hotels in the Territory, subject to the provisions of Subsection 14.3 below.

**4.3 Consultation.** We may offer consultation services and advice in areas such as operations, facilities, and marketing. We may establish fees in advance, or on a project-by-project basis, for any consultation service or advice you request. Any consultation services and advice that you request will be given in the United States of America.

**4.4 Marketing.**

**4.4.1** We will publish (either in hard copy or electronic form) and make available to the traveling public a directory that includes System Hotels. We will include the Hotel in advertising of System Hotels and in international, national and regional marketing programs in accordance with our general practice for System Hotels.

**4.4.2** We will use your Monthly Program Fee to pay for various programs to benefit the System, including:

**4.4.2.1** advertising, promotion, publicity, public relations, market research, and other marketing programs;

**4.4.2.2** developing and maintaining directories of and Internet sites for System Hotels;

**4.4.2.3** developing and maintaining the Reservation Service systems and support; and

**4.4.2.4** administrative costs and overhead related to the administration or direction of these projects and programs.

**4.4.3** We will have the sole right to determine how and when we spend these funds, including sole control over the creative concepts, materials and media used in the programs, the placement and allocation of advertising, and the selection of promotional programs.

**4.4.4** We may enter into arrangements for development, marketing, operations, administrative, technical and support functions, facilities, programs, services and/or personnel with any other entity, including any of the Entities or a third party.

**4.4.5** You acknowledge that Monthly Program Fees are intended for the benefit of the System and will not simply be used to promote or benefit any one System Hotel or market. We will have no obligation in administering any activities paid for with the Monthly Program Fee to make expenditures for you that are equivalent or proportionate to your payments or to ensure that the Hotel benefits directly or proportionately from such expenditures.

**4.4.6** We may create any programs and allocate monies derived from Monthly Program Fees to any regions or localities, as we consider appropriate in our sole business judgment. The aggregate of Monthly Program Fees paid to us by System Hotels does not constitute a trust or “advertising fund” and we are not a fiduciary with respect to the Monthly Program Fees paid by you and other System Hotels.

**4.4.7** We are not obligated to expend funds in excess of the amounts received from System Hotels. If any interest is earned on unused Monthly Program Fees, we will use the interest before using the principal. The Monthly Program Fee does not cover your costs of participating in any optional marketing programs and promotions offered by us in which you voluntarily choose to participate. These Monthly Program Fees do not cover the cost of operating the Hotel in accordance with the Standards.

**4.5 Inspections/Compliance Assistance.** We will administer a quality assurance program for the System that may include conducting pre-opening and periodic inspections of the Hotel and guest satisfaction surveys and audits to ensure compliance with the Standards. You will permit us to inspect the Hotel without prior notice to you to determine if the Hotel is in compliance with the Standards. You will cooperate with our representatives during these inspections. You will then take all steps necessary to correct any deficiencies within the times we establish. You may be charged a Quality Assurance Re-Evaluation Fee as set forth in the Standards. You will provide complimentary accommodations for the quality assurance auditor each time we conduct a regular inspection or a special on-site quality assurance re-evaluation after the Hotel has failed a regular quality assurance evaluation or to verify that deficiencies noted in a quality assurance evaluation report or PIP have been corrected or completed by the required dates.

**4.6 Manual.** We will issue to you or make available in electronic form the Manual and any revisions and updates we may make to the Manual during the Term. You agree to ensure that your copy of the Manual is, at all times, current and up to date. If there is any dispute as to your compliance with the provisions of the Manual, the master copy of the Manual maintained at our principal office will control.

**4.7 Equipment and Supplies.** We will make available to you for use in the Hotel various purchase, lease, or other arrangements for exterior signs, operating equipment, operating supplies, and furnishings, which we make available to other System Hotels.

## **5.0 YOUR RESPONSIBILITIES**

### **5.1 Operational and Other Requirements. You must:**

**5.1.1** operate the Hotel twenty-four (24) hours a day;

**5.1.2** operate the Hotel using the System, in compliance with this Agreement and the Standards, and in such a manner to provide courteous, uniform, respectable and high quality lodging and other services and conveniences to the public. You acknowledge that, although we provide the Standards, you have exclusive day-to-day control of the business and operation of the Hotel and we do not in any way possess or exercise such control;

**5.1.3** comply with the Standards, including our specifications for all supplies, products and services. We may require you to purchase a particular brand of product or service to maintain the common identity and reputation of the Brand, and you will comply with such requirements. Unless we specify otherwise, you may purchase products from any authorized source of distribution; however, we reserve the right, in our business judgment, to enter into exclusive purchasing arrangements for particular products or services and to require that you purchase products or services from approved suppliers or distributors;

**5.1.4** install, display, and maintain signage displaying or containing the Brand name and other distinguishing characteristics in accordance with Standards we establish for System Hotels;

**5.1.5** comply with Standards for the training of persons involved in the operation of the Hotel, including completion by the General Manager and other key personnel of the Hotel of a training program for operation of the Hotel under the System, at a site we designate. You will pay us all fees and charges, if any, we require for your personnel to attend these training programs. You are responsible for all travel, lodging and other expenses you or your employees incur in attending these programs;

**5.1.6** purchase and maintain property management, revenue management, in-room entertainment, telecommunications, high-speed internet access, and other computer and technology systems that we designate for the System or any portion of the System based on our assessment of the long-term best interests of System Hotels, considering the interest of the System as a whole;

**5.1.7** advertise and promote the Hotel and related facilities and services on a local and regional basis in a first-class, dignified manner, using our identity and graphics Standards for all System Hotels, at your cost and expense. You must submit to us for our approval samples of all advertising and promotional materials that we have not previously approved (including any materials in digital, electronic or computerized form or in any form of media that exists now or is developed in the future) before you produce or distribute them. You will not begin using the materials until we approve them. You must immediately discontinue your use of any advertising or promotional material we disapprove, even if we previously approved the materials;

**5.1.8** participate in and pay all charges in connection with all required System guest complaint resolution programs, which programs may include chargebacks to the Hotel for guest refunds or credits and all required System quality assurance programs, such as guest comment cards, customer surveys and mystery shopper programs. You must maintain minimum performance Standards and scores for quality assurance programs we establish;

**5.1.9** honor all nationally recognized credit cards and credit vouchers issued for general credit purposes that we require and enter into all necessary credit card and voucher agreements with the issuers of such cards or vouchers;

**5.1.10** participate in and use the Reservation Service, including any additions, enhancements, supplements or variants we develop or adopt, and honor and give first priority on available rooms to all confirmed reservations referred to the Hotel through the Reservation Service. The only reservation service or system you may use for outgoing reservations referred by or from the Hotel to other Network Hotels will be the Reservation Service or other reservation services we designate;

**5.1.11** comply with Laws and, on request, give evidence to us of compliance;

**5.1.12** participate in, and promptly pay all fees, commissions and charges associated with, all travel agent commission programs and third-party reservation and distribution services (such as airline reservation systems), all as required by the Standards and in accordance with the terms of these programs, all of which may be modified;

**5.1.13** not engage, directly or indirectly, in any cross-marketing or cross-promotion of the Hotel with any Other Hotel or related business, without our prior written consent. You agree to refer guests and customers, wherever reasonably possible, only to System Hotels or Network Hotels. We may require you to participate in programs designed to refer prospective customers to Other Hotels. You must display all material, including brochures and promotional material we provide for System Hotels and Network Hotels, and allow advertising and promotion only of System Hotels and Network Hotels on the Hotel Site, unless we specifically direct you to include advertising or promotion of Other Hotels;

**5.1.14** treat as confidential the Standards, the Manual and all other Proprietary Information. You acknowledge and agree that you do not acquire any interest in the Proprietary Information other than the right to utilize the same in the development and operation of the Hotel under the terms of this Agreement. You agree that you will not use the Proprietary Information in any business or for any purpose other than in the development and operation of the Hotel under the System and will maintain the absolute confidentiality of the Proprietary Information during and after the Term. You will not make unauthorized copies of any portion of the Proprietary Information; and will adopt and implement all procedures we may periodically establish in our business judgment to prevent unauthorized use or disclosure of the Proprietary Information, including restrictions on disclosure to employees and the use of non-disclosure and non-competition clauses in agreements with employees, agents and independent contractors who have access to the Proprietary Information;

**5.1.15** not become a Competitor, or permit your Affiliate to become a Competitor, in the [INSERT FOR HFS] upper upscale [INSERT FOR DT] upscale [INSERT FOR HAM] upper midscale hotel market segment, or any substantially equivalent market segment, as determined by Smith Travel Research (“STR”) (or, if STR is no longer in existence, STR’s successor or other such industry resource that is as equally as reputable as STR);

**5.1.16** own fee simple title (or long-term ground leasehold interest for a term equal to the Term) to the real property and improvements that comprise the Hotel and the Hotel Site, or alternatively, at our request, cause the fee simple owner, or other third party acceptable to us, to provide its guaranty covering all of your obligations under this Agreement in form and substance acceptable to us;

**5.1.17** maintain legal possession and control of the Hotel and Hotel Site for the Term and promptly deliver to us a copy of any notice of default you receive from any mortgagee, trustee under any deed of trust, or ground lessor for the Hotel, and on our request, provide any additional information we may request related to any alleged default;

**5.1.18** not directly or indirectly conduct, or permit by lease, concession arrangement or otherwise, gaming or casino operations in or connected to the Hotel or on the Hotel Site, or otherwise engage in any activity which, in our business judgment, is likely to adversely reflect upon or affect in any manner, any gaming licenses or permits held by the Entities or the then-current stature of any of the Entities with any gaming commission, board, or similar governmental or regulatory agency, or the reputation or business of any of the Entities;

**5.1.19** not directly or indirectly conduct or permit the marketing or sale of timeshares, vacation ownership, fractional ownership, condominiums or like schemes at, or adjacent to, the Hotel. This restriction will not prohibit you from directly or indirectly conducting timeshare, vacation ownership, fractional ownership, or condominium sales or marketing at and for any property located adjacent to the Hotel that is owned or leased by you so long as you do not use any of the Marks in such sales or marketing efforts and you do not use the Hotel or its facilities in such sales and marketing efforts or in the business operations of the adjacent property;

**5.1.20** participate in and pay all charges related to our marketing programs (in addition to programs covered by the Monthly Program Fee), all guest frequency programs we require, and any optional programs that you opt into;

**5.1.21** honor the terms of any discount or promotional programs (including any frequent guest program) that we offer to the public on your behalf, any room rate quoted to any guest at the time the guest makes an advance reservation, and any award certificates issued to Hotel guests participating in these programs;

**5.1.22** after the Effective Date, comply with all insurance requirements specified in the Manual at your expense (which includes participating in any insurance program we designate, if applicable), and maintain, at your expense, insurance of the types and in the



minimum amounts we specify in the Standards. All such insurance must be with insurers having the minimum ratings we specify, name as additional insureds the parties we specify in the Standards, and carry the endorsements and notice requirements we specify in the Standards. If you fail or neglect to obtain or maintain the insurance or policy limits required by this Agreement or the Standards, we have the option, but not the obligation, to obtain and maintain such insurance without notice to you, and you will immediately on our demand pay us the premiums and cost we incur in obtaining this insurance;

**5.1.23** not share the business operations and Hotel facilities with any Other Hotel or other business;

**5.1.24** not engage in any tenant-in-common syndication or Transfer of any tenant-in-common interest in the Hotel or the Hotel Site; and

**5.1.25** promptly provide to us all information we reasonably request about you and your Affiliates (including your respective beneficial owners, officers, directors, shareholders, partners or members) and/or the Hotel, title to the property on which the Hotel is constructed and any other property used by the Hotel.

## **6.0 HOTEL WORK**

### **6.1 Necessary Consents.**

**6.1.1** You must obtain our prior written consent before retaining or engaging any architect, interior designer, general contractor and major subcontractors for the Hotel. We will not unreasonably withhold such consent.

**6.1.2** Plans and Designs must be submitted to us in accordance with the schedule specified in the Addendum or any PIP. Before we approve your Plans, your architect or other certified professional must certify to us that the Plans comply with all Laws related to accessibility/accommodations/facilities for those with disabilities.

**6.1.3** You shall not commence any Hotel Work unless and until we have issued our written consent in respect of the Plans and Designs, which consent will not be unreasonably withheld.

**6.1.4** Once we have provided our consent to the Plans and Designs, no change may be made to the Plans or Designs without our prior written consent. By consenting to the Plans and Designs or any changes or modifications to the Plans and Designs, we do not warrant the depth of our analysis or assume any responsibility or liability for the suitability of the Plans and Designs or the resulting Hotel Work.

**6.1.5** You are solely responsible for ensuring that the Plans and Designs (including Plans and Designs for Hotel Work) comply with our then-current Standards, the Manual, and all Laws.

**6.2 Initial Hotel Work.** You will perform or cause the Hotel Work to be performed in accordance with this Agreement, the approved Plans and Designs, the Manual and, for Renovation Work, the PIP. You will bear the entire cost of the Hotel Work, including the cost of the Plans and Designs, professional fees, licenses, permits, equipment, furniture, furnishings and supplies. You are solely responsible for obtaining all necessary licenses, permits and zoning variances required for the Hotel Work.

**6.3 Commencement and Completion of the Hotel Work.**

**6.3.1** You will commence the Hotel Work on or before the Construction Commencement Date or Renovation Commencement Date specified in the Addendum. You may request an extension by submitting a written request for our approval before the applicable deadline, describing the status of the project and the reason for the requested extension, and paying our then-current extension fee. We may condition our approval on an update to the Plans and Designs. Once commenced, the Hotel Work will continue uninterrupted except to the extent continuation is prevented by events of Force Majeure. You must give written notice to us specifying the nature and duration of any event of Force Majeure promptly after becoming aware of the event, and specifying that you have used, and continue to use, reasonable endeavours to mitigate the effects of such event until such event ceases to exist. On verification of the event of Force Majeure, we will approve an extension of the applicable commencement or completion date for up to eighteen (18) months. You must promptly provide to us evidence that the Construction Work or Renovation Work has commenced if we request it.

**6.3.2** The Hotel Work must be completed and the Hotel must be furnished, equipped, and otherwise made ready to open in accordance with the terms of this Agreement no later than the Construction Work Completion Date or Renovation Work Completion Date specified in the Addendum. You may request an extension by submitting a written request for our approval before the applicable deadline, describing the status of the project and the reason for the requested extension, and paying our then-current extension fee.

**6.3.3** On completion of the Hotel Work and, as a condition to our authorization to open the Hotel, your architect, general contractor or other certified professional must provide us with a certificate stating that the as-built premises comply with all Laws relating to accessibility/accommodations/facilities for those with disabilities.

**6.4 Opening the Hotel.**

**6.4.1** If the Hotel is not open under the Brand on the Effective Date, you will open the Hotel on the Opening Date. You will not open the Hotel unless and until you receive our written consent to do so pursuant to Subsection 6.4.2 or 6.4.3.

**6.4.2** You will give us at least fifteen (15) days advance notice that you have complied with all the terms and conditions of this Agreement and the Hotel is ready to open. We will use reasonable efforts within fifteen (15) days after we receive your notice to visit the Hotel and to conduct other investigations as we deem necessary to determine whether to authorize the opening of the Hotel, but we will not be liable for delays or loss occasioned by our inability to

complete our investigation and to make this determination within the fifteen (15) day period. If you fail to pass our initial opening site visit, we may, in our sole business judgment, charge you reasonable fees associated with any additional visits.

**6.4.3** We shall be entitled to withhold our consent to the opening of the Hotel until:

**6.4.3.1** you have complied with all the terms and conditions in this Agreement;

**6.4.3.2** your staff has received adequate training and instruction in the manner we require;

**6.4.3.3** you have received authorization to open the Hotel from the relevant governmental authority for the jurisdiction in which the Hotel is located, if applicable; and

**6.4.3.4** all fees and charges you owe to us or the Entities have been paid.

**6.4.4** Opening the Hotel before the Opening Date is a material breach of this Agreement.

**6.4.4.1** You will pay us Liquidated Damages in the amount of Five Thousand Dollars (\$5,000) per day if you open the Hotel before the Opening Date to compensate us for the damage caused by such breach. You must also reimburse us for all of our costs and expenses, including legal fees, incurred in enforcing our rights under this Agreement.

**6.4.4.2** These Liquidated Damages for damage to our Marks shall not limit or exclude any other remedies we may have at law or in equity. You acknowledge and agree that that the Liquidated Damages payable under this Subsection represent a reasonable estimate of the minimum just and fair compensation for the damages we will suffer as the result of the opening of the Hotel before the Opening Date in material breach of this Agreement.

**6.5 Performance of Agreement.** You must satisfy all of the terms and conditions of this Agreement, and equip, supply, staff and otherwise make the Hotel ready to open under our Standards. As a result of your efforts to comply with the terms and conditions of this Agreement, you will incur significant expense and expend substantial time and effort. You acknowledge and agree that we will have no liability or obligation to you for any losses, obligations, liabilities or expenses you incur if we do not authorize the Hotel to open or if we terminate this Agreement because you have not complied with the terms and conditions of this Agreement.

## **6.6 Hotel Refurbishment and Room Addition.**

**6.6.1** We may periodically require you to modernize, rehabilitate and/or upgrade the Hotel's fixtures, equipment, furnishings, furniture, signs, computer hardware and software

and related equipment, supplies and other items to meet the then-current Standards. You will make these changes at your sole cost and expense and in the time frame we require.

**6.6.2** You may not make any significant changes (including major changes in structure, design or décor) in the Hotel. Minor redecoration and minor structural changes that comply with our Standards will not be considered significant.

**6.6.3** You may not make any change in the number of approved Guest Rooms in the Addendum. If you wish to add additional Guest Rooms to the Hotel after the Opening Date, you must submit an application to obtain our consent. If we consent to the addition of Guest Rooms at the Hotel, you must pay us our then-current Room Addition Fee. As a condition to our granting approval of your application, we may require you to modernize, rehabilitate or upgrade the Hotel in accordance with Subsection 6.6.1 of this Agreement, and to pay us our then-current PIP Fee to prepare a PIP to determine the renovation requirements for the Hotel. We may also require you to execute an amendment to this Agreement covering the terms and conditions of our consent to the addition of Guest Rooms. The Room Addition Fee is consideration for services rendered in the United State of America by us and/or the Entities in connection with the evaluation and processing of such application.

## **7.0 STAFF AND MANAGEMENT OF THE HOTEL**

**7.1** You are solely responsible for the management of the Hotel’s business. You will provide qualified and experienced management (a “**Management Company**”) and an individual to manage the Hotel (a “**General Manager**”), each approved by us in writing **[IF APPLICABLE]** at least six (6) months before the Opening Date]. We have the right to communicate directly with the Management Company and managers at the Hotel. We may rely on the communications of such managers or Management Company as being on your behalf. Any Management Company and/or General Manager must have the authority to perform all of your obligations under this Agreement. The engagement of a Management Company does not reduce your obligations under this Agreement. In the case of any conflict between this Agreement and any agreement with the Management Company or General Manager, this Agreement prevails.

**7.2** You represent and agree that you have not, and will not, enter into any lease, management agreement or other similar arrangement for the operation of the Hotel or any part of the Hotel without our prior written consent. To be approved by us as the operator of the Hotel, you, any proposed Management Company and any proposed General Manager must be qualified to manage the Hotel. We may refuse to approve you, any proposed Management Company or any proposed General Manager who is a Competitor or which, in our business judgment, is inexperienced or unqualified in managerial skills or operating capability or is unable or unwilling to adhere fully to your obligations under this Agreement.

**7.3** If the Management Company becomes a Competitor or the Management Company and/or the General Manager resigns or is terminated by you or otherwise becomes unsuitable in our sole business judgment to manage the Hotel during the Term, you will have ninety (90) days to retain a qualified substitute Management Company and/or General Manager acceptable to us.

## 8.0 PAYMENT OF FEES

**8.1 Monthly Fees.** Beginning on the Opening Date, you will pay to us for each month (or part of a month, including the final month you operate under this Agreement) the Monthly Fees, each of which is set forth in the Addendum.

### 8.2 Calculation and Payment of Fees.

**8.2.1** The Monthly Fees will be calculated in accordance with the accounting methods of the then-current Uniform System of Accounts for the Lodging Industry, or such other accounting methods specified by us in the Manual. For purposes of this Agreement, the conversion rate for Gross Rooms Revenue and Gross Food and Beverage Revenue into U.S. Dollars for hotels utilizing our then-current proprietary property management system shall be the daily rate of exchange reported by the Wall Street Journal in New York (or such other reference source as we may periodically specify). For hotels not utilizing our then-current proprietary property management system, the conversion of Gross Rooms Revenue and Gross Food and Beverage Revenue into U.S. Dollars shall be the rate of exchange reported by the Wall Street Journal in New York (or such other reference source as we may periodically specify) for the purchase of U.S. Dollars as of the 15th day of the month after the month in which the Gross Rooms Revenue or Gross Food and Beverage Revenue was generated.

**8.2.2** The Monthly Fees will be paid to us at the place and in the manner we designate on or before the fifteenth (15th) day of each month and will be accompanied by our standard schedule setting forth in reasonable detail the computation of the Monthly Fees for such month.

**8.2.3** We may require you to transmit the Monthly Fees and all other payments required under this Agreement by wire transfer or other form of electronic funds transfer and to provide the standard schedule in electronic form. You must bear all costs of wire transfer or other form of electronic funds transfer or other electronic payment and reporting.

**8.2.4** In the event of fire or other insured casualty that results in a reduction of Gross Rooms Revenue [INSERT ONLY FOR HFS] and Gross Food and Beverage Revenue], you will determine and pay us, from the proceeds of any business interruption or other insurance applicable to loss of revenues, an amount equal to the forecasted Monthly Fees, based on the Gross Rooms Revenue [INSERT ONLY FOR HFS] and Gross Food and Beverage Revenue], amounts agreed on between you and your insurance company that would have been paid to us in the absence of such casualty.

**8.2.5** [INSERT ONLY FOR HFS] If Hotel accommodations are bundled with food and beverage arrangements or other services when charged to the customer, you will make a good faith reasonable allocation of the resulting revenue between Gross Rooms Revenue and Gross Food and Beverage Revenue, consistent with the Uniform System of Accounts for the Lodging Industry.

**8.3 Other Fees.** You will timely pay all amounts due us or any of the Entities for any invoices or for goods or services purchased by or provided to you or paid by us or any of the Entities on your behalf.

**8.4 Taxes.**

**8.4.1** All fees and charges payable to us or any of the Entities under this Agreement, including the Franchise Application Fee and the Monthly Program Fee (but not the Monthly Royalty Fee), shall be exclusive of Taxes. The Monthly Royalty Fees payable under this Agreement shall be exclusive of any Taxes, except for any taxes in the nature of income tax imposed on measurement of net income with respect to the Monthly Royalty Fees (“**Royalty Withholdings**”).

**8.4.2** If we are required by any applicable law to make any deduction or withholding on account of Taxes or otherwise, excluding any Royalty Withholdings, from any payment payable to us or any of the Entities, you shall, together with such payment, pay such additional amount as will ensure that we or any of the Entities receives a net amount (free from any deduction or withholding in respect of such additional amount itself) free and clear of any such Taxes or other deductions or withholdings and equal to the full amount which we would otherwise have received as if no such Taxes or other deductions or withholdings, except any Royalty Withholding, had been required. We or the appropriate Entity may provide an invoice to you for any Taxes, deductions or withholdings (excluding Royalty Withholdings) that were deducted or withheld from any payment made to us or any of the Entities under this Agreement, which invoice you must promptly pay. Where appropriate, we shall provide you with a copy of our tax residency certificate or tax exemption documentation or any other required documentation that permits a reduced withholding tax rate to apply for payments to us, and you agree to withhold tax at the applicable reduced withholding tax rate.

**8.4.3** You shall forward to us, promptly after payment (1) copies of official receipts or other evidence reasonably satisfactory to us showing the full amount of Taxes, including Royalty Withholdings, and/or any other deduction or withholding that has been paid to the relevant tax authority; and (2) a statement in English (in a form we require) listing the full amount of Taxes, including Royalty Withholdings, and/or any other deduction or withholding that has been paid in local currency and U.S. Dollars. Such tax receipts and statements should be sent to: Hilton Worldwide, Attention: Withholding Tax Coordinator, Maple Court, Central Park, Reeds Crescent, Watford, Hertfordshire UK WD24 4QQ, or such other address that we may periodically designate.

**8.5 Application of Fees.** We may apply any amounts received from you to any amounts due under this Agreement.

**9.0 PROPRIETARY RIGHTS**

**9.1 Our Proprietary Rights.**

**9.1.1** You will not contest, either directly or indirectly during or after the Term:

**9.1.1.1** our (and/or any Entities') ownership of, rights to and interest in the System, Brand, Marks and any of their elements or components, including present and future distinguishing characteristics and agree that neither you nor any design or construction professional engaged by you may use our Standards, our Manual or your approved Plans and Designs for any hotel or lodging project other than the Hotel;

**9.1.1.2** our sole right to grant licenses to use all or any elements or components of the System;

**9.1.1.3** that we (and/or the Entities) are the owner of (or the licensee of, with the right to sub-license) all right, title and interest in and to the Brand and the Marks used in any form and in any design, alone or in any combination, together with the goodwill they symbolize; or

**9.1.1.4** the validity or ownership of the Marks. The current registration and application status of the Marks in Brazil is attached as Schedule 3.

**9.1.2** You acknowledge that these Marks have acquired a secondary meaning or distinctiveness which indicates that the Hotel, Brand and System are operated by or with our approval. All improvements and additions to, or associated with, the System, all Marks, and all goodwill arising from your use of the System and the Marks, will inure to our benefit and become our property (or that of the applicable Entities), even if you develop them.

**9.1.3** You agree not to directly or indirectly dilute the value of the goodwill attached to the Marks, the Brand or the System. You will not apply for or obtain any trademark or service mark registration of any of the Marks or any confusingly similar marks in your name or on behalf of or for the benefit of anyone else. You acknowledge that you are not entitled to receive any payment or other value from us or from any of the Entities for any goodwill associated with your use of the System or the Marks, or any elements or components of the System.

## **9.2 Trade Name, Use of the Marks.**

### **9.2.1 Trade Name.**

**9.2.1.1** The Hotel will be initially known by the Trade Name set forth in the Addendum. We may change the Trade Name, the Brand name and/or any of the Marks (but not the Principal Mark), or the way in which any of them (including the Principal Mark) are depicted, at any time at our sole option and at your expense. You may not change the Trade Name without our specific prior written consent.

**9.2.1.2** You acknowledge and agree that you are not acquiring the right to use any business names, copyrights, designs, distinguishing characteristics, domain names, emblems, insignia, logos, slogans, service marks, symbols, trademarks, trade dress, trade names

or any other marks or characteristics owned by us or licensed to us that we do not specifically designate to be used in the System.

**9.3 Use of Trade Name and Marks.** You will operate under the Marks, using the Trade Name, at the Hotel. You will not adopt any other names or marks in operating the Hotel without our approval. You will not, without our prior written consent, use any of the Marks, or the word “Hilton,” or other Network trademarks, trade names or service marks, or any similar words or acronyms, in:

**9.3.1** your corporate, partnership, business or trade name;

**9.3.2** any Internet-related name (including a domain name);

**9.3.3** or any business operated separately from the Hotel, including the name or identity of developments adjacent to or associated with the Hotel.

**9.4 Trademark Disputes.**

**9.4.1** You will immediately notify us of any infringement or dilution of or challenge to your use of any of the Marks and will not, absent a court order or our prior written consent, communicate with any other person regarding any such infringement, dilution, challenge or claim. We will take the action we deem appropriate with respect to such challenges and claims and have the sole right to handle disputes concerning use of all or any part of the Marks or the System. You will fully cooperate with us and any applicable Entity in these matters. We will reimburse you for expenses incurred by you as the direct result of activities undertaken by you at our prior written request and specifically relating to the trademark dispute at issue. We will not reimburse you for any other expenses incurred by you for cooperating with us or the Entities.

**9.4.2** You appoint us as your exclusive, true and lawful attorney-in-fact, to prosecute, defend and/or settle all disputes of this type at our sole option. You will grant to the persons designated by us a special power of attorney, as broad as it may be necessary and required by law, for such purposes. You will sign any documents we or the applicable Entity believe are necessary to prosecute, defend or settle any dispute or obtain protection for the Marks and the System, including the granting to us and/or our designees the necessary powers of attorney as required by applicable law, and will assign to us any claims you may have related to these matters. Our decisions as to the prosecution, defense or settlement of the dispute will be final. All recoveries made as a result of disputes with third parties regarding use of all or part of the System or the Marks will be for our account.

**9.5 Web Sites.**

**9.5.1** You may not register, own, maintain or use any Sites that relate to the Network or the Hotel or that include the Marks. The only domain names, Sites, or Site contractors that you may use relating to the Hotel or this Agreement are those we assign or otherwise approve in writing. You acknowledge that you may not, without a legal license or



other legal right, post on your Sites any material in which any third party has any direct or indirect ownership interest. You must incorporate on your Sites any information we require in the manner we deem necessary to protect our Marks.

**9.5.2** Any use of the Marks on any Site must conform to our requirements, including the identity and graphics Standards for all System hotels. Given the changing nature of this technology, we have the right to withhold our approval, and to withdraw any prior approval, and to modify our requirements.

## **9.6 Covenant.**

**9.6.1** You agree, as a direct covenant with us and the Entities, that you will comply with all of the provisions of this Agreement related to the manner, terms and conditions of the use of the Marks and the termination of any right on your part to use any of the Marks. Any non-compliance by you with this covenant or the terms of this Agreement related to the Marks, or any unauthorized or improper use of the System or the Marks, will cause irreparable damage to us and/or to the Entities and is a material breach of this Agreement.

**9.6.2** If you engage in such non-compliance or unauthorized and/or improper use of the System or the Marks during or after the Term, we and any of the applicable Entities, along with the successors and assigns of each, will be entitled to both temporary and permanent injunctive relief against you from any court of competent jurisdiction, in addition to all other remedies we or the Entities may have at law. You consent to the entry of such temporary and permanent injunctions. You must pay all costs and expenses, including reasonable attorneys' fees, expert fees, costs and other expenses of litigation that we and/or the Entities may incur in connection with your non-compliance with this covenant. In addition, you agree, in the event of any non-compliance with any of your obligations in this Section 9, to pay to us, as liquidated damages, the amount of \$10,000 U.S. Dollars for each day that you fail or delay in complying with your obligations until full compliance therewith is given to our satisfaction, in addition to the payment of all costs and expenses, including reasonable attorneys' fees, which we or the Entities may incur in connection with such non-compliance.

## **10.0 REPORTS, RECORDS, AUDITS, AND PRIVACY**

### **10.1 Reports.**

**10.1.1** At our request, you will prepare and deliver to us the Reports containing the Operational Information (and any other information we reasonable require) in the form, manner and time frame we require. At a minimum, by the fifteenth (15th) day of each month, you will submit to us the Operational Information for the previous month and reflecting the computation of the amounts then due under Section 8, in the form, manner and time frame we require.

**10.1.2** The Reports will be certified as accurate in the manner we require. You will permit us to inspect your books and records at all reasonable times.

**10.2 Maintenance of Records.** You will prepare, on a current basis (and preserve for no less than the greater of four (4) years or the time period we stated in our record retention requirements), complete and accurate records concerning Gross Rooms Revenue and all financial, operating, marketing and other aspects of the Hotel. You will maintain an accounting system that fully and accurately reflects all financial aspects of the Hotel and its business. These records will include books of account, tax returns, governmental reports, register tapes, daily reports, and complete quarterly and annual financial statements (including profit and loss statements, balance sheets and cash flow statements) and will be prepared in the form, manner and time frame we require.

**10.3 Audit.**

**10.3.1** We may require you to have the Gross Rooms Revenue, fees or other monies due to us computed and certified as accurate by a certified public accountant. During the Term and for two (2) years thereafter, we and our authorized agents have the right to verify Operational Information required under this Agreement by requesting, receiving, inspecting and auditing, at all reasonable times, any and all records referred to above wherever they may be located (or elsewhere if we request).

**10.3.2** If any inspection or audit reveals that you understated or underpaid any payment due to us, you will promptly pay to us the deficiency plus interest from the date each payment was due until paid at the interest rate set forth in Section 17.15 of this Agreement.

**10.3.3** If the audit or inspection reveals that the underpayment is willful, or is for five percent (5%) or more of the total amount owed for the period being inspected, you will also reimburse us for all inspection and audit costs, including reasonable travel, lodging, meals, salaries and other expenses of the inspecting or auditing personnel. Our acceptance of your payment of any deficiency will not waive any rights we may have as a result of your breach, including our right to terminate this Agreement. If the audit discloses an overpayment, we will credit this overpayment against your future payments due under this Agreement, without interest, or, if no future payments are due under this Agreement, we will promptly pay you the amount of the overpayment without interest.

**10.4 Ownership of Information.** All Information we obtain from you and all revenues we derive from such Information will be our property and Proprietary Information that we may use for any reason, including making a financial performance representation in our franchise disclosure documents. At your sole risk and responsibility, you may use Information that you acquire from third parties in connection with operating the Hotel, such as Personal Information, at any time during or after the Term, to the extent that your use is permitted by Law.

**10.5 Privacy and Data Protection.** You will:

**10.5.1** comply with all applicable Privacy Laws;

**10.5.2** comply with all Standards that relate to Privacy Laws and the privacy and security of Personal Information;

**10.5.3** refrain from any action or inaction that could cause us or the Entities to breach any Privacy Laws;

**10.5.4** do and execute, or arrange to be done and executed, each act, document and thing we deem necessary in our business judgment to keep us and the Entities in compliance with the Privacy Laws; and

**10.5.5** immediately report to us the theft or loss of Personal Information (other than the Personal Information of your own officers, directors, shareholders, employees or service providers).

## **11.0 CONDEMNATION AND CASUALTY**

**11.1 Condemnation.** You must immediately inform us of any proposed taking of any portion of the Hotel by eminent domain. If, in our business judgment, the taking is significant enough to render the continued operation of the Hotel in accordance with the Standards and guest expectations impractical, then we may terminate this Agreement on written notice to you and you will not pay us Liquidated Damages. If such taking, in our business judgment, does not require the termination of this Agreement, then you will make all necessary modifications to make the Hotel conform to its condition, character and appearance immediately before such taking, according to Plans and Designs approved by us. You will take all measures to ensure that the resumption of normal operations at the Hotel is not unreasonably delayed.

### **11.2 Casualty.**

**11.2.1** You must immediately inform us if the Hotel is damaged by fire or other casualty. If the damage or repair requires closing the Hotel, you may choose to repair or rebuild the Hotel according to the Standards, provided you: begin reconstruction within six (6) months after closing and reopen the Hotel for continuous business operations as soon as practicable (but in any event no later than eighteen (18) months after the closing of the Hotel) and give us at least thirty (30) days notice of the projected date of reopening. Once the Hotel is closed, you will not promote the Hotel as a System Hotel or otherwise identify the Hotel using any of the Marks without our prior written consent.

**11.2.2** You and we each have the right to terminate this Agreement if you elect not to repair or rebuild the Hotel as set forth above in Subsection 11.2.1, provided the terminating Party gives the other Party sixty (60) days written notice. We will not require you to pay Liquidated Damages unless you or one of your Affiliates own and/or operate a hotel at the Hotel Site under a lease, license or franchise from a Competitor within three (3) years of the termination date.

### **11.3 No Extensions of Term.** Nothing in this Section 11 will extend the Term.

**[NOTE TO DRAFTER: PICK APPLICABLE PARAGRAPH 12 AND DELETE THE OTHER PARAGRAPH 12/DELETE THIS MESSAGE/UPDATE TABLE OF CONTENTS]**

## **12.0 RIGHT OF FIRST OFFER**

**12.1** Except in the case of a Transfer governed by Subsection 13.2.1 of this Agreement, if you or a Controlling Affiliate wants to Transfer any Equity Interest, or you or a Controlling Affiliate receive an unsolicited bona fide offer from a third party to purchase or lease the Hotel or Hotel Site or an interest in it (the “**Marketed Interest**”), you or the Controlling Affiliate shall notify us in writing of such offer (the “**ROFO Notice**”). The ROFO Notice shall describe the Marketed Interest and state the intended sales or lease price and all terms and conditions of the proposed sale or lease. You or the Controlling Affiliate will provide us with all information and documentation relating to the Marketed Interest that we request.

**12.2** We or our designee(s) shall have the right, exercisable within thirty (30) days after receipt of all requested documentation and information from you (the “**Option Period**”), to either make an offer to purchase or lease the Marketed Interest (“**Our Offer**”) or waive our right to make an offer. During the Option Period, you may not change any of the terms and conditions in the ROFO Notice, and must deal exclusively with us or our designee(s).

**12.3** You will have twenty (20) days after receiving Our Offer to accept or reject Our Offer in writing. If Our Offer is for a price equal to or greater than stated in the notice and is on substantially similar terms and conditions as (or is more favorable than) those stated in the ROFO Notice, then you must accept Our Offer. If you do not accept Our Offer within twenty (20) days, it is deemed rejected.

**12.4** If you accept Our Offer, we or our designee and you will enter into an agreement and complete the transaction for the purchase or lease of the Marketed Interest at the price and on the terms and conditions of Our Offer within sixty (60) days of your written acceptance (the “**60-day Period**”). You will not offer the Hotel or Hotel Site to any third party during the 60-day Period. If the parties are unable to reach agreement despite good faith negotiations in the 60-day Period, you will be deemed to have rejected Our Offer.

**12.5** If you do not accept Our Offer, or it is deemed rejected, or we waive our right to make an offer, for two hundred seventy (270) days (the “**270-day Period**”), you or a Controlling Affiliate may Transfer the Marketed Interest to a third party for a price greater than and/or on more favorable terms than the price and terms stated in Our Offer, but you or a Controlling Affiliate must comply with the Transfer provisions in Section 13.2.2 of this Agreement. If you or a Controlling Affiliate proposes to Transfer the Marketed Interest at a lesser price or on less favorable terms during the 270-day Period, then you must again give us notice of the proposed sale or lease and comply with the provisions of this Section 12.

**[IF ROFO IS DELETED – USE THE FOLLOWING PARAGRAPH 12, APPLY HEADING 1 STYLE TO TITLE ONLY, AND DELETE THIS MESSAGE/UPDATE TABLE OF CONTENTS:]**

## **12.0 NOTICE OF INTENT TO MARKET**

Except in the case of a Transfer governed by Subsection 13.2.1 of this Agreement, if you or a Controlling Affiliate want to Transfer any Equity Interest, you must give us written notice, concurrently with beginning your marketing efforts.

## 13.0 TRANSFERS

### 13.1 Our Transfer.

**13.1.1** We may assign or Transfer this Agreement or any of our rights, duties, or assets under this Agreement, by operation of law or otherwise, to any person or legal entity without your consent, provided that any such person or legal entity shall be required to assume all of our obligations to permit you to operate the Hotel under the Brand after such assignment. Any of the Entities may transfer, sell, dispose of, or otherwise convey, their ownership rights in us or any of our Affiliates, by operation of law or otherwise, including by public offering, to any person or legal entity without your consent.

**13.1.2** If we assign this Agreement to a third party who expressly assumes our obligations under this Agreement, we will no longer have any performance or other obligations to you under this Agreement and your right to use any programs, rights or services provided to you by us or our Affiliates under this Agreement will terminate.

**13.2 Your Transfer.** You understand and acknowledge that the rights and duties in this Agreement are personal to you and that we are entering into this Agreement in reliance on your business skill, financial capacity, and the personal character of you, your officers, directors, partners, members, shareholders or trustees. A Transfer by you of any Equity Interest, or this Agreement, or any of your rights or obligations under this Agreement, or a Transfer by an Equity Owner is prohibited other than as expressly permitted herein.

**13.2.1 Permitted Transfers That Do Not Require Notice or Our Consent.** The following Transfers are permitted without giving notice or obtaining our consent if the Permitted Transfer does not result in a change in Control of the Franchisee, the Hotel or the Hotel Site and you meet the requirements set forth below.

**13.2.1.1 Publicly Traded Equity Interests.** A Publicly Traded Equity Interest may be Transferred.

**13.2.1.2 Passive Investors.** **[IF APPLICABLE]** You may Transfer Equity Interests within **[Insert Fund Entities]** (collectively, the “**Fund Entities**”) and Equity Interests in you to new fund entities or new managed accounts (collectively, “**Future Funds**”) if **[insert name of asset manager]** (“**Asset Manager**”) directly or indirectly, controls the Fund Entities or Future Funds.

**13.2.1.3 Privately Held Equity Interests: Less than 25% Change.** Any Equity Interest that is not publicly traded may be Transferred if, immediately after the

transaction, the transferee Equity Owner will own less than twenty-five percent (25%) of the Equity Interest in Franchisee.

**13.2.2 Permitted Transfers That Require Notice and Our Consent.** We will permit you or any Equity Owner named in the Addendum as of the Effective Date (or any transferee Equity Owner we subsequently approve) to engage in the Permitted Transfers set forth below if any such Permitted Transfer does not result in a change of Control of the Franchisee, the Hotel or the Hotel Site and: (a) the proposed transferee is not a Sanctioned Person or a Competitor; (b) you give us at least sixty (60) days' advance written notice of the proposed Permitted Transfer (including the identity and contact information for any proposed transferee and any other information we may require in order to review the proposed Permitted Transfer); (c) you pay to us a nonrefundable processing fee of Five Thousand Dollars (\$5,000) with the Permitted Transfer request; (d) you follow our then-current procedure for processing Permitted Transfers; and (e) you execute any documents required by us for processing Permitted Transfers.

**13.2.2.1 Affiliate Transfer.** You or any Equity Owner may Transfer an Equity Interest or this Agreement to an Affiliate.

**13.2.2.2 Transfers to a Family Member or Trust.** If you or any Equity Owner as of the Effective Date are a natural person, you and such Equity Owner may Transfer an Equity Interest or this Agreement to an immediate family member (i.e., spouse, children, parents, siblings) or to a trust for your benefit or the benefit of the Equity Owner or the Equity Owner's immediate family members.

**13.2.2.3 Transfer on Death.** On the death of Franchisee or an Equity Owner who is a natural person, this Agreement or the Equity Interest of the deceased Equity Owner may Transfer in accordance with such person's will or, if such person dies intestate, in accordance with laws of intestacy governing the distribution of such person's estate, provided that: (i) the transfer on death is to an immediate family member or to a legal entity formed by such family member(s); and (ii) within one (1) year after the death, such family member(s) or entity meet all of our then-current requirements for an approved Transferee.

**13.2.2.4 Privately Held Equity Interests: 25% or Greater Change.** You or any Equity Owner as of the Effective Date (or any transferee Equity Owner we subsequently approve) may Transfer your Equity Interests even though, after the completion of such Transfer, twenty-five percent (25%) or more of the Equity Interests will have changed hands since the Effective Date of this Agreement.

**13.2.3 Change of Ownership Transfer.** Any proposed Transfer that is not described in Subsection 13.2.1 or 13.2.2 is a Change of Ownership Transfer. We will have sixty (60) days from our receipt of the completed and signed franchise application to consent or withhold our consent to any proposed Change of Ownership Transfer. You consent to our communication with any third party we deem necessary about the Hotel in order for us to evaluate the proposed Change of Ownership Transfer. Our consent to the Change of Ownership Transfer is subject to the following conditions, all of which must be satisfied at or before the date of closing the Change of Ownership Transfer ("**Closing**"):

**13.2.3.1** The Transferee submits a Change of Ownership Application, pays our then current franchise application fee and any PIP Fee, executes our then-current form of new franchise agreement and all ancillary forms, including a guaranty from a third-party acceptable to us, if required;

**13.2.3.2** You are not in default of this Agreement or any other agreements with us or our Affiliates;

**13.2.3.3** You or the Transferee pay all amounts due to us and the Entities through the date of the Closing;

**13.2.3.4** You conclude to our satisfaction, or provide adequate security for, any suit, action, or proceeding pending or threatened against you, us or any Entity with respect to the Hotel, which may result in liability on the part of us or any Entity;

**13.2.3.5** You, the Transferee and/or transferee Equity Owner(s) submit to us all information related to the Transfer that we require, including applications; and

**13.2.3.6** The Transferee meets our then-current business requirements for new franchisees and is neither a Sanctioned Person nor a Competitor.

### **13.3 Public Offering or Private Placement.**

**13.3.1** Any offering by you of Securities requires our review if you use the Marks, or refer to us or this **Agreement** in your offering. All materials required by any Law for the offer or sale of those Securities must be submitted to us for review at least sixty (60) days before the date you distribute those materials or file them with any governmental agency, including any materials to be used in any offering exempt from registration under any securities laws.

**13.3.2** You must submit to us a non-refundable Five Thousand Dollar (\$5,000) processing fee with the offering documents and pay any additional costs we may incur in reviewing your documents, including reasonable attorneys' fees. Except as legally required to describe the Hotel in the offering materials, you may not use any of the Marks or otherwise imply our participation or that of Hilton Worldwide or any other Entity in or endorsement of any Securities or any Securities offering.

**13.3.3** We have the right to approve any description of this Agreement or of your relationship with us, or any use of the Marks, contained in any prospectus, offering memorandum or other communications or materials you use in the sale or offer of any Securities. Our review of these documents will not in any way be considered our agreement with any statements contained in those documents, including any projections, or our acknowledgment or agreement that the documents comply with any Laws.

**13.3.4** You may not sell any Securities unless you clearly disclose to all purchasers and offerees that: (i) neither we, nor any Entity, nor any of our or their respective

officers, directors, agents or employees, will in any way be deemed an issuer or underwriter of the Securities, as those terms are defined in applicable securities laws; and (ii) we, the Entities, and our respective officers, directors, agents and employees have not assumed and will not have any liability or responsibility for any financial statements, prospectuses or other financial information contained in any prospectus or similar written or oral communication.

**13.3.5** You must indemnify, defend and hold the Indemnified Parties free and harmless of and from any and all liabilities, costs, damages, claims or expenses arising out of or related to the sale or offer of any of your Securities to the same extent as provided in Subsection 15.1 of this Agreement.

#### **13.4 Mortgages and Pledges to Lending Institutions.**

**13.4.1** You or an Equity Owner may mortgage or pledge the Hotel or an Equity Interest to a lender that finances the acquisition, development or operation of the Hotel, without notifying us or obtaining our consent, provided that you or the applicable Equity Owner are the sole borrower; and the loan is not secured by any other hotels or other collateral.

**13.5 Commercial Leases.** You may lease or sublease commercial space in the Hotel, or enter into **concession** arrangements for operations in connection with the Hotel, in the ordinary course of business, subject to our right to review and approve the nature of the proposed business and the proposed brand and concept, all in keeping with our then-current Standards for System Hotels.

#### **14.0 TERMINATION**

**14.1 Termination with Opportunity to Cure.** We may terminate this Agreement by written notice to you and opportunity to cure at any time before its expiration on any of the following grounds:

**14.1.1** You fail to pay us any sums due and owing to us or the Entities under this Agreement within the cure period set forth in the notice, which shall not be less than ten (10) days;

**14.1.2** You fail to begin or complete the Hotel Work by the relevant dates set forth in the Addendum or fail to open the Hotel on the Opening Date, and do not cure that default within the cure period set forth in the notice, which shall not be less than ten (10) days;

**14.1.3** You do not purchase or maintain insurance required by this Agreement or do not reimburse us for our purchase of insurance on your behalf within the cure period set forth in the notice, which shall not be less than ten (10) days; or

**14.1.4** You fail to comply with any other provision of this Agreement, the Manual or any Standard and do not cure that default within the cure period set forth in the notice, which shall not be less than thirty (30) days.



**14.2 Immediate Termination by Us.** We may immediately terminate this Agreement on notice to you and without any opportunity to cure the default if:

**14.2.1** after curing any material breach of this Agreement or the Standards, you engage in the same non-compliance within any consecutive twenty-four (24) month period, whether or not the non-compliance is corrected after notice, which pattern of non-compliance in and of itself will be deemed material;

**14.2.2** you receive three (3) notices of material default in any twelve (12) month period, even if the defaults have been cured;

**14.2.3** you fail to pay debts as they become due or admit in writing your inability to pay your debts or you make a general assignment for the benefit of your creditors;

**14.2.4** you have an order entered against you appointing a receiver for the Hotel or a substantial part of your or the Hotel's assets or you file a voluntary petition in bankruptcy or any pleading seeking any reorganization, liquidation, or dissolution under any law, or you admit or fail to contest the material allegations of any such pleading filed against you or the Hotel, and the action results in the entry of an order for relief against you under the Bankruptcy Code, the adjudication of you as insolvent, or the abatement of the claims of creditors of you or the Hotel under any law;

**14.2.5** you or your Guarantor lose possession or the right to possession of all or a significant part of the Hotel or Hotel Site for any reason other than those described in Section 11;

**14.2.6** you fail to operate the Hotel for five (5) consecutive days, unless the failure to operate is due to an event of Force Majeure or similar causes beyond your control, provided that you have taken reasonable steps to minimize the impact of such events;

**14.2.7** you contest in any court or proceeding our ownership of the System or any part of the System or the validity of any of the Marks;

**14.2.8** you or any Equity Owner with a controlling Equity Interest are or have been convicted of a felony or any other offense or conduct, if we determine in our business judgment it is likely to adversely reflect on or affect the Hotel, the Brand, the Marks, the System, us and/or any Entity;

**14.2.9** you conceal revenues, maintain false books and records of accounts, submit false reports or information to us or otherwise attempt to defraud us;

**14.2.10** you, your Affiliate or a Guarantor become a Competitor except as otherwise permitted by Subsection 5.1.15;

**14.2.11** you Transfer any interest in yourself, this Agreement, the Hotel or the Hotel Site, other than in compliance with Section 13 and its subparts;

**14.2.12** you, your Affiliate or a Guarantor become a Sanctioned Person or are owned or controlled by a Sanctioned Person or fail to comply with the provisions of Subsection 17.13;

**14.2.13** information is disclosed involving you or your Affiliates, which, in our business judgment, is likely to adversely reflect on or affect in any manner, any gaming licenses or permits held by the Entities or the then-current stature of any of the Entities with any gaming commission, board, or similar governmental or regulatory agency, or the reputation or business of any of the Entities;

**14.2.14** any Guarantor breaches its guaranty to us; or

**14.2.15** a threat or danger to public health or safety results from the construction, maintenance, or operation of the Hotel.

**14.3 Suspension Interim Remedies.** If you are in default of this Agreement, we may elect to impose an Interim Remedy, including the suspension of our obligations under this Agreement and/or our or the Entities' obligations under any other of Your Agreements.

**14.3.1** We may suspend the Hotel from the Reservation Service and any reservation and/or website services provided through or by us. We may remove the listing of the Hotel from any directories or advertising we publish. If we suspend the Hotel from the Reservation Service, we may divert reservations previously made for the Hotel to other System Hotels or Network Hotels.

**14.3.2** We may disable all or any part of the software provided to you under Your Agreements and/or may suspend any one or more of the information technology and/or network services that we provide or support under Your Agreements.

**14.3.3** We may charge you for costs related to suspending or disabling your right to use any software systems or technology we provided to you, together with intervention or administration fees as set forth in the Standards.

**14.3.4** You agree that our exercise of the right to elect Interim Remedies will not result in actual or constructive termination or abandonment of this Agreement and that our decision to elect Interim Remedies is in addition to, and apart from, any other right or remedy we may have in this Agreement. If we exercise the right to elect Interim Remedies, the exercise will not be a waiver of any breach by you of any term, covenant or condition of this Agreement. You will not be entitled to any compensation, including repayment, reimbursement, refund or offsets, for any fees, charges, expenses or losses you may directly or indirectly incur by reason of our exercise and/or withdrawal of any Interim Remedy.

#### **14.4 Liquidated Damages on Termination.**

**14.4.1 Calculation of Liquidated Damages.** You acknowledge and agree that the premature termination of this Agreement will cause substantial damage to us. You agree that

Liquidated Damages are not a penalty, but represent a reasonable estimate of the minimum just and fair compensation for the damages we will suffer as the result of your failure to operate the Hotel for the Term. If this Agreement terminates before the Expiration Date, you will pay us Liquidated Damages as follows:

**14.4.1.1** If termination occurs before you begin the Hotel Work and before the Opening Date, and you or any Guarantor (or your or any Guarantor's Affiliates) directly or indirectly, enter into a franchise, license, management, lease and/or other similar agreement for or begin construction or commence operation of a hotel, motel, inn, or similar facility at the Hotel Site under a Competitor Brand within one (1) year after termination, then you will pay us Liquidated Damages in an amount equal to \$3,600 multiplied by the number of approved Guest Rooms at the Hotel.

**14.4.1.2** If termination occurs after you begin the Hotel Work but before the Opening Date, you will pay us Liquidated Damages in an amount equal to \$3,600 multiplied by the number of approved Guest Rooms at the Hotel, unless your failure to complete the Hotel Work was the result of Force Majeure.

**14.4.1.3** If termination occurs after the Opening Date but before the second anniversary of the Opening Date, you will pay us Liquidated Damages in an amount equal to \$3,600 multiplied by the number of approved Guest Rooms at the Hotel.

**14.4.1.4** If termination occurs after the second anniversary of the Opening Date but before the final five (5) calendar years of the Term, you will pay us Liquidated Damages in an amount calculated by dividing the sum of the Monthly Royalty Fees due to us under this Agreement for the prior twenty-four (24) month period by twenty-four (24) and then multiplying the resulting sum by sixty (60).

**14.4.1.5** If there are less than sixty (60) months remaining in the Term on the date of termination, you will pay us Liquidated Damages in an amount calculated by dividing the sum of the Monthly Royalty Fees due to us under this Agreement for the prior twenty-four (24) month period by twenty-four (24) and then multiplying the resulting sum by the number of months remaining in the Term.

**14.4.2 Payment of Liquidated Damages.** Payment of Liquidated Damages is due thirty (30) days following termination of this Agreement or on demand.

**14.5 Actual Damages Under Special Circumstances.** You acknowledge that the Liquidated Damages described in Subsection 14.4 may be inadequate to compensate us for additional harm we may suffer, by reason of greater difficulty in re-entering the market, competitive damage to the System or the Network, damage to goodwill of the Marks, and other similar harm, as we reserve the right to seek actual damages in lieu of Liquidated Damages under the following circumstances:

**14.5.1** within twelve (12) months of each other, [SELECT FOR DT/ HFS/CI] two (2) [SELECT FOR HAM] seven (7) or more franchise agreements for the Brand between

yourself (or any of your Affiliates) and us (or any of our Affiliates) terminate before their expiration date as a result of a breach by you or your Affiliate; or

**14.5.2** this Agreement terminates due to an unapproved Transfer: (i) to a Competitor, or (ii) to a buyer that converts the Hotel to a Competing Brand within two (2) years from the date this Agreement terminates.

**14.6 Your Obligations on Termination or Expiration.** On termination or expiration of this Agreement, you will immediately:

**14.6.1** pay all sums due and owing to us or any of the Entities, including any expenses incurred by us in obtaining injunctive relief for the enforcement of this Agreement;

**14.6.2** cease operating the Hotel as a System Hotel and cease using the System;

**14.6.3** cease using the Marks, the Trade Name, and any confusingly similar names, marks, trade dress systems, insignia, symbols, or other rights, procedures, and methods. You will deliver all goods and materials containing the Marks to us and we will have the sole and exclusive use of any items containing the Marks. You will immediately make any specified changes to the location as we may reasonably require for this purpose, which will include removal of the signs, custom decorations, and promotional materials;

**14.6.4** cease representing yourself as then or formerly a System Hotel or affiliated with the Brand or the Network;

**14.6.5** return all copies of the Manual and any other Proprietary Information to us;

**14.6.6** cancel all assumed name or equivalent registrations relating to your use of any Mark, notify the telephone company and all listing agencies and directory publishers including Internet domain name granting authorities, Internet service providers, global distribution systems, and web search engines of the termination or expiration of your right to use the Marks, the Trade Name, and any telephone number, any classified or other telephone directory listings, Internet domain names, uniform resource locators, website names, electronic mail addresses and search engine metatags and keywords associated with the Hotel, and authorize their transfer to us; and

**14.6.7** irrevocably assign and transfer to us (or to our designee) all of your right, title and interest in any domain name listings and registrations that contain any reference to our Marks, System, Network or Brand; notify the applicable domain name registrars of the termination of your right to use any domain name or Sites associated with the Marks or the Brand; and authorize and instruct the cancellation of the domain name, or transfer of the domain name to us (or our designee), as we specify. You will also delete all references to our Marks, System, Network or Brand from any Sites you own, maintain or operate beyond the expiration or termination of this Agreement.

**14.6.8** If within thirty (30) days after termination or expiration of this Agreement, you fail to comply with this Section 14.6, you agree to pay to us, as Liquidated Damages for failing to perform your obligations when due, the amount of \$10,000 U.S. Dollars for each day that you fail or delay in complying with your obligations until full compliance therewith is given to our satisfaction, in addition to the payment of all costs and expenses, including reasonable attorneys' fees, which we and/or the Entities may incur in connection with such non-compliance.

## **15.0 INDEMNITY**

**15.1** Beginning on the Effective Date, you must indemnify the Indemnified Parties against, and hold them harmless from, all losses, costs, liabilities, damages, claims, and expenses, including reasonable attorneys' fees, expert fees, costs and other expenses of litigation arising out of or resulting from:

**15.1.1** any breach by you of this Agreement, the Manual or the Standards;

**15.1.2** any act or omission of you or your officers, employees, Affiliates, associates or agents in any way arising out of or relating to this Agreement;

**15.1.3** any claimed occurrence at the Hotel including personal injury, death or property damage;

**15.1.4** your alleged or actual infringement or violation of copyright, industrial design, patent, service mark, trademark or other proprietary right owned or controlled by third parties;

**15.1.5** your alleged or actual violation or breach of any contract (including any group sales agreement for the System), any Law, or any industry standard;

**15.1.6** any business conducted by you or a third party in, on or about the Hotel or Hotel Site and

**15.1.7** your failure to comply with Subsection 17.13, including a breach of the representations set forth therein.

**15.2** You do not have to indemnify an Indemnified Party to the extent damages otherwise covered under this Section 15 are adjudged by a final, non-appealable judgment of a court of competent jurisdiction to have been solely the result of the gross negligence or willful misconduct of that Indemnified Party, and not any of the acts, errors, omissions, negligence or misconduct of you or anyone related to you or the Hotel. You may not rely on this exception to your indemnity obligation if the claims were asserted against us or any other Indemnified Party on the basis of theories of imputed or secondary liability, such as vicarious liability, agency, or apparent agency, or our failure to compel you to comply with the provisions of this Agreement, including compliance with Standards, Laws or other requirements.

**15.3** You will give us written notice of any action, suit, proceeding, claim, demand, inquiry or investigation involving an Indemnified Party within five (5) days of your knowledge of it. At our election, you will defend us and/or the Indemnified Parties against the same. If you fail to defend us and/or the Indemnified Parties, we may elect to assume (but under no circumstance will we be obligated to undertake) the defense and/or settlement of the action, suit, proceeding, claim, demand, inquiry or investigation at your expense and risk.

**15.4** If we think our respective interests conflict, we may obtain separate counsel of our choice. This will not diminish your obligation to indemnify the Indemnified Parties and to hold them harmless. You will reimburse the Indemnified Parties on demand for all expenses, including reasonable attorneys' fees, expert fees, costs and other expenses of litigation, the Indemnified Parties incur to protect themselves or to remedy your defaults. The Indemnified Parties will not be required to seek recovery from third parties or otherwise mitigate their losses to maintain a claim against you, and their failure to do so will not reduce the amounts recoverable from you by the Indemnified Parties.

**15.5** Your obligations under this Section 15 will survive expiration or termination of this Agreement.

## **16.0 RELATIONSHIP OF THE PARTIES**

**16.1 No Agency Relationship.** You are an independent contractor. Neither Party is the legal representative or agent of the other Party nor has the power to obligate the other Party for any purpose. You acknowledge that we do not supervise or direct your daily affairs and that you have exclusive control over your daily affairs. You expressly acknowledge that the Parties have a business relationship based entirely on, and defined by, the express provisions of this Agreement and that no partnership, joint venture, agency, fiduciary or employment relationship is intended or created by reason of this Agreement.

**16.2 Notices to Public Concerning Your Independent Status.** All contracts for the Hotel's operations and services at the Hotel will be in your name or in the name of your Management Company. You will not enter into or sign any contracts in our name or any Entity's name or using the Marks or any acronyms or variations of the Marks. You will disclose in all dealings with the public, suppliers and third parties that you are an independent entity and that we have no liability for your debts.

## **17.0 MISCELLANEOUS**

### **17.1 Severability and Interpretation.**

**17.1.1** If any provision of this Agreement is held to be unenforceable, void or voidable, that provision will be ineffective only to the extent of the prohibition, without in any way invalidating or affecting the remaining provisions of this Agreement, and all remaining provisions will continue in effect, unless the unenforceability of the provision frustrates the underlying purpose of this Agreement. If any provision of this Agreement is held to be

unenforceable due to its scope, but may be made enforceable by limiting its scope, the provision will be considered amended to the minimum extent necessary to make it enforceable.

**17.1.2** This Agreement will be interpreted without interpreting any provision in favor of or against either Party by reason of the drafting of the provision, or either of our positions relative to the other.

**17.1.3** Any covenant, term or provision of this Agreement that provides for continuing obligations after the expiration or termination of this Agreement will survive any expiration or termination.

## **17.2 Governing Law, Jurisdiction and Venue.**

**17.2.1** The Parties agree that, except to the extent governed by the United States Trademark Act of 1946 (Lanham Act; 15 U.S.C. ¶ 1050 et seq.), as amended, this Agreement will be governed by the laws of the State of New York without recourse to New York choice of law or conflicts of law principles. Nothing in this Section is intended to invoke the application of any franchise, business opportunity, antitrust, “implied covenant,” unfair competition, fiduciary or any other doctrine of law of the State of New York or any other Territory that would not otherwise apply absent this Subsection 17.2.1.

**17.2.2** The Parties agree that any action brought pursuant to this Agreement or the relationship between them must be brought in the U.S. District Court for the Eastern District of Virginia, in Alexandria, Virginia, or if that court lacks subject matter jurisdiction, then in a court of competent jurisdiction whose jurisdiction includes either Fairfax County, Virginia or New York, New York, or in the Territory where the Hotel is located. You consent to personal jurisdiction and venue in each of these jurisdictions and waive, and agree not to assert, move or otherwise claim that the venue in any of these jurisdictions is for any reason improper, inconvenient, prejudicial or otherwise inappropriate. Notwithstanding the foregoing, the parties agree that actions initiated or maintained by us for temporary remedies, injunctive or other equitable relief (or the equivalent thereof under the laws of the Territory) may be brought in any competent court or other governmental agency or authority. In addition, we may, in our sole discretion, bring any other cause of action relating to this Agreement in the competent courts located in the Territory. Notwithstanding such election, the choice of substantive law made by the parties pursuant to this Subsection 17.2 shall continue to apply.

**17.3 Exclusive Benefit.** This Agreement is exclusively for our and your benefit, and none of the obligations of you or us in this Agreement will run to, or be enforceable by, any other party (except for any rights we assign or delegate to one of the Entities or covenants in favor of the Entities, which rights and covenants will run to and be enforceable by the Entities or their successors and assigns) or give rise to liability to a third party, except as otherwise specifically set forth in this Agreement.

**17.4 Entire Agreement.** This Agreement and all of its attachments, documents, schedules, exhibits, and any other information specifically incorporated into this Agreement by reference (including any representations in any franchise disclosure document that we provided

to you for the Brand in connection with the offer of this License) will be construed together as the entire agreement between you and us with respect to the Hotel and any other aspect of our relationship and will supersede and cancel any prior and/or contemporaneous discussions or writings between you and us.

**17.5 Amendment and Waiver.**

**17.5.1** No change, termination, or attempted waiver or cancellation of any provision of this Agreement will bind us unless it is in writing, specifically designated as an amendment or waiver, and signed by one of our officers. We may condition our agreement to any amendment or waiver on receiving from you, in a form satisfactory to us, an estoppel and general release of claims that you may have against us, the Entities, and related parties.

**17.5.2** No failure by us or by any of the Entities to exercise any power given us under this Agreement or to insist on strict compliance by you with any of your obligations, and no custom or practice at variance with the terms of this Agreement, will be considered a waiver of our or any Entity's right to demand exact compliance with the terms of this Agreement.

**17.6 Consent; Business Judgment.**

**17.6.1** Wherever our consent or approval is required in this Agreement, unless the provision specifically indicates otherwise, we have the right to withhold our approval at our option, in our business judgment, taking into consideration our assessment of the long-term interests of the System overall. We may withhold any and all consents or approvals required by this Agreement if you are in default or breach of this Agreement. Our approvals and consents will not be effective unless given in writing and signed by one of our duly authorized representatives.

**17.6.2** You agree not to make a claim for money damages based on any allegation that we have unreasonably withheld or delayed any consent or approval to a proposed act by you under the terms of this Agreement. You also may not claim damages by way of set-off, counterclaim or defense for our withholding of consent. Your sole remedy for the claim will be an action or proceeding to enforce the provisions of this Agreement by specific performance or by declaratory judgment.

**17.7 Notices.** Notices under this Agreement must be in writing and must be delivered in person, by prepaid overnight commercial delivery service, or by prepaid overnight mail, registered or certified, with return-receipt requested. Notices to us must be sent to Hilton Worldwide, Attention: Legal Department, Maple Court, Central Park, Reeds Crescent, Watford, Hertfordshire, UK WD24 4QQ. We will send notices to your address set forth in the Addendum. If you want to change the name or address for notice to you, you must do so in writing, signed by you or your duly authorized representative, designating a single address for notice, which may not be a P.O. Box, in compliance with this Subsection. Notice will be deemed effective on the earlier of: 1) receipt or first refusal of delivery; 2) one (1) day after posting if sent via overnight commercial delivery service or overnight United States of America or Territory mail; or 3) three



(3) days after placement in the United States or Territory mail if overnight delivery is not available to the notice address.

**17.8 General Release.** You, on your own behalf and on behalf of, as applicable, your officers, directors, managers, employees, heirs, administrators, executors, agents and representatives and their respective successors and assigns hereby release, remise, acquit and forever discharge us and the Entities and our and their respective officers, directors, employees, managers, agents, representatives and their respective successors and assigns from any and all actions, claims, causes of action, suits, rights, debts, liabilities, accounts, agreements, covenants, contracts, promises, warranties, judgments, executions, demands, damages, costs and expenses, whether known or unknown at this time, of any kind or nature, absolute or contingent, existing at law or in equity, on account of any matter, cause or thing whatsoever that has happened, developed or occurred relating to this Agreement or the relationship between you and us before the Effective Date of this Agreement. This release will survive the termination of this Agreement.

**17.9 Remedies Cumulative.** The remedies provided in this Agreement are cumulative. These remedies are not exclusive of any other remedies that you or we may be entitled to in case of any breach or threatened breach of the terms and provisions of this Agreement.

**17.10 Economic Conditions Not a Defense.** Neither general economic downturn or conditions nor your own financial inability to perform the terms of this Agreement will be a defense to an action by us or one of the Entities for your breach of this Agreement.

**17.11 Representations and Warranties.** You warrant, represent and agree that all statements in your franchise application in anticipation of the execution of this Agreement, and all other documents and information submitted to us by you or on your behalf are true, correct and complete as of the date of this Agreement. You further represent and warrant to us that:

**17.11.1** you have independently investigated the risks of operating the Hotel under the Brand, including current and potential market conditions and competitive factors and risks, and have made an independent evaluation of all such matters and reviewed our franchise disclosure document, if applicable;

**17.11.2** neither we nor our representatives have made any promises, representations or agreements other than those provided in the Agreement or in our franchise disclosure document provided to you in connection with the offer of this Agreement, if applicable, and you acknowledge that you are not relying on any promises, representations or agreements about us or the franchise not expressly contained in this Agreement in making your decision to sign this Agreement;

**17.11.3** you have the full legal power authority and legal right to enter into this Agreement;

**17.11.4** this Agreement constitutes a legal, valid and binding obligation and your entry into, performance and observation of this Agreement will not constitute a breach or default of any agreement to which you are a party or of any Law;

**17.11.5** if you are a corporation, limited liability company, or other entity, you are, and throughout the Term will be, duly formed and validly existing, in good standing in the Territory in which you are organized, and are and will be authorized to do business in the Territory in which the Hotel is located; and

**17.11.6** no Equity Interest has been issued, converted to, or is held as, bearer shares or any other form of ownership, for which there is no traceable record of the identity of the legal and beneficial owner of such Equity Interest.

**17.11.7** You hereby indemnify and hold us harmless from any breach of these representations and warranties. These warranties and representations will survive the termination of this Agreement.

**17.12 Counterparts.** This Agreement may be signed in counterparts, each of which will be considered an original.

**17.13 Sanctioned Persons and Anti-Bribery Representations and Warranties.**

**17.13.1** You represent, warrant and covenant to us and the Entities, on a continuing basis, that:

**17.13.1.1** you (including your directors and officers, senior management and shareholders (or other Persons) having a controlling interest in you), and any Controlling Affiliate of the Hotel or the Hotel Site are not, and are not owned or controlled by, or acting on behalf of, a Sanctioned Person or, to your actual knowledge, otherwise the target of Trade Restrictions;

**17.13.1.2** you have not and will not obtain, receive, transfer or provide any funds, property, debt, equity, or other financing related to this Agreement and the Hotel or Hotel Site to/from a Person that qualifies as a Sanctioned Person or, to your actual or constructive knowledge, is otherwise the target of any applicable Trade Restrictions;

**17.13.1.3** you are familiar with the provisions of applicable Anti-Corruption Laws and shall comply with applicable Anti-Corruption Laws in performance of your respective obligations under or in connection with this Agreement;

**17.13.1.4** any funds received or paid in connection with entry into or performance of this Agreement have not been and will not be derived from or commingled with the proceeds of any activities that are proscribed and punishable under the criminal laws of the Territory or the United States of America, and that you are not engaging in this transaction in furtherance of a criminal act, including acts in violation of applicable Anti-Corruption Laws;

**17.13.1.5** in preparation for and in entering into this Agreement, you have not made any Improper Payment or engaged in any acts or transactions otherwise in violation of any applicable Anti-Corruption Laws, and, in connection with this Agreement or the performance of your obligations under this Agreement, you will not directly or indirectly make, offer to make, or authorize any Improper Payment or engage in any acts or transactions otherwise in violation of any applicable Anti-Corruption Laws;

**17.13.1.6** you will assure that you or any of your officers, employees, representatives, agents, direct or indirect legal or beneficial owners who at any time during this Agreement may be considered a Government Entity or Government Official do not improperly use their status or position to influence official actions or decisions or to secure any improper advantages to or for the benefit of the Hotel or us and do not directly or indirectly make, offer to make, or authorize any Improper Payment or engage in acts or transactions otherwise in violation of any applicable Anti-Corruption Laws;

**17.13.1.7** any statements, oral, written, electronic or otherwise, that you submit to us or to any third party in connection with the representations, warranties, and covenants described in this Subsection 17.13 are truthful and accurate and do not contain any materially false or inaccurate statements;

**17.13.1.8** you will assure that your respective appointed agents (including any Management Company) in relation to this Agreement comply in all material respects with the representations, warranties, and covenants described in this Subsection 17.13; and

**17.13.2** You will notify us in writing immediately on the occurrence of any event which would render the foregoing representations and warranties of this Subsection 17.13 incorrect.

**17.13.3** If we believe that you may not be in compliance with any of the covenants, representations and warranties set forth in this Subsection 17.13, we will advise you of our belief, and you must (i) cooperate with any and all reasonable information and documentation requests and inquiries, including requests for execution of certificates of compliance, and (ii) permit, on reasonable prior notice, at all reasonable times, inspection of the books and records pertaining to the development, ownership, management, and use of the Hotel.

**17.14 Attorneys' Fees and Costs.** If either Party is required to employ legal counsel or to incur other expenses to enforce any provision of this Agreement or defend any claim by the other, then the prevailing party in any resulting dispute will be entitled to recover from the non-prevailing Party the amount of all reasonable fees of attorneys and experts, court costs, and all other expenses incurred in enforcing such obligation or in defending against such claim, demand, action, or proceeding.

**17.15 Interest.** Any sum owed to us or the Entities by you or paid by us or the Entities on your behalf will bear interest from the date due until paid by you at the rate of eighteen percent (18%) per annum or, if lower, the maximum lawful rate.

**17.16 Successors and Assigns.** The terms and provisions of this Agreement will inure to the benefit of and be binding on the permitted successors and assigns of the Parties.

**17.17 Our Delegation of Rights and Responsibility.** In addition to the rights granted to us in Section 4 and Subsection 13.1 of this Agreement, we reserve the right to delegate to one or more of the Entities at any time, any and all of our rights, obligations or requirements under this Agreement, and to require that you submit any relevant materials and documents otherwise requiring approval by us under this Agreement to such Entity, in which case approval by such Entity will be conclusively deemed to be approval by us. During the period of such delegation or designation, any act or direction by such Entity with respect to this Agreement will be deemed the act or direction of us. We may revoke any such delegation or designation at any time. You acknowledge and agree that such delegation may result in one or more of the Entities which operate, license, or otherwise support brands other than the Brand, exercising or performing on our behalf any or all rights, obligations or requirements under this Agreement or performing shared services on our behalf.

**17.18 Currency.** Unless otherwise expressly specified, all references to amounts in this Agreement are deemed to be references to U. S. Dollars (legal currency of the United States of America). Furthermore, all amounts payable hereunder will be paid in U. S. Dollars, unless we specify otherwise.

**17.19 English Language.** This Agreement is entered into in English. The parties confirm that it is their wish that this Agreement, as well as all other documents relating to this Agreement, including all future notices, have been and shall be drawn up in the English language only. If any party translates this Agreement into any other language, the English version shall control for all purposes.

**17.20 Delivery of Franchise Disclosure Document and Agreement.** Notwithstanding the choice of New York law pursuant to Section 17.2.1 to govern this Agreement, you and we acknowledge and agree that any United States of America Franchise Disclosure Document for the Brand is not applicable to a franchise agreement for the Territory and we did not, therefore, provide a United States of America Franchise Disclosure Document to you. You acknowledge delivery and receipt of a Franchise Disclosure Document for the Territory, which you acknowledge and agree complies with the requirements of Brazilian Law 8955/94 (the *Franchise Law*) adopted on December 15, 1994, and effective on February 14, 1995. You and each of your owners listed in Schedule 2 have had a full and adequate opportunity to read and review such Brazil Franchise Disclosure Document and the Agreement, and to be thoroughly advised by legal counsel or representative, or have chosen not to do so without any influence by us. You further acknowledge that you (and your legal counsel or representative, if applicable) are fluent in the English language, and that you understood all of the items of information contained in the Franchise Disclosure Document delivered to you before execution of this Agreement.

**17.21 Registration of Agreement.** You shall cooperate at your own cost with any requests made by us relating to the registration of the Agreement with any government authority in the Territory, including but not limited to the Brazilian Central Bank and the Brazilian National Institute of Industrial Property, as required by Brazilian law, or as we recommend.

**18.0 WAIVER OF JURY TRIAL AND PUNITIVE DAMAGES**

**18.1 IF EITHER PARTY INITIATES LITIGATION INVOLVING THIS AGREEMENT OR ANY ASPECT OF THE RELATIONSHIP BETWEEN THE PARTIES (EVEN IF OTHER PARTIES OR OTHER CLAIMS ARE INCLUDED IN SUCH LITIGATION), ALL THE PARTIES WAIVE THEIR RIGHT TO A TRIAL BY JURY.**

**18.2 IN ANY DISPUTE BETWEEN THE PARTIES, ARISING OUT OF OR RELATED TO THIS AGREEMENT, ANY BREACH OF THIS AGREEMENT, OR THE RELATIONSHIP BETWEEN THE PARTIES, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, ALL PARTIES WAIVE ANY RIGHT THEY MAY HAVE TO PUNITIVE OR EXEMPLARY DAMAGES FROM THE OTHER. NOTHING IN THIS SECTION LIMITS OUR RIGHT OR THE RIGHT OF AN INDEMNIFIED PARTY TO BE INDEMNIFIED AGAINST THE PAYMENT OF PUNITIVE OR EXEMPLARY DAMAGES TO A THIRD PARTY. THE PARTIES ACKNOWLEDGE THAT LIQUIDATED DAMAGES PAYABLE BY YOU UNDER THIS AGREEMENT (WHETHER PRE-OPENING LIQUIDATED DAMAGES OR LIQUIDATED DAMAGES FOR EARLY TERMINATION) ARE NOT PUNITIVE OR EXEMPLARY DAMAGES.**

This Agreement continues with an Addendum, which is part of the Agreement.

**ADDENDUM TO FRANCHISE AGREEMENT**

Effective Date:

Facility Number:

Franchisor Name: **Hilton Worldwide Franchising LP**

Brand: **SELECT ONE:**  
Doubletree by Hilton (excluding any other brands or product lines containing “DoubleTree” in the name)  
Doubletree Suites by Hilton (excluding any other brands or product lines containing “DoubleTree” or “Suites” in the name)  
Hampton by Hilton (excluding Hampton Inn, Hampton Inn & Suites, and any other brands or product lines containing “Hampton” in the name)  
Hampton Inn & Suites by Hilton (excluding Hampton by Hilton, Hampton Inn and any other brands or product lines containing “Hampton” or “Suites” in the name)  
Hilton (excluding the brands “Hilton Suites” and “Hilton Garden Inn”)  
Hilton Garden Inn (excluding any other brands containing “Hilton”)  
**ALWAYS INCLUDE:** The Brand does not mean Hilton Worldwide, its Affiliates, or any other product lines, brands, or chains of hotels that include the “by Hilton” tagline in the name.

Initial Approved Hotel Name  
(Trade Name):

Principal Mark in Brand: **SELECT:**  
Doubletree  
Hampton  
Hilton

Franchisee Name and Address  
(Attn: Principal Legal  
Correspondent):

Address of Hotel:

Initial Number of Approved Guest  
Rooms:

Evidence of Financing [Date]  
Commitment:

Plans Submission Dates:

Preliminary Plans:

Design Development (50%)  
Plans and Specifications:

Final (100%) Plans and  
Specifications:

Construction Commencement  
Date:

Construction Work Completion  
Date:

Renovation Commencement Date:

Renovation Work Completion  
Date:

Expiration Date:

Monthly Fees:

Monthly Program Fee:

Monthly Royalty Fee:

**INCLUDE ONLY FOR HFS:**

Monthly Food and Beverage  
Fee:

**Additional Requirements/Special Provisions [Section #]:**

**ADD ONLY IF APPLICABLE:**

**Restricted Area Provision**

Notwithstanding the provisions of Section 2 of this Agreement, from the Effective Date until midnight on the day before the \_\_\_\_ anniversary of the [Effective Date, i.e., \_\_\_\_\_, 20\_\_] [Opening Date, but in no event later than \_\_\_\_\_ 20\_\_ (the “Restrictive Period”), neither we nor any of the Entities will open, or allow to open, a hotel or motel under the Brand, as such Brand name may be periodically changed by us, within the **Restricted Area** described below. This restriction does not apply to any hotel or motel that is currently open or under construction or has been approved for development or opening as a Brand hotel as of the Effective Date

(“**Existing Hotel**”). The term Existing Hotel also includes any hotel located or to be located within the Restricted Area that replaces such Existing Hotel under the Brand.

The restrictions also do not apply to: (1) any hotel(s) or motel(s) under brands other than the Brand; (2) any hotel(s) or motel(s) that will not begin operating under the Brand until after the expiration of the Restrictive Period; (3) any gaming-oriented hotels or facilities using the Brand; (4) any shared ownership properties (commonly known as “vacation ownership” or “time share ownership” or similar real estate properties) under the Brand; and (5) any hotel(s), motel(s), or inn(s) that are part of a chain or group of four (4) or more hotels, motels, or inns that we or the Entities, as a result of a single transaction or group of related transactions, own, operate, acquire, lease, manage, franchise, license, or join through a merger, acquisition or marketing agreement (or otherwise), whether under their existing name or the Brand name or any other name.

**Restricted Area** as used in this provision means the area located within the following boundaries:

BOUNDARIES TO BE DETERMINED BY FRANCHISOR

**FOR CONVERSION ONLY:**

**Existing Third-Party Agreement.** You acknowledge and agree that (i) your right to operate the Hotel under the Brand will not become effective until after the existing third-party franchise (or similar) agreement for this Hotel, if any, has terminated or expired and (ii) you are solely responsible for ensuring that any such agreement has terminated or expired on or before the Opening Date.

**FOR RE-LICENSING ONLY:**

**Amendment and Restatement.** This Agreement hereby replaces that certain franchise agreement dated as of [DATE], as amended (collectively, the “**Original License Agreement**”) by and between us (or our Affiliate) and you (or your Affiliate) with respect to the Hotel. On execution of this Agreement by the Parties, the Original License Agreement will be superseded and have no further force or effect as of the Effective Date of this Agreement except for those provisions expressly intended to survive its termination or expiration. To the extent that there are outstanding obligations to us or the Entities under the Original License Agreement, you acknowledge and agree that you are directly responsible, jointly and severally, for all such obligations under the Original License Agreement existing at or accruing after the execution of this Agreement.

**FOR CHANGE OF OWNERSHIP TRANSACTIONS ONLY:**

**Obligations of Former Franchisee.** You acknowledge and agree that you are directly responsible for, and will pay on demand, all fees and charges due and owing us and the Entities related to the former franchise agreement for the Hotel if any such fees and charges remain outstanding as of or accrue after the Effective Date of this Agreement.



**Your Ownership Structure:**

**See Attached Schedule 1**

**ADD IF FRANCHISEE'S AFFILIATE IS THE FEE TITLE OWNER, LESSOR OR SUBLESSOR OF THE HOTEL OR THE HOTEL SITE:**

**Ownership Structure of Affiliate Fee Owner or Lessor/Sublessor of the Hotel or Hotel Site:**

**See Attached Schedule 2**

**IN WITNESS WHEREOF**, the Parties have executed this Agreement, which has been entered into and is effective as of the Effective Date set forth above.

**FRANCHISEE:**

[INSERT FRANCHISEE ENTITY],  
a [INSERT TYPE OF ENTITY]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Executed on: \_\_\_\_\_

**FRANCHISOR:**

HILTON WORLDWIDE FRANCHISING LP,  
a United Kingdom limited partnership  
By: HILTON WORLDWIDE MANAGE  
LIMITED, its General Partner

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: Authorized Signatory

Executed on: \_\_\_\_\_

NOTARY CERTIFICATE FOR FRANCHISOR

STATE OF )  
 ) ss:  
COUNTY OF )

Personally appeared before me this \_\_\_\_day of \_\_\_\_\_, 20\_\_\_\_, the above-named \_\_\_\_\_, to me known to be the person who executed the foregoing Franchise Agreement, being first duly sworn, stated upon oath that s/he executed the document for the purposed therein stated.

(SEAL)

Notary Public:\_\_\_\_\_

My Commission Expires:\_\_\_\_\_

NOTARIAL CERTIFICATION FOR FRANCHISEE

**To be signed before Brazilian Notary Public – Remainder of Page Reserved for Notarial Certification**

**SCHEDULE 1**

**Your Ownership Structure:**

<u>Name (Shareholder, Partner, Member, and Manager)</u>	<u>Nature of Ownership Interest</u>	<u>% Interest</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

**SCHEDULE 2**

**Ownership Structure of Affiliate Fee Owner or Lessor/Sublessor of the Hotel or Hotel Site:**

<u>Name (Shareholder, Partner, Member, and Manager)</u>	<u>Nature of Ownership Interest</u>	<u>% Interest</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

**SCHEDULE 3**

**SCHEDULE OF TRADEMARKS**

Our affiliate, Hilton Worldwide Holding LLP, a United Kingdom limited liability partnership (“Trademark Owner”), holds the rights to the trademarks and service marks listed in the table below (and any additional trademarks and services noted in the Franchise Disclosure Document for the Territory provided to you), which are registered in Brazil.

<b>Mark</b>	<b>Registration Number</b>	<b>Registration Date</b>	<b>Trademark Owner</b>	<b>Franchisor’s Rights to Use Mark</b>
HILTON (word)	6375499	July 10, 1986	Hilton Worldwide Holding LLP	License
DOUBLETREE BY HILTON (word)	901812099	May 22, 2012	Hilton Worldwide Holding LLP	License

Trademark Owner also holds the right to the following Mark, for which application is pending in Brazil.

<b>Mark</b>	<b>Application Number</b>	<b>Application Date</b>	<b>Trademark Owner</b>	<b>Franchisor’s Rights to Use Mark</b>
D with TREE DESIGN	903440563	March 4, 2011	Hilton Worldwide Holding LLP	License

Trademark Owner entered into a license agreement with Hilton Worldwide Manage Limited, which in turn entered into a license agreement with us, which grants us the right to use the Marks and other intellectual property in connection with the System in Brazil. The term of the agreements between Trademark Owner and Hilton Worldwide Manage Limited and between Hilton Worldwide Manage Limited and us continue indefinitely so long as all of the parties continue to be affiliates of Hilton Worldwide. Hilton Worldwide Manage Limited r has certain enforcement rights if we default under our license agreement, including the right to terminate the license agreement if we fail to cure a default within the time period specified in the license agreement. These enforcement rights or any other rights of Hilton Worldwide Manage Limited to terminate the license agreement will not affect your right to use the intellectual property assets licensed to you under the Franchise Agreement as long as you are in good standing under the Franchise Agreement. In the future, Trademark Owner and/or Hilton Worldwide Manage Limited may transfer the Marks or related licenses to the Marks to other affiliates for administrative purposes periodically. If that occurs, we will continue to have a license to use the Marks in our franchise business, and your licenses to use the Marks under the Franchise Agreement will not be disturbed.



# EXHIBIT E

## GUARANTY OF FRANCHISE AGREEMENT

[Insert Hotel Name]

### **THIS DOCUMENT AFFECTS AND WAIVE IMPORTANT RIGHTS OF THE PERSONS AND ENTITIES SIGNING IT.**

THIS GUARANTY OF FRANCHISE AGREEMENT (“**Guaranty**”) is executed by \_\_\_\_\_, a \_\_\_\_\_ (“**Guarantor**”), in favor of HILTON WORLDWIDE FRANCHISING LP, a United Kingdom partnership (“**Franchisor**”), as consideration of and as an inducement to Franchisor to execute the franchise agreement dated as of \_\_\_\_\_ (referred to in this Guaranty collectively, along with all applicable amendments, addenda, riders, supplemental agreements and assignments, as the “**Franchise Agreement**”), between Franchisor and \_\_\_\_\_ (“**Franchisee**”) as of \_\_\_\_\_ (“**Effective Date**”). Capitalized terms not otherwise defined in this Guaranty shall have the same meaning as in the Franchise Agreement. Guarantor agrees as follows:

**1. Guaranty.** Guarantor hereby unconditionally and irrevocably guaranties to Franchisor: (a) the full and prompt payment of all sums owed by Franchisee to Franchisor and to Franchisor’s Affiliates under the Franchise Agreement and otherwise relating to the Hotel, including, but not limited to, all fees and charges, interest, default interest, and other costs and fees (including, without limitation, attorneys’ fees in connection with enforcement of the Franchise Agreement; and (b) the performance of all other obligations of Franchisee arising under the Franchise Agreement (collectively, the “**Obligations**”). On default by Franchisee and notice from Franchisor to Guarantor, Guarantor will immediately make payment in full of all amounts due and owing to Franchisor or Franchisor’s Affiliates, and perform each Obligation of Franchisee.

**2. Possible Termination of Guaranty.** Franchisor will offer Guarantor its then-current standard form termination of guaranty agreement releasing Guarantor from future Obligations under this Guaranty if the following conditions are met: (a) Franchisor receives a copy of the deed evidencing that Franchisee owns fee simple title to the real property on which the Hotel is or will be sited or a copy of a ground lease to which Franchisee is a party with an unrelated third-party ground lessor for a term at least equal to the term of the Franchise Agreement; (b) Guarantor sends a written request to Franchisor to terminate the Guaranty; and (c) at the time of Guarantor’s request, Franchisee is in good standing under the Franchise Agreement and has not been in default under the Franchise Agreement at any time during the twenty-four (24) month period before Guarantor’s request.

**3. Waivers of Certain Rights and Defenses.** Each Guarantor waives: (a) any right Guarantor may have to require that an action be brought against Franchisee or any other person as a condition of Guarantor’s liability under this Guaranty; (b) all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Franchisee arising as a result of Guarantor’s execution of and performance under this Guaranty; (c) any law or statute which requires that Franchisor make demand on, assert claims against or collect from Franchisee or any others, foreclose any security interest, sell collateral, exhaust any remedies or take any other action against Franchisee or any others before making any demand on, collecting



from or taking any action against Guarantor under or with respect to this Guaranty; and (d) any and all other notices and legal or equitable defenses to which Guarantor may be entitled.

**4. Information Requests.** Guarantor must deliver to Franchisor: (a) complete and current financial information about Guarantor as Franchisor may reasonably request; and (b) any other information about Guarantor that Franchisor reasonably requests.

**5. Additional Provisions.**

(a) Each Guarantor jointly and severally holds harmless, and agrees to defend, protect, and indemnify Franchisor from any actions, causes of action, liabilities, damages, losses, and fees (including attorneys' fees) and all other claims of every nature which may arise as a result of any dispute between or among any of Guarantors and any other persons or entities.

(b) Franchisor may assign this Guaranty without in any way affecting Guarantor's liability. This Guaranty will inure to the benefit of Franchisor and its successors and assigns and will bind Guarantor and Guarantor's heirs, executors, administrators, successors, and assigns.

(c) Notices must be in writing and must be delivered in person, by prepaid overnight commercial delivery service, or by prepaid United States Mail, overnight, registered or certified, with return-receipt requested, to the following addresses:

If to Franchisor:       Hilton Worldwide  
                                  Attn: General Counsel  
                                  7930 Jones Branch Drive, Suite 1100  
                                  McLean, VA 22102

If to Guarantor:       \_\_\_\_\_

                                  \_\_\_\_\_

                                  \_\_\_\_\_

                                  Phone: (\_\_\_\_) \_\_\_\_\_

                                  Fax:   (\_\_\_\_) \_\_\_\_\_

If Guarantor wants to change the notice address set forth above, Guarantor shall notify Franchisor in writing in accordance with the delivery procedure set forth in this Subsection. A Notice will be deemed effective on the earlier of: (i) receipt or first refusal of delivery; (ii) one (1) day after posting if sent by overnight commercial delivery service or overnight United States Mail; or (iii) three (3) days after placement in the United States Mail if overnight delivery is not available to the Notice address.

(d) Guarantor represents, warrants and covenants to Franchisor that Guarantor, including its directors, officers, senior management, shareholders and other persons having a controlling interest in Guarantor: (i) is not, and is not owned or controlled by, or acting on behalf of, Sanctioned Persons or, to Guarantor's actual knowledge, otherwise the target of Trade Restrictions; (ii) have not and will not obtain, receive, transfer or provide any funds, property, debt, equity or other financing related to the Franchise Agreement and the Hotel or Hotel Site to/from any entity that qualifies as a Sanctioned Person or, to Guarantor's actual or constructive knowledge, is otherwise the target of any applicable Trade Restrictions; (iii) Guarantor is familiar with the provisions of applicable Anti-Corruption Laws and shall

comply with applicable Anti-Corruption Laws in performance of its obligations under or in connection with this Guaranty or the Franchise Agreement; (iv) any funds received or paid in connection with entry into or performance of this Guaranty have not been and will not be derived from or commingled with the proceeds of any activities that are proscribed and punishable under the criminal laws of the Territory or the United States, and that Guarantor is not engaging in this transaction in furtherance of a criminal act, including acts in violation of applicable Anti-Corruption Laws; (v) in preparation for and in entering into this Guaranty, Guarantor has not made any Improper Payment or engaged in any acts or transactions otherwise in violation of any applicable Anti-Corruption Laws, and, in connection with this Guaranty or the performance of Guarantor's obligations under this Guaranty, Guarantor will not directly or indirectly make, offer to make, or authorize any Improper Payment or engage in any acts or transactions otherwise in violation of any applicable Anti-Corruption Laws; (vi) except as otherwise disclosed in writing to Franchisor, neither Guarantor, nor any of its direct or indirect shareholders (including legal or beneficial shareholders), officers, directors, employees, agents or other persons designated by Guarantor to act on its behalf or receive any benefit under this Guaranty, is a Government Official; (vii) any statements, oral, written, electronic or otherwise, that Guarantor submits to Franchisor or to any third party in connection with the representations, warranties, and covenants described in this Subsection 5(d) are truthful and accurate and do not contain any materially false or inaccurate statements; (viii) Guarantor will make reasonable efforts to assure that its respective appointed agents in relation to this Guaranty comply in all material respects with the representations, warranties, and covenants described in this Subsection 5(d); and (ix) will notify Franchisor in writing immediately on the occurrence of any event which would render the foregoing representations and warranties of this Subsection 5(d) incorrect.

(e) Each Guarantor warrants and represents to Franchisor that Guarantor has the requisite power to execute, deliver and perform the terms and provision of this Guaranty, and that this Guaranty is a valid, binding and legally enforceable obligation of each Guarantor in accordance with its terms.

(f) If there is more than one Guarantor named in this Guaranty, any reference to Guarantor will mean any one or all Guarantors. Each Guarantor agrees that all obligations of each Guarantor are joint and several.

(g) No failure or delay on Franchisor's part in exercising any power or privilege under this Guaranty will impair any such power, right or privilege or be construed as a waiver of its rights under this Guaranty.

(h) If any provision of this Guaranty is determined by a court of competent jurisdiction to be unenforceable, all of the other provisions will remain effective.

(i) This Guaranty embodies the entire agreement between Franchisor and Guarantor with respect to the matters set forth in this Guaranty and supersedes all prior agreements with respect to the matters set forth in this Guaranty.

**6. Governing Law.** Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act; 15 U.S.C. ¶ 1050 et seq.), as amended, this Guaranty and any and all disputes relating to this Guaranty will be governed by the laws of the State of New York without recourse to New York choice of law or conflicts of law principles; provided, however, that nothing in this Section is intended to invoke the application of any franchise, business

opportunity, antitrust, “implied covenant,” unfair competition, fiduciary or any other doctrine of law of the State of New York that would not otherwise apply absent this Section.

**7. Jurisdiction and Venue.** The parties agree that any action related to this Guaranty, any breach of this Guaranty, the relationship among or between Franchisor, Franchisee and Guarantor, and all disputes among or between Franchisor, Franchisee and Guarantor, whether sounding in contract, tort or otherwise, shall be brought in the U.S. District Court for the Eastern District of Virginia, in Alexandria, Virginia or, if that court lacks subject matter jurisdiction, then in a court of competent jurisdiction whose jurisdiction includes Fairfax County, Virginia or New York, New York; provided, however, that Franchisor may, in its sole discretion, elect to pursue any claim relating to the Guaranty in any competent court having jurisdiction in the domicile of Guarantor in Brazil. Guarantor consents to personal jurisdiction and venue in these jurisdictions and waives and agrees not to assert, move or otherwise claim that the venue in these jurisdictions is for any reason improper, inconvenient, prejudicial or otherwise inappropriate.

**8. WAIVER OF JURY TRIAL. GUARANTOR HEREBY WAIVES ITS RIGHT TO A TRIAL BY JURY WITH RESPECT TO THE ENFORCEMENT OF THIS GUARANTY.**

**9. Registration.** For purpose of enforcing this Guaranty in Brazil, Guarantor shall cause the registration of this Guaranty, together with its Portuguese translation, made by a Brazilian sworn public translator, with the relevant Documents Registry (*Registro de Titulos e Documentos*) in Brazil.

GUARANTOR ACKNOWLEDGES THAT GUARANTOR WAS AFFORDED THE OPPORTUNITY TO READ THIS GUARANTY AND TO REVIEW IT WITH AN ATTORNEY OF GUARANTOR’S CHOICE BEFORE SIGNING. GUARANTOR FURTHER ACKNOWLEDGES HAVING READ AND UNDERSTOOD THE MEANING AND EFFECT OF THIS DOCUMENT BEFORE SIGNING IT.

SIGNATURE BLOCK ON FOLLOWING PAGE

**IN WITNESS WHEREOF**, Guarantor has executed this Guaranty as of the Effective Date.

**GUARANTOR:**

**GUARANTOR:**

\_\_\_\_\_,  
a \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_  
Individually

**Witness:**

**Witness:**

\_\_\_\_\_  
(Signature)  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone Number: \_\_\_\_\_  
ID Number: \_\_\_\_\_

\_\_\_\_\_  
(Signature)  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone Number: \_\_\_\_\_  
ID Number: \_\_\_\_\_

**NOTARIAL CERTIFICATION FOR GUARANTOR**

**To be signed before Brazilian Notary Public – Remainder of Page Reserved for Notarial Certification**

# EXHIBIT F

## HOTEL PROJECT APPLICATION

**This Hotel Project Application (“Application”) includes the following:**

- Instructions for Submitting an Application
- Part 1 - Application Checklist
- Part 2 - Application Letter
- Part 3 - Application Form

**Instructions for Submitting an Application:**

1. Have a required signer for the Applicant (as noted on the next page) sign and date the “Receipt” page at the end of the current Franchise Disclosure Document (“**Disclosure Document**”) for the applicable brand and return it immediately by mail to your development representative.
2. Each part of this Application must be completed. All information must be legible and in English. Please type or print the information in each part of the Application. For your convenience, this Application may be filled out electronically, saved and printed.
3. Attach supporting documents/information indicated in each part of the Application. If any part of the Application is not completed and/or supporting documentation is not attached, you must include an explanation of why the Application is not completed or the supporting documentation is not attached.
4. The Applicant must be a natural person or an existing legal entity. You must provide a complete organizational chart up to the ultimate owning entity/entities and the ultimate individual owners of the Applicant.
5. A check (or wire transfer) for the Application Fee (“**Application Fee**”) must be submitted with the Application. The Application Fee must be paid for us to accept and process your Application in the United States of America. Attached to this Application is an invoice for the Application Fee. Please be sure to retain the attached invoice. The amount of the Application Fee (stated in U.S. Dollars) is:

Brand	New Build/Conversion	Relicensing	Change of Ownership
Canopy™ by Hilton	\$75,000 plus \$400 for each room over 250	\$75,000	\$125,000
Conrad®	\$75,000 plus \$400 for each room over 250	\$75,000	\$125,000
Curio™ a Collection by Hilton	\$75,000 plus \$400 for each room over 250	\$75,000	\$125,000
DoubleTree® by Hilton DoubleTree Suites® by Hilton	\$75,000 plus \$400 for each room over 250	\$75,000	\$125,000
Embassy Suites®	\$75,000 plus \$400 for each room over 250	\$75,000	\$150,000
Hampton Inn® Hampton Inn & Suites®	\$75,000 plus \$400 for each room over 150	\$75,000	\$150,000
Hilton®	\$75,000 plus \$400 for each room over 250	\$85,000	\$125,000
Hilton Garden Inn®	\$75,000 plus \$400 for each room over 150	\$75,000	\$150,000
Homewood Suites by Hilton®	\$75,000 plus \$400 for each room over 150	\$75,000	\$150,000
Home2 Suites by Hilton®	\$75,000	\$75,000	\$150,000
Tru™ by Hilton	\$50,000	\$50,000	\$100,000
Waldorf Astoria®	\$75,000	\$75,000	\$125,000

**NOTE:** Applicant must also pay a Property Improvement Plan (“**PIP**”) fee if the Application is for a Conversion, Relicensing or Change of Ownership.

**Required Signatures:**

The Application Letter must be signed and dated by the Applicant, or on behalf of the Applicant, by a person or persons with the capacity and authority to do so. The signatures required for valid execution of the Application Letter may vary depending on the laws under which the Applicant is established or resident. These laws must be complied with. Our minimum requirements for signatures are as follows:

<b>Applicant</b>	<b>Signers</b>
Individual(s)	Each Individual
Corporate Entity	President, Vice President or other authorized officer
General Partnership	Each General Partner
Limited Partnership	Any General Partner
Limited Liability Company	Managing Member(s) or other authorized Member(s)
Trust	Trustee(s)
Estate	Executor or Administrator

**NOTE: APPLICANT SHOULD NOT SIGN OR SUBMIT THIS APPLICATION OR PAYMENT OF THE APPLICATION FEE UNTIL AT LEAST THE DAY AFTER THE 10<sup>TH</sup> FULL CALENDAR DAY AFTER THE DATE APPLICANT RECEIVED THE DISCLOSURE DOCUMENT AND SIGNED A RECEIPT.**

### Part 1: Application Checklist

The following items must be included for the application to be complete. We reserve the right to request additional information as we consider appropriate:

- Disclosure Document Receipt **signed and dated** by Applicant (see instructions).
- Application Letter **signed and dated** no earlier than the day after the **10<sup>th</sup> full calendar day** after the date the Applicant received the Disclosure Document, along with the remaining completed Application pages.
- Application Fee **dated and/or received** no earlier than the day after the **10<sup>th</sup> full calendar day** after the date the Applicant received the Disclosure Document.
- A certification of formation or similar document evidencing the Applicant Entity's status in the jurisdiction of formation.
- Complete Ownership Structure Form for Applicant and its underlying ownership entities.
- Complete Ownership Structure Form for the fee title holder or lessor/sublessor of the Hotel/Hotel Site if related to Applicant.
- Market or feasibility study, if available, or on request.
- Site Control Document and all amendments (e.g., recorded deed, recorded ground lease, recorded purchase option, binding letter of intent, binding purchase agreement) in the name of Applicant or its affiliate.
- Site Plan, Aerial and Location Map with site identified (consult your Developer for site plan requirements).
- List of hotels owned or managed by Applicant

**CONVERSION PROJECTS In addition to the above, include the following items:**

- Conversion Indemnity Letter (if applicable)
- 3 Years' Hotel Operating Statistics (Summary Statement)



**Part 2: Hotel Project Application Letter**

Name of Applicant:	("Applicant")
Location:	("Location")

**BRAND (check one):**

- |  |   |   |
|--|---|---|
| <input type="checkbox"/> Canopy™ by Hilton             | <input type="checkbox"/> Embassy Suites®*       | <input type="checkbox"/> Hilton Garden Inn®         |
| <input type="checkbox"/> Conrad®                       | <input type="checkbox"/> Hampton Inn®*          | <input type="checkbox"/> Home2 Suites by Hilton®    |
| <input type="checkbox"/> Curio™ a Collection by Hilton | <input type="checkbox"/> Hampton Inn by Hilton® | <input type="checkbox"/> Homewood Suites by Hilton® |
| <input type="checkbox"/> Doubletree® by Hilton         | <input type="checkbox"/> Hampton Inn & Suites®* | <input type="checkbox"/> Tru™ by Hilton             |
| <input type="checkbox"/> Doubletree Suites® by Hilton  | <input type="checkbox"/> Hilton®                | <input type="checkbox"/> Waldorf Astoria®           |

\* Brand may include “by Hilton” tagline in Franchisor’s sole discretion.

This hotel project application letter (“**Application Letter**”) is provided to HILTON WORLDWIDE FRANCHISING LP, a United Kingdom limited partnership (“**Franchisor**”), an indirect subsidiary of HILTON WORLDWIDE HOLDINGS INC., a Delaware corporation (“**Hilton Worldwide**”) to consider and process an application for a franchise to operate a hotel under the Brand at the Location (“**Hotel**”). Hilton Worldwide’s present or future subsidiaries and affiliates and direct or indirect owners are referred to as the “**Entities**.” Applicant understands that Franchisor is relying on the information provided in this application and all documents submitted by Applicant and co-owners and their agents, advisers and representatives in connection with or in support of the application, including, but not limited to, this Application Letter (together, the “**Application**”). Applicant agrees to supply such additional information, statements or data as may be requested by Franchisor. Applicant represents, warrants, and undertakes to Franchisor and the Entities, that:

1. All information contained in the Application is true, correct and complete as of the date of this Application Letter. Applicant will promptly inform Franchisor of any change in any of the information provided in the Application.
2. Both Applicant and the undersigned have the authority to make the Application and to enter into a franchise agreement (“**Franchise Agreement**”) for the proposed Hotel at the Location. Neither the making of this Application nor the execution of a Franchise Agreement will conflict with nor put Applicant in breach of the terms of any agreements to which Applicant, its affiliates or the undersigned are a party or by which Applicant or its affiliates are bound. Neither Applicant nor its affiliates have been induced by Hilton Worldwide to terminate or breach any agreement with respect to the Location.
3. Certain information about Franchisor’s system for the Brand, including the Disclosure Document, the manual and the Franchise Agreement (together, the “**Franchise Information**”), has been made available to Applicant. Applicant is generally familiar with the Franchise Information and its requirements and is applying for the form of Franchise Agreement provided. Applicant undertakes to treat the manual which it may receive from Franchisor as confidential. Applicant acknowledges and agrees that the Franchise Information is the property of Hilton Worldwide and/or the Entities, and that Applicant obtains no right, title or interest in or to any of the Franchise Information. Applicant agrees not to use the Franchise Information unless and until a Franchise Agreement is entered into and then in accordance with the terms and conditions of the Franchise Agreement.
4. Applicant acknowledges that Hilton Worldwide and the Entities do not enter into oral agreements or understandings with respect to a Franchise Agreement, and as that of the date of this Application Letter

there are no oral agreements or understandings between Applicant and Hilton Worldwide or the Entities with respect to the proposed Franchise Agreement.

5. The Application Fee is paid for us to accept and process your Application in the United States of America. Payment is due with the Application in accordance with the attached invoice. The Application Fee shall be grossed up and be received net of any Brazilian taxes. If the Application is not approved or if Applicant withdraws the Application before it is approved, the Application Fee will be refunded, without interest, less \$7,500 for time and expenses incurred by Franchisor in processing the Application. The refund shall be considered fully discharged when the respective amount is sent to Applicant. ONCE THE APPLICATION IS APPROVED, THE APPLICATION FEE WILL NOT BE RETURNED OR REFUNDED UNDER ANY CIRCUMSTANCES (EVEN IF APPROVAL IS CONDITIONED ON APPLICANT PROVIDING ADDITIONAL INFORMATION); provided, however, for a Change of Ownership Application, if Franchisor approves the Application, and the approved change of ownership does not occur, then Franchisor will refund the Application Fee without interest, less \$7,500 for time and expenses incurred by Franchisor in processing the Application. Franchisor reserves the sole right to approve or disapprove the Application for any reason. If the Application is approved, Applicant must provide any additional information requested, meet any additional requirements and sign the Franchise Agreement within the time period Franchisor specifies, and all other ancillary documents within the time period designated by Franchisor, failing which Franchisor may terminate the proposed hotel project and retain the Application Fee. The Application Fee may be invested, combined with other funds or otherwise used as Hilton Worldwide deems appropriate in its sole discretion.

6. Applicant authorizes credit agencies/bureaus, financial institutions, companies and individuals to disclose to Hilton Worldwide any and all information for the purpose of Hilton Worldwide and the Entities completing any necessary credit and/or background investigations in connection with this Application and execution of any Franchise Agreement.

7. The Applicant, jointly and severally if applicable, agrees to indemnify and defend Hilton Worldwide and the Entities and their respective officers, directors, employees, agents, representatives, and assignees (collectively, the “**Hilton Worldwide Indemnitees**”) against, and to hold them harmless from, all losses in connection with the Application and the Location, including breach of any representations, warranties or undertakings contained herein and all claims, demands, suits, causes of action, liabilities, losses or otherwise, directly or indirectly incurred (including legal and accounting fees and expenses), and including claims as a result of Franchisor processing the Application and/or approving a Franchise Agreement. Each Hilton Worldwide Indemnitee shall have the right independently to take any action it may deem necessary in its sole discretion to protect and defend itself against any threatened action subject to Applicant’s indemnification, without regard to the expense, forum or other parties that may be involved. Each Hilton Worldwide Indemnitee shall have sole and exclusive control over the defense of any such action (including the right to be represented by counsel of its choosing) and over the settlement, compromise or other disposition thereof. HWI may rely on any information, statement or notice from the Applicant pertaining to the Location or Franchise Agreement without having to investigate or ascertain the accuracy of any fact or allegation in the information, statement or notice.

8. This Application Letter may be executed in counterparts, each of which shall be deemed an original. This Application Letter must be signed by an authorized signatory for the Applicant (see Instruction for required signatories).

9. This Application shall be governed by and construed in accordance with the substantive laws of the State of New York, without regard to its choice of law principles.

**REST OF PAGE INTENTIONALLY LEFT BLANK – SIGNATURES ON NEXT PAGE**

**INDIVIDUAL APPLICANT:**

\_\_\_\_\_  
(Signature)  
Name: \_\_\_\_\_  
Date: \_\_\_\_\_

**ENTITY APPLICANT:**

Entity Name: \_\_\_\_\_  
By: \_\_\_\_\_  
(Signature)  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**Witness (for Individual Applicant):**

\_\_\_\_\_  
(Signature)  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone Number: \_\_\_\_\_  
ID Number: \_\_\_\_\_

**Witness (for Entity Applicant):**

\_\_\_\_\_  
(Signature)  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone Number: \_\_\_\_\_  
ID Number: \_\_\_\_\_

**Part 3: Application Form**  
**HILTON WORLDWIDE HOTEL PROJECT APPLICATION**

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**APPLICANT**

**NAME OF APPLICANT (entity name may not include any of our marks or any variations/initials):** \_\_\_\_\_

**State in which Applicant's principal business address (or if Applicant is an individual, permanent residence) is located:** \_\_\_\_\_

**Type:**             Corporation         Limited Partnership     General Partnership     Limited Liability Company  
                           Individual             Trust                             Other (specify)         Limited Liability Partnership

**Birth or Formation Information:**    \_\_\_\_/\_\_\_\_/\_\_\_\_    \_\_\_\_ State/Province, Country    \_\_\_\_ US SSN (last 4 digits only)/EIN/Canada SIN/Gov't ID#

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**PRINCIPAL CORRESPONDENT**

**FOR LEGAL NOTICES**

**FOR DAY-TO-DAY COMMUNICATIONS**

<b>Name:</b>		<b>Name:</b>	
<b>Street Address:</b>		<b>Street Address:</b>	
<b>City, State/Province Zip/Postal Code</b>		<b>City, State/Province Zip/Postal Code</b>	
<b>Telephone #:</b>		<b>Telephone #:</b>	
<b>Fax #:</b>		<b>Fax #:</b>	
<b>Email:</b>		<b>Email:</b>	

---

**MANAGEMENT INFORMATION**

**THE PROPOSED HOTEL WILL BE MANAGED BY:**

- A General Manager who will be employed by the Applicant  
 The General Manager will be: \_\_\_\_\_
- A Management Group under a Management Agreement with the Applicant  
 Company Name and Contact: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_ Email: \_\_\_\_\_
- 

**LIST ALL HOTELS OWNED AND/OR OPERATED BY APPLICANT AND ITS EQUITY OWNERS**  
**(attach additional pages if necessary)**

Owner/Operator Name	Brand/Property Name, City/State	Description of Interest	% Equity

**OWNERSHIP STRUCTURE OF APPLICANT ENTITY**

INSTRUCTIONS: Please provide a complete breakdown of the owners of the Applicant Entity and any related entity that holds/will hold fee title to the Hotel. For complex structures, please attach a detailed organizational chart (see next page). If these owners are other legal entities, please include a breakdown of their underlying ownership. That means you should provide the name and description/percentage of ownership interest of all individuals who own and/or control these entities. Copy this form as needed to provide multiple structures.

**Example:**

Entity/Person's Name	SSN (last 4 digits), EIN, Canada SIN or Gov't ID#	Description of Interest	% Interest	Business Address & Telephone
XYZ Corp. - John Doe, President 50% - Jane Doe, Shareholder 50%	12-3456789 1234 5678	General Partner	1%	XYZ Corp. Address/Phone John Doe Address/Phone Jane Doe Address/Phone
ABC, L.L.C. - BDC, Inc., its managing member 25% - Bill Davis, President 100%	23-4567891 34-5678912 9012	Limited Partner	99%	ABC, L.L.C. Address/Phone BDC, Inc. Address/Phone
- Bill Davis Family Trust, member 25% - Bill Davis, Trustee - Bill Davis, Jr., Beneficiary 100%	45-6789123 2345 6789			Trust Contact Address/Phone
- Bill Davis, member 50%	same as above			Bill Davis Address/Phone

**ENTITY NAME:** \_\_\_\_\_

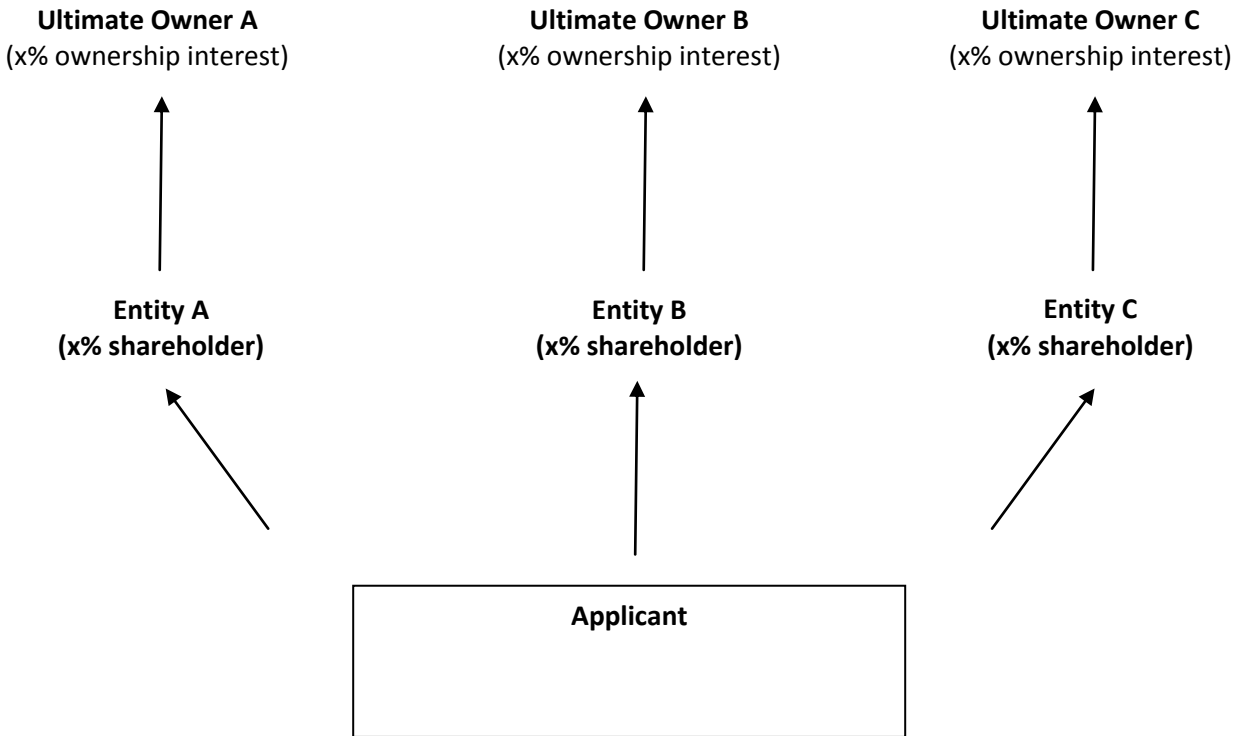
**OWNERSHIP STRUCTURE**  
(provide additional pages if necessary)

Entity/Person's Name	SSN (last 4 digits), EIN, Canada SIN or Gov't ID#	Description of Interest	% Interest	Business Address & Telephone

### Organizational Chart

Please attach a full organizational chart for the Applicant entity (and Applicant’s affiliate that will lease or sublease the Hotel or the Hotel Site to Applicant, if applicable) showing all direct and indirect equity owners up to the ultimate individual owners (but excluding public shareholders or passive investors in an institutional investment fund). For each equity owner, please describe the type of interest held in the entity (e.g., shareholder, general partner, limited partner, manager, member, trustee, etc.) and show the percentage of ownership of each equity owner.

For example:



**HOTEL/SITE/SITE CONTROL INFORMATION**

**Location of Hotel/Hotel site:**

Street Address/Coordinates:	
City, State/Province:	
Zip/Postal Code:	
Country:	

**Brand:**

	Canopy™ by Hilton	Embassy Suites® *	Hilton Garden Inn®
	Conrad®	Hampton Inn®*	Home2 Suites by Hilton®
	Curio™ a Collection by Hilton	Hampton Inn by Hilton®	Homewood Suites by Hilton®
	Doubletree® by Hilton	Hampton Inn & Suites®*	Tru™ by Hilton
	Doubletree Suites® by Hilton	Hilton®	Waldorf Astoria®

\* Brand may include the “by Hilton” tagline in Franchisor’s sole discretion.

**Development Type:**

<input type="checkbox"/> New Development*	<input type="checkbox"/> Conversion	<input type="checkbox"/> Change of Ownership	<input type="checkbox"/> Relicensing
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(\*new build/adaptive reuse)

**Hotel Affiliation (for New Development/Conversion applications only):**

Has there ever been a franchise, branded management, affiliation or similar agreement pertaining to the proposed hotel or site?	
<input type="checkbox"/> No	<input type="checkbox"/> Yes/Describe:
Is the hotel currently under contract with another hotel chain?	
<input type="checkbox"/> No	<input type="checkbox"/> Yes/Specify:

**Hotel Facilities (existing and/or proposed):**

Total Guest Units:		# of Standard Rooms:		# of Suites:		# of Stories:	
Year Built (open hotel)		Meeting Space?	<input type="checkbox"/> No	<input type="checkbox"/> Yes: _____ sq. ft		# of Mtg Rms:	
Ballroom?	<input type="checkbox"/> No	<input type="checkbox"/> Yes/Description/square footage:					
Health Club?	<input type="checkbox"/> No	<input type="checkbox"/> Yes/Description:					
Spa?	<input type="checkbox"/> No	<input type="checkbox"/> Yes/Description:					
Swimming Pool?		Indoor		Outdoor		None	
Food & Beverage Facilities (outlets, capacity, meals served, operated/leased, current/planned brand names):							
Other Retail Outlets (type, operated/ leased, current/planned brand names):							
Other Amenities (specify):							

Shared Facilities?	<input type="checkbox"/>	No	<input type="checkbox"/>	Yes/Description:
Condo Residences?	<input type="checkbox"/>	No	<input type="checkbox"/>	Yes/(#):
Hotel Rental Program?	<input type="checkbox"/>	No	<input type="checkbox"/>	Yes/Description:



**Hotel Site /Building Information:**

Total sq footage of site:		Zoned for hotel development?	<input type="checkbox"/>	No	<input type="checkbox"/>	Yes
Max height allowed by zoning:		Sq. Ft		Stories		
Site/Development Restrictions?	<input type="checkbox"/>	No	<input type="checkbox"/>	Yes/Describe:		

**Please describe Applicant’s current form of site control for the Hotel or Hotel Site:**

<input type="checkbox"/>	Owned by Applicant (attach copy of recorded deed)	
<input type="checkbox"/>	Ground lease (attach copy of recorded ground lease)	Expiration Date:
<input type="checkbox"/>	Binding option agreement (attach copy of recorded option agreement)	Exercise Deadline:
<input type="checkbox"/>	Binding purchase agreement (attach copy of executed purchase agreement)	Closing Deadline:
<input type="checkbox"/>	Other/Describe:	

**If Hotel or Hotel Site is currently owned by someone else other than Applicant, please indicate:**

Owner name:					
Street Address:					
State/Province:					
Zip/Postal Code:					
Country:					
Telephone:					
Fax:					
Email:					
Related to Applicant?	<input type="checkbox"/>	No	<input type="checkbox"/>	Yes/Describe*:	

**If Hotel or Hotel Site will, on close of purchase, be owned by someone other than Applicant, please indicate:**

Owner name:					
Street Address:					
City, State/Province:					
Zip/Postal Code:					
Country:					
Tel:					
Fax:					
Email:					
Related to Applicant?	<input type="checkbox"/>	No	<input type="checkbox"/>	Yes/Describe*:	

**\*Provide complete ownership structure of any related entity**

**FINANCIAL INFORMATION/PROJECT TIMELINE**

**Estimated Project Costs - New Development Project:**

<b>Costs</b>	<b>Overall</b>	<b>Per Key</b>
Land:	US\$	US\$
Construction:	US\$	US\$
FF&E:	US\$	US\$
Other:	US\$	US\$
Total Project Costs :	US\$	US\$

**Estimated Project Costs – Conversion or Change of Ownership (existing hotel):**

<b>Costs</b>	<b>Aggregate</b>	<b>Per Key</b>
Purchase Price/Current Market Value:	US\$	US\$
Renovations/Upgrades:	US\$	US\$
Other:	US\$	US\$
Total Project Costs:	US\$	US\$

**Estimated Project Timeline:**

Forecasted Construction/Renovation Start Date:	
Forecasted Construction/Renovation Completion Date:	

**Operating Projections:**

<b>Assumptions</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
% Occupancy					
Avg. Daily Rate (US\$)					

**Financing/Refinancing Information:**

Do you have a loan or loan commitment for this project?	<input type="checkbox"/> No	<input type="checkbox"/> Yes (continue)
Name of Lender(s):		
Loan Amount:		Percentage Equity: <input type="checkbox"/>
Description:		
<input type="checkbox"/> New?	<input type="checkbox"/> Existing?	
Is the loan (or will the loan be) cross-collateralized by other hotels/real estate assets, or cross-defaulted to any other loan(s)?		
<input type="checkbox"/> No	<input type="checkbox"/> Yes/Describe:	

**Deadlines associated with Project or Application:**

Are there any critical deadlines we should know about in processing your application, such as purchase closings or financing commitment deadlines?		
<input type="checkbox"/> No	<input type="checkbox"/> Yes/Describe:	



# APPLICATION FEE INVOICE

INVOICE DATE: \_\_\_\_\_

Hotel Project Name:

Company Name

Attention:

Street Address

City, State, Postal Code

Country

AMOUNT DUE

APPLICATION FEE:

OTHER [describe]:

**TOTAL AMOUNT DUE:**

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**PAYMENT INSTRUCTIONS:**

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**IF PAYING BY CHECK, MAKE CHECK PAYABLE TO:**

**IF PAYING BY WIRE TRANSFER, DIRECT PAYMENT TO:**

Hilton Worldwide, Inc.

Mail Payment with Application To:

The Application Fee is paid for us to accept and process your Hotel Project Application in the U.S.A. The Application Fee shall be grossed up and be received net of any Brazilian taxes.

# EXHIBIT G



%CreationDate%

%LegalEntity%

%PrimaryContactAddress2%

%PrimaryContactZip% %PrimaryContactCity%

%PrimaryContactCountry%

Attention: %PrimaryContactName%

The installation of OnQ business system including Opera as a 3rd party PMS for %PropertyName% is now being planned. The purpose of this letter is to provide you with a summary of the fees charged by each of the two parties (Oracle Hospitality and Hilton).

This cover letter also includes an explanation of the Hilton Information Technology System (HITS) Agreement that either accompanies this letter or which you will be receiving shortly. With this information you will be able to complete the necessary paperwork in good time for installation.

### Agreements

You will receive two agreements which must both be signed and returned to the respective issuing parties before installation is allowed to proceed.

- 1) From the local **Oracle Hospitality** office who are licensing your hotel for use of Opera PMS and who will be conducting the Opera/Oxi configuration and providing live support. This agreement will cover the terms and conditions associated with the provision of these services, on-going support and the use of the Opera and Oracle licenses.
- 2) From **Hilton Worldwide (via subsidiary HSS)**, a HITS Agreement that has been specifically created for the use of OnQ Business Systems with a Third Party PMS such as Opera, including onsite business process training and live support. The HITS Agreement and its signature process are described later in this cover letter.

### Fees / Charges / Expenses

Fees will be payable to both Oracle Hospitality and to Hilton (or its designee(s) such as Hilton International CO). You will find the Oracle Hospitality fees in their quote, and agreement, whilst the Hilton fees (summarized below) are reflected in the HITS Agreement.

#### Certified Third Party Software:

These licenses are required for operating devices connecting to Hilton's Wide Area Network or optionally purchased by the hotel and purchased through Hilton's Microsoft Enterprise Agreement, participation of which is covered by Schedule F in the HITS agreement:

\$%INTLOnQOSandDBSoftw  
are%

**Installation and Deployment:**

Covers various Project Management fees and onsite services associated with deployment of Opera PMS:

- a) Project Management & Contract Management Services
- b) On-Site Change Management / Business Process training
- c) Oracle Hospitality / Hilton Worldwide Integration
- d) On-site Revenue Conversion Preparation
- e) Documentation

**\$\$\$INTLIMPandTRN%**

**HW IT Opening / Conversion Project Management**

Covers full IT Opening PM services provided by Hilton Worldwide Opening PM Specialists, Area and / or regional IT:

**\$\$\$INTLHWITOPENPM%**

**Hilton On Going Fees:**

Covers annual Opera system enhancement fees:

Annual Cost:	<b>\$\$\$INTLSYSYEAR%</b>
Monthly Fee:	<b>\$\$\$MONTH %</b>

Annual Help Desk Services Fee:

**\$\$\$INTLHelpYear%**

**On Going Fees:**

In addition your local MF office will charge an annual support fee for items such as Opera PMS, Opera Interfaces, Oracle, and Hilton Integration software. Exact details are shown in the Oracle Hospitality quote:

This fee will normally be charged over two invoices, in advance, typically in November and May each year.

**Certified 3<sup>rd</sup> party software;**

Under the terms of Hilton Worldwide’s Enterprise Agreement (EA) with Microsoft, the fees charged by Microsoft cover up to 3 years use (dependent on when hotel starts its subscription within the three year cycle). After the conclusion of the three year cycle, all EA software will move to ‘maintenance mode’ and on going fees will be advised as part of the annual Operating Cost review.

**Other One Time Charges:**

As per the respective Agreements you are also responsible for other “one time” costs and charges which can vary by project and will only be fully known at the conclusion of the project.

**Travel** - The travel costs for MF and Hilton Worldwide installation and Project Management teams getting to and from your hotel. These will be charged in line with respective travel policies within sensible business parameters and will be charged at cost following the installation.

**Installation Team Accommodation & Meals** - These are to be provided to the on-site team without charge. Should the hotel need to reserve alternative accommodation, the costs of that, meals taken at the alternative accommodation and transport costs to and from the alternative accommodation are to be paid by the hotel

**Third Party Technicians** Please note that Oracle deployment fees do not cover the cost of any other third party technicians (such as Interface vendors) who may be required on site to test and support ‘go-live’.

**Hardware** – you are fully responsible for the procurement and supply (to standards and specification as agreed by Oracle Hospitality and Hilton) of all hardware such as servers, PCs, printers, network switches that are required for the

system. This hardware must be on site 6 weeks prior to live date so you must give full consideration to order process and delivery times when placing the order.

**Hardware Support** - you are fully responsible for ensuring that the hardware and network components used for the system are covered under a maintenance and support agreement. This agreement is best made with the supplier of the equipment. Hilton and or Oracle Hospitality will give you guidance on its scope and the respective Service Levels required for servers, desktops etc.

**Software** – you are also responsible for procuring all other software (including MS Office) needed to hotel operation and arranging support for all these applications

**All fees, charges and expenses are quoted are in US \$ and will be invoiced by Hilton or its designee(s) such as Hilton International CO in US \$.** Hilton in its sole discretion may require an upfront deposit of 50% or more of total estimated first year fees, expenses, charges, costs and payments payable hereunder, to be paid at least 90 days prior to the scheduled installation date, with all balances due within 30 days of invoicing.

## **2. Hilton Information Technology Systems Agreement (HITS)**

### ***The Components of the Agreement***

The first section of HITS covers the legal terms and conditions associated with the use of the system. These elements cover the relationships between the HITS Agreement, your Management or Franchise Agreement, and Brand Standards. They also cover the costs of services and use of the system and its maintenance. We also have negotiated and included third party arrangements with suppliers, such as Microsoft and Symantec, for software needed to operate the system. All of these legal terms and conditions are included within this section of HITS. **The first page of this section must be signed.**

The main body of the HITS Agreement outlines the terms and conditions associated with the use of the system and those of our partners who may be providing products or services under this agreement. It also includes various Schedules that are applicable to your hotel including the one-time and any on-going fees for the system which are payable by you.

### ***Schedules***

The remainder of HITS is composed of a set of Schedules that define the commercial aspects of the agreement. Schedules are only included if they are specific to your hotel. Below is a brief description of each Schedule included in your HITS Agreement:-

**Schedule A:** Defines the software including interfaces to 3rd party applications and services provided

**Schedule B:** Defines the cost of the system, installation and the payment terms (some of which may be covered by the Technology Program Fee).

**Schedule C:** Defines the cost and payment terms for software maintenance (some of which may be covered by the Technology Program Fee).

**Schedule D:** The description of any equipment supplied by Hilton directly and authorized for use on the system at your property. In the event that all equipment has been provided by you, this section will be empty.

**Schedule E:** – The description of hardware maintenance services provided by Hilton's preferred service provider. In the event that all equipment has been provided by you, you will need to arrange for hardware maintenance outside of this Agreement.

**Schedule F:** – This is a Microsoft Participation Agreement allowing you to receive the benefits of Microsoft software provided as part of the system. It covers terms and conditions stipulated by Microsoft concerning the use of their software. **This Schedule must be signed.**

**Schedule G:** This is a Symantec Rewards Affiliate Addendum allowing you to receive the benefits of Symantec software provided as part of the system and other Symantec software. It covers terms and conditions stipulated by Symantec concerning the use of their Software. **This Schedule must be signed.**

**Schedule H:** – This schedule is a sample Schedule for your information only. Its purpose is to add any additional services, hardware and/ or software items you wish to purchase in the future. **No signature is required** at this time.

**Schedule I:** - If applicable to your hotel, this schedule provides the details and services of the Brand Technology Program if provided for under the Brand Program Fee. **This Schedule must be signed if present.**

**IMPORTANT NOTE: Some country specific versions of the HITS Agreement require signatures in other places and / or initializing at the foot of each page. Please check your own Agreement carefully.**

Should you have any questions about the HITS Agreement please feel free to email: [HTS.InternationalHITS@hilton.com](mailto:HTS.InternationalHITS@hilton.com)

### **Signature Process**

You asked to prepare and to sign **two** hard copies of the HITS Agreement in accordance with the instructions above. Should you need more than one copy back please increase the number of original copies you sign. One copy will always remain with Hilton Worldwide.

Please complete all requested details such as printing your name, adding your title and dating the agreement.

**\*\* Do not make any changes to the Agreement**

Once you have signed it, do NOT send a hard copy but instead:

- 1) Please scan and email an electronic pdf to [HTS.InternationalHITS@hilton.com](mailto:HTS.InternationalHITS@hilton.com)
- 2) This will be reviewed internally and you must wait to receive my confirmation that all is in order, and only then should you send **both hard copies** to:

**Lavern Williams**  
**Product Sales Analyst**

**Hilton Worldwide**  
**Maple Court**  
**Reeds Crescent**  
**Watford**  
**Hertfordshire**  
**WD244QP**  
**United Kingdom**

**Contact Telephone (for Courier Service Information): + 44 (207) 856 8703**

Lavern will arrange for the agreement to be counter signed and one (or more) hard copies will be returned to you for your records.

With kind regards,



Yours sincerely,

%IntlAttyContact%

**HILTON SYSTEMS SOLUTIONS, LLC**  
**HILTON INFORMATION TECHNOLOGY SYSTEM AGREEMENT FOR USE WITH**  
**THIRD PARTY PROPERTY MANAGEMENT SYSTEM AS PART OF OnQ®**

Address For Notices to Customer

Customer Name: %LegalEntity%

Attention: %PrimaryContactName%

Address: %PrimaryContactAddress2%  
%PrimaryContactZip%, %PrimaryContactCity%  
%PrimaryContactCountry%

Address Of Customer's Site

Site Name: %PropertyName%

Attention: %GMName%

Address: %PropertyAddress2%  
%PropertyZip%, %PropertyCity%  
%PropertyCountryDesc%

Address For Notices to Hilton Systems Solutions, LLC

Division: %BrandCodeDesc%

Attention: Shannon Knox, Vice President, IT Field Services & Strategic Sourcing

Address: Hilton Worldwide, Inc.  
7930 Jones Branch Drive  
McLean, Virginia 22102 USA

On the terms and conditions set forth herein, and in conjunction with the third party property management system (“**Third Party PMS**”) agreement entered into (or to be entered into) between Customer, as hereinafter defined, and %ThirdParty% (“**PMS Agreement**”), Hilton Systems Solutions, LLC, a Delaware limited liability company (“**HSS**”) and %LegalEntity% (“**Customer**”), as either the owner of a property managed by an affiliate of HSS or as a licensed franchisee of an affiliate of HSS, hereby enter into this Hilton Information Technology System Agreement (the “**Agreement**”) wherein HSS agrees to license or sublicense to Customer certain Proprietary Software and Certified Third Party Software, as such terms are defined herein and may provide for the purchase, lease, license or use of Authorized Equipment (“**Authorized Equipment**”) as such term is defined herein for the operation of HSS’ OnQ® technology (the “**Information System**”). The Customer agrees that such software licenses or sublicenses and any equipment are provided subject to the terms and conditions of the Agreement and the additional terms, conditions, and additional programs contained in the following schedules (the “**Schedules**”) attached hereto.

- Schedule A: Software Licensed / Services Provided
- Schedule B: System Cost and Payment Terms
- Schedule C: Software Maintenance / Cost and Payment Terms
- Schedule D: Authorized Equipment Description
- Schedule E: Authorized Equipment Maintenance/Cost and Payment Terms
- Schedule F: Microsoft Participation Agreement
- Schedule G: Symantec Rewards Affiliate Addendum
- Schedule H: Subsequent License, Sublicense or Purchase
- Schedule I: Technology Program License Agreement (if applicable)

Note: The pricing of any and all equipment, software and/or services provided for herein is valid for a period of ninety (90) days following the date of issue of this Agreement (“Issue Date”). Should this Agreement not be signed by the Customer within ninety (90) days following the Issue Date, Customer must obtain specific approval in writing, facsimile, or electronic mail from HSS, confirming that all equipment, software, services and/or prices provided for herein remain valid. The Issue Date of this Agreement is %CreationDate%. HSS in its sole discretion may require an upfront deposit of 50% or more of total estimated first year fees, expenses, charges, costs and payments payable hereunder, to be paid to HSS or its designee(s) such as Hilton International CO at least 90 days prior to the scheduled installation date, with all balances due within 30 days of invoicing.

For the purposes of this Agreement, the “**Authorized Equipment**” shall mean any equipment described on Schedule D.

Effective Date: The effective date shall be the date signed by HSS.

**CUSTOMER:** %LegalEntity%

**HILTON SYSTEMS SOLUTIONS, LLC**

By: %HotelApproverSignature%  
Authorized Signature

By: %HiltonApproverSignature%  
Authorized Signature

Print Name: %HotelApproverName%

Print Name: Shannon Knox

Title: %HotelApproverTitle%

Vice President, IT Field Services &  
Title: Strategic Sourcing

Date: %HotelApprovedDate%

Date: %HiltonApprovedDate%

## TERMS AND CONDITIONS

1. **System Cost.** The System Cost (the “**System Cost**”) includes license fees for proprietary software licensed from HSS (the “**Proprietary Software**”), certain third party software tested to work on the Information System with Authorized Equipment (“the **Certified Third Party Software**”), related fees for any software installation and for any services to be provided in relation to Proprietary Software and Certified Third Party Software. Certified Third Party Software and Proprietary Software may be referred to collectively as “**Software**”. Customer may acquire the Authorized Equipment from an equipment retailer of Customer’s choice (the “**Equipment Retailer**”). The cost of Authorized Equipment is not listed as part of the System Cost under this Agreement. The System Cost and the payment schedule and terms are set forth in Schedule “B”. In addition to the System Cost specified in Schedule “B”, for Software provided by HSS hereunder, either directly or through the Technology Program described in Schedule I (if applicable), all transportation, handling, rigging and insurance charges from the shipping point to destination shall be borne by Customer. Notwithstanding anything else contained in a schedule hereto, HSS in its sole discretion may require an upfront deposit of 50% or more of total estimated first year fees, expenses, charges, costs and payments payable hereunder, to be paid to HSS or its designee(s) at least 90 days prior to the scheduled installation date, with all balances due within 30 days of invoicing. Customer acknowledges that HSS or its affiliates and subsidiaries may derive revenues and/or other material consideration on all or a portion of the System Cost or for the license of software, the sale or lease of equipment or the provision of services relating to this Agreement.

2. **Master Agreements.** HSS or its designee may, from time to time, without warranty or representation of any kind, negotiate with an outside vendor, a master computer equipment agreement, a master software license or sublicense agreement and/or a master services agreement (collectively, the “**Master Agreements**”) and may provide certain opportunities for Customer to lease, license, purchase or obtain the use of Authorized Equipment from a preferred retailer (the “**Preferred Retailer**”), to lease Authorized Equipment from a preferred lessor (the “**Preferred Lessor**”), to license or sublicense Software pursuant to the terms of the Master Agreements, or to engage providers of computer software and systems services, such as site survey, implementation, installation and maintenance support from a Preferred Retailer (also known as the “**Preferred Services Provider**” or “**PSP**”), each of which may execute their respective joinder to this Agreement ( Preferred Services Provider(s) and HSS, collectively, the “**IT Provider(s)**” or “**ITP(s)**”). In the event Customer leases or licenses equipment, obtains services, or licenses or sublicenses Software through the Master Agreements (or through any other agreement with an ITP), Customer shall have direct privity of contract with such vendor and shall be bound by the terms thereof as they apply to Customer and its purchases, leases, licenses or sublicenses thereunder, and Customer shall be directly and solely responsible for such purchases leases, or licenses or sublicenses.

NO ITP MAKES ANY REPRESENTATION OR WARRANTY IN REGARD TO ANY OTHER ITP, THEIR AGREEMENTS, PRODUCTS AND/OR SERVICES AND SHALL HAVE NO LIABILITY WHATSOEVER FOR THE TERMS AND CONDITIONS THEREOF, PERFORMANCE OF ANY OBLIGATIONS OR OTHER AGREEMENTS THEREUNDER, ANY EQUIPMENT PURCHASED, LEASED, LICENSED OR INSTALLED, ANY SERVICES PERFORMED, ANY USE OF ANY SOFTWARE, OR ANY SOFTWARE LICENSED OR SUBLICENSED PURSUANT THERETO.

3. **Customer Cooperation.** Customer agrees that it shall not do any act, deed or omission which may result in breach of Software terms or conditions provided, directly or indirectly, by an ITP and shall provide each ITP, as well as its parents, affiliates, subsidiaries and third party vendors, with such cooperation relating to such ITP’s performance of its obligations under this Agreement as such ITP may reasonably request from time to time. Customer agrees to comply with the Information System’s regulations, rules and policies as HSS may determine from time to time.

4. **Notices.** Except as otherwise specified herein, all notices, requests, demands or communications required hereunder shall be in writing, delivered personally or sent by first class mail or by a nationally reputable overnight courier service, postage and other fees prepaid, to Customer and HSS at the addresses first set forth above (or at such other addresses as shall be given in writing by either of the parties to the other in accordance with this Section). All notices, requests, demands or communications shall be deemed effective upon delivery or three (3) days following deposit in the first class mail or effective one (1) business day following delivery to a nationally reputable overnight courier service in accordance with this Section. Additional notices may be required by the Schedules attached hereto or by an ITP.

5. **Termination of Agreement.**

- (a) HSS shall have the right, without limiting any of its other rights or remedies, to terminate this Agreement upon ten (10) days prior written notice to Customer in the event of a Customer default (as defined in Section 5(b) below) or in the event Customer ceases to be a licensed franchisee of Hilton Worldwide, Inc. (“HWI”) or any of its affiliates or subsidiaries through Customer’s license agreement (“**License Agreement**”) or otherwise entitled to operate a hotel, timeshare, steamboat or cruise line using the name “Hilton” or any other registered trademark or tradename of HWI or its affiliate or subsidiary pursuant to the terms of a written management agreement (the “**Management Agreement**”) between Customer and HWI or any of HWI’s affiliates or subsidiaries. The Management Agreement, the License Agreement and the Customer’s Brand Division Agreement are collectively referred to herein as the “**Brand Agreements.**” The Master Agreements and the Brand Agreements are collectively referred to herein as the “**Other Agreements.**” This Agreement may also be terminated by HSS upon failure of Customer to enter into a new PMS Agreement as required by HSS or upon the signing of a new Hilton Information Technology System Agreement between Customer and HSS for the replacement of Customer’s Third Party Property Management System with HSS’ OnQ® Technology Information System. For purposes of this Agreement, an affiliate hotel operating pursuant to an affiliation agreement shall be included in the term “**licensed franchisee**” during conversion and rebranding.
- (b) For purposes hereof, a default by Customer shall be deemed to occur if Customer shall fail to enter into a new PMS Agreement, shall fail to pay all or any portion of any amounts due and payable hereunder, if Customer is in default or in breach of any other material provision of this Agreement or the Schedules attached hereto and such breach shall continue uncured for a period of ten (10) days after receipt of written notice thereof from HSS or if Customer is in default or in breach of any Other Agreements with HSS or any of its affiliates or subsidiaries.
- (c) Upon any termination of this Agreement, Customer shall immediately cease all use of the Proprietary Software and the Certified Third Party Software thereunder and shall promptly return any and all copies of such Software and any related documentation, , respectively, or shall destroy them, as the case may be. Within five (5) business days following such termination, an officer of Customer shall certify in writing to HSS that the Proprietary Software and the Certified Third Party Software are no longer in use, and that all copies of the Software and documentation have been returned to HSS, another ITP or destroyed. In the event of a termination before the expiration of twelve (12) full calendar months, Customer shall pay HSS’ then current termination fee. HSS shall have no obligation to provide any maintenance or other services to Customer following any termination of this Agreement.
- (d) All representations, promises, warranties and obligations of Customer shall survive the termination of the Agreement
- (e) In the event of a Customer default, as defined in Section 5(b), above, instead of immediately and completely terminating this Agreement pursuant to Section 5(a), above, HSS shall have the right to postpone complete termination for such period of time as HSS, in its sole discretion, may determine; and HSS and/or its affiliates and subsidiaries shall have the right during such period of time to exercise one or more of the following interim remedies (each an “**Interim Remedy**”):
- (i) Disable all or any part of the Software provided to Customer and/or suspend any one or more of the Software Maintenance, information technology, network and/or other services provided or supported under this Agreement, or any Schedule hereto.
  - (ii) Charge Customer for the cost of any Authorized Equipment, Software, Software Maintenance, information technology, network and/or other services which were previously provided to Customer through this Agreement at no additional charge other than the fees Customer paid under this Agreement, or any Schedule hereto; charge Customer for all costs related to such suspending, disabling, and, if defaults are cured as required, re-enabling, together with the intervention or administration fees set forth in the Standards Manuals (as defined in Section 7); and charge Customer for any Authorized Equipment, Software, Software Maintenance, information technology, network and/or other services HSS and/or its affiliates and subsidiaries, in their sole discretion, determine to provide Customer after complete termination and/or the imposition of any Interim Remedy (each, an

**“Information Technology Recapture Charge”**). An Information Technology Recapture Charge may, at HSS’ and/or its affiliate’s or subsidiary’s sole option, take the form of one or more specific dollar amounts and/or of a percentage increase to any of the fees which are based on a percentage of any of Customer’s revenues under this Agreement, or any Schedule hereto (a **“Percentage Fee”**). If an Information Technology Recapture Charge consists of one or more specific dollar amounts, then Customer must pay each such amount immediately upon demand or as may be otherwise specified. If an Information Technology Recapture Charge consists of an increase to a Percentage Fee, Customer must pay the increased Percentage Fee when and as provided for the underlying applicable fee in each such agreement. Customer understands and agrees that such increases may be levied in any Percentage Fee notwithstanding any other provision of any such agreement.

(iii) Suspend and withhold performance of any one or more of its other obligations under this Agreement or any Schedule hereto.

Customer shall not be entitled to any compensation, refund or reduction in charges by reason of the exercise of any Interim Remedy by HSS and/or its affiliates and subsidiaries.

Customer acknowledges and agrees that postponement of complete termination and/or the exercise of any Interim Remedy shall not constitute or result in actual or constructive termination, abandonment or breach of this Agreement, or any Schedule hereto, or a waiver or release of any right to terminate in accordance with Section 5(a) above. Any one or more of the Interim Remedies may be exercised at any time and from time to time, in such order and for such periods as HSS and/or its affiliates and subsidiaries may determine.

If, after any Interim Remedy is imposed but before HSS exercises its reserved right to terminate this Agreement (as provided above), Customer completely cures to HSS’ satisfaction the subject default, then HSS may either elect to terminate this Agreement despite Customer’s untimely cure, or at HSS’ sole option, elect not to terminate this Agreement; if the latter, HSS will withdraw the Interim Remedy on a going-forward basis.

(f) The remedies provided in this Section 5 are cumulative and in addition to all other rights and remedies available to HSS and/or its affiliates and subsidiaries by contract, at law or in equity, and no liability whatsoever shall accrue to any of them by reason of exercise of any such rights or remedies or the consequences thereof.

## **6. Price Change, Delivery Expense, Taxes and Payment in U.S. Dollars.**

(a) All Authorized Equipment and Certified Third Party Software to be purchased, leased, licensed or sublicensed is contingent upon availability. At any time, the price of any and all equipment, software and/or services provided for herein is subject to change by the manufacturer, the licensor or the ITP.

(b) Unless specified otherwise herein, Customer hereby assumes the expense of delivery and in-transit insurance for the Authorized Equipment.

(c) Unless otherwise provided in this Agreement, all fees, costs, charges and any other amounts payable by Customer to HSS or to any ITP under this Agreement shall be exclusive of any and all withholding, sales, use, property, excise, gross receipts, consumption, royalty, VAT and other similar country, federal, state, municipal or local taxes or duties, levies, fees and assessments of whatsoever nature (collectively, **“Taxes”**). Customer shall pay all Taxes resulting from this Agreement, including, but not limited to, the provision of Authorized Equipment, Software or services. If Customer is required by any applicable law to make any deduction or withholding on account of Taxes or otherwise from any payment payable to HSS or any ITP under this Agreement, Customer shall, together with such payment, pay such additional amount as will ensure that HSS or any ITP under this Agreement receives a net amount (free from any deduction or withholding in respect of such additional amount itself) free and clear of any such Taxes or other deductions or withholdings and equal to the full amount which HSS or any ITP under this Agreement would otherwise have received as if no such Taxes or other deductions or withholdings had been required. Where appropriate, HSS or any ITP under this Agreement may provide an invoice to Customer for Taxes, deductions or withholdings that were deducted or withheld from any payment made to HSS or any ITP under this Agreement, which invoice Customer must promptly pay. Promptly after payment of Taxes, Customer shall forward the following to HSS: (1) copies of official receipts or other evidence reasonably satisfactory to HSS showing the full amount of



Taxes and/or any other deduction or withholding that has been paid to the relevant tax authority; and (2) a statement in English (in a form HSS requires) listing the full amount of Taxes and/or any other deduction or withholding that has been paid in local currency and U.S. Dollars. Such tax receipts and statements should be sent to: Withholding Tax Coordinator, Corporate Tax Department, Hilton Worldwide, Inc., 755 Crossover Lane, Memphis, TN 38117, U.S.A., or at such other address that HSS may designate to Customer. Where appropriate, Customer may provide HSS or any ITP under this Agreement with a copy of its tax residency certificate or tax exemption documentation or any other required documentation that permits a reduced withholding tax rate to apply for payments to HSS or any such ITP and Customer agrees to withhold tax at the applicable reduced withholding tax rate.

(d) Unless otherwise specified by HSS in writing, HSS will be billing Customer in United States dollars and Customer shall make all payments in United States dollars, even if, for Customer's own internal purposes, Customer converts payment amounts into local currency. HSS will not be responsible for the conversion of any amounts due from United States dollars to any local currency nor will HSS be responsible for the then local currency rate of exchange.

**7. Precedence.** The terms and conditions of Customer's use and license of the Proprietary Software from HSS shall be governed exclusively by this Agreement, notwithstanding the terms of any product order that may be submitted by Customer. In the event of any inconsistency between this Agreement and any product order or similar document submitted by or on behalf of Customer, or in the event of any additional terms contained in any such product order or similar document submitted by or on behalf of Customer, the terms of this Agreement shall control, and any additional or inconsistent terms contained in any such order or other document shall be deemed stricken from such order unless specifically and expressly agreed to in writing by an authorized officer of HSS. To the extent of any inconsistent terms and conditions between the Schedules attached hereto and these terms and conditions, the terms and conditions of the attached Schedules shall control. In the event of any conflict between the terms of this Agreement and the terms of the Brand Agreements (including the Standards and/or Operating Manual(s) (the "**Standards Manuals**"), the terms of the Brand Agreements shall prevail.

**8. Software.** HSS shall provide Customer with copies of the Proprietary Software listed on Schedule A attached hereto and, in HSS' sole discretion, the Certified Third Party Software, and Customer will be responsible for installing the Software on the Authorized Equipment unless such installation is provided under the terms of this Schedule I (if applicable). Installation shall be deemed complete upon certification by HSS or its designee that the Software has been properly installed. Schedule A specifies the Proprietary Software. With respect to the Certified Third Party Software licensed or sublicensed hereunder, Customer's rights shall be governed by any terms and conditions attached to or specified herein and governed by any such third party software vendor's standard license agreement. ITPs providing Software hereunder are also direct, intended beneficiaries of the terms of this Agreement. Customer may be required to execute a separate license agreement directly with one or more of such third party software vendors. With respect to the use of any third party property management system ("**Third Party PMS**"), customer's use shall be governed by the PMS Agreement. With respect to any use of Microsoft software, Customer's use shall be governed by the Microsoft Participation Agreement attached hereto as Schedule F. With respect to any use of Symantec software, Customer's use shall be governed by the Symantec Rewards Affiliate Addendum attached hereto as Schedule G. With respect to the Software licensed or sublicensed hereunder to Customer, for which there is no standard or separate third party vendor software license agreement attached to or specified herein, the terms of the software license (the "**Software License**") for Customer's use shall be as follows:

(a) The Software License shall be personal, non-exclusive and non-transferable.

(b) The Software may be used by Customer solely on the Authorized Equipment and solely for Customer's own internal hotel operations relating to the management of its hotel and/or resort and for its guest and ancillary services at Customer's site listed on page 1 hereof. Except for a single program copy to be maintained by Customer solely for archival back-up purposes, Customer shall not reproduce the Software or any related documentation. Customer shall not reverse assemble, reverse compile or otherwise attempt to reverse engineer any of the Software.

(c) Customer shall not permit any of the Software to be used on or accessed by or used on any equipment other than the Authorized Equipment at Customer's hotel site.

(d) Recognizing the confidential and proprietary nature of the Software, Customer shall maintain such software in confidence and not disclose any of the Software and related documentation to any third party nor permit the Software and related documentation to be used or accessed by anyone other than Customer's selected employees who may require access to such Software. The parties confirm, acknowledge and agree that the Customer will not be provided source code of the Software and that the Customer has no rights whatsoever to access, use or study source code of the Software and further has no rights to receive or require HSS to provide any source code of the Software. The parties agree that at HSS' sole discretion, the Customer may be provided machine readable object code of the Software. The Customer confirms and acknowledges that it has no rights to receive or require HSS to provide any machine readable object code of the Software.

(e) No legal or equitable title to or ownership of any of the Software or any proprietary rights therein are transferred to Customer hereunder other than the limited Software License specified herein.

(f) ..Unless otherwise specified in this Agreement, the initial term of this Agreement and the Software License granted to Customer with respect to any of the Software shall be three (3) years from the Effective Date of this Agreement. Thereafter, this Agreement and the Software License may be automatically extended by HSS for additional one (1) year terms, unless HSS notifies Customer to the contrary in its sole discretion.

## 9. No Warranties/Limited Warranties.

(a) HSS MAKES NO WARRANTIES AS TO ANY OTHER ITP'S SOFTWARE OR ANY AUTHORIZED EQUIPMENT OR TO ANY SERVICES PROVIDED BY ANY OTHER ITP. THE SOLE WARRANTIES PROVIDED TO CUSTOMER, IF ANY, WITH RESPECT TO ANY ITP'S SOFTWARE, EQUIPMENT OR SERVICES ARE PROVIDED BY THE APPLICABLE ITP PURSUANT TO A WRITTEN WARRANTY, IF ANY, PROVIDED TO CUSTOMER BY SUCH THIRD PARTY VENDOR. IN THE EVENT CUSTOMER NOTIFIES HSS OF ANY CONDITION WHICH CUSTOMER BELIEVES CONSTITUTES A BREACH OF ANY WARRANTY PROVIDED BY AN ITP, HSS SHALL, UPON CUSTOMER'S REQUEST, PROVIDE REASONABLE COOPERATION AND ASSISTANCE IN NOTIFYING SUCH ITP OF SUCH CONDITION AND IN URGING SUCH ITP TO FIX SUCH CONDITION.

(b) PROVIDED THAT CUSTOMER NEITHER ATTACHES NOR USES THIRD PARTY EQUIPMENT AND/OR INTERFACES WITH THE AUTHORIZED EQUIPMENT WHICH HAVE NOT BEEN CERTIFIED BY HSS AS MEETING HSS' SPECIFICATIONS NOR INSTALLS OTHER THIRD PARTY SOFTWARE OR NON-HSS PROPRIETARY SOFTWARE ON THE EQUIPMENT, HSS REPRESENTS AND WARRANTS THAT THE AUTHORIZED EQUIPMENT LISTED ON SCHEDULE D WILL RUN THE PROPRIETARY SOFTWARE PURSUANT TO THE TERMS HEREOF. HSS' OBLIGATIONS HEREUNDER SHALL NOT APPLY TO ANY ERRORS, DEFECTS OR PROBLEMS CAUSED IN WHOLE OR IN PART BY (i) ANY MODIFICATIONS OR ENHANCEMENTS MADE TO ANY OF THE PROPRIETARY SOFTWARE OR THE CERTIFIED THIRD PARTY SOFTWARE BY CUSTOMER OR ANY THIRD PERSON OR ENTITY OTHER THAN HSS; (ii) ANY SOFTWARE PROGRAM, EQUIPMENT, FIRMWARE, PERIPHERAL OR COMMUNICATION DEVICE USED IN CONNECTION WITH THE AUTHORIZED EQUIPMENT OR THE PROPRIETARY SOFTWARE WHICH WAS NOT APPROVED IN ADVANCE IN WRITING BY HSS; (iii) THE FAILURE OF CUSTOMER TO FOLLOW THE MOST CURRENT INSTRUCTIONS PROMULGATED BY HSS OR ANY THIRD PARTY VENDOR FROM TIME TO TIME WITH RESPECT TO THE PROPER USE OF THE INFORMATION SYSTEM; (iv) ANY DEFECT OR FAILURE TO OPERATE IN ACCORDANCE WITH MANUFACTURER'S, DISTRIBUTOR'S OR PUBLISHER'S SPECIFICATIONS THEREFORE OF ANY AUTHORIZED EQUIPMENT OR CERTIFIED THIRD PARTY SOFTWARE; (v) THE FAILURE OF CUSTOMER TO SCHEDULE REGULAR PREVENTIVE MAINTENANCE IN ACCORDANCE WITH AN ITP'S STANDARD PROCEDURES; (vi) FORCES OR SUPPLIES EXTERNAL TO THE AUTHORIZED EQUIPMENT, INCLUDING WITHOUT LIMITATION THOSE REASONS SET FORTH IN THE *FORCE MAJEURE* SECTION BELOW; (vii) THE NEGLIGENCE OF CUSTOMER OR ANY OTHER THIRD PERSON OR ENTITY. ANY FIXES PERFORMED BY HSS FOR ANY SUCH ERRORS, DEFECTS OR PROBLEMS SHALL BE FIXED, IN HSS' SOLE DISCRETION, AT HSS' THEN CURRENT TIME AND MATERIAL CHARGES. HSS EXPRESSLY RESERVES THE RIGHT TO FIX ANY ERRORS, DEFECTS OR PROBLEMS. HSS SHALL BE UNDER NO OBLIGATION, HOWEVER, TO FIX ANY SUCH CUSTOMER OR EXTERNALLY CAUSED ERRORS, DEFECTS OR PROBLEMS.



(c) EXCEPT AS SPECIFICALLY PROVIDED IN THIS SECTION 9, EACH ITP DISCLAIMS ALL EXPRESS OR IMPLIED WARRANTIES WITH RESPECT TO THE SOFTWARE INCLUDING BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, NONINFRINGEMENT, DESIGN, ACCURACY, CAPABILITY, SUFFICIENCY, SUITABILITY, CAPACITY, COMPLETENESS, AVAILABILITY, COMPATIBILITY, OR ARISING FROM COURSE OF DEALING OR COURSE OF PERFORMANCE. HSS DOES NOT WARRANT THAT THE INFORMATION SYSTEM OR THE SERVICES PROVIDED HEREUNDER WILL BE CONTINUOUSLY AVAILABLE, UNINTERRUPTED OR ERROR FREE, THAT DEFECTS WILL BE FIXED, THAT THE INFORMATION SYSTEM WILL BE FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS, OR WILL BE ACCURATE OR COMPLETE. HSS DOES NOT WARRANT OR MAKE ANY REPRESENTATIONS REGARDING THE USE OF, OR THE RESULTS OF, THE INFORMATION SYSTEM IN TERMS OF ITS CORRECTNESS, ACCURACY, RELIABILITY, OR OTHERWISE.. THE PROVISIONS OF THIS SECTION 9 STATE THE ENTIRE LIABILITY OF HSS AND THE SOLE AND EXCLUSIVE REMEDIES OF CUSTOMER FOR ANY BREACH OF ANY WARRANTY FOR THE INFORMATION SYSTEM OR SERVICES PROVIDED PURSUANT TO THIS AGREEMENT.

**10. Proprietary Rights Notices.** Customer shall not remove or obscure any copyright, trademark or confidentiality notices or marks affixed to any of the Software provided pursuant to this Agreement. Neither HSS nor any ITP shall be liable to Customer or any third party in the event Customer has removed or attempted to modify or breach any copyright, trademark or confidentiality notices or marks affixed to any of the Software.

**11. Infringement Claims.**

- (a) No ITP shall be liable in connection with any claim of infringement of intellectual property rights, including, but not limited to, copyright, patent, trade secret, trademark, service marks, trade names, trade dress, logos, artist rights, droit moral, privacy, publicity or rights under other intellectual property laws (collectively, “**Intellectual Property Rights**”) if Customer has modified any of the Software provided pursuant to this Agreement, combined any such Software or related material with or into any other programs, data, devices, components or applications and such infringement would not have occurred without such modification or combination. Further, no ITP shall have any liability hereunder if such liability arose or was incurred in whole or in part because of any access, use, copying, distribution, modification or other exploitation of any of the Software beyond the scope permitted under this Agreement.
- (b) If Customer receives notice of a claimed copyright infringement or other Intellectual Property Right infringement, Customer shall promptly submit a notification (in accordance with Title, 17, United States Code, Section 512(c)(3)) to the following Designated Agent (or any other individual hereinafter designated by HSS):

Service Provider(s): Hilton Worldwide, Inc.  
Name of Agent Designated to Receive Notification of Claimed Infringement: Scott Greenberg  
Full Address of Designated Agent to Which Notification Should be Sent: Hilton Worldwide, Inc., Legal Department, 755 Crossover Lane, Memphis, Tennessee 38117, U.S.A.  
Telephone Number of Designated Agent: (901) 374-5883  
Email Address of Designated Agent: [Scott.Greenberg@hilton.com](mailto:Scott.Greenberg@hilton.com) with a carbon copy email to [mrobertson@larkinhoffman.com](mailto:mrobertson@larkinhoffman.com)

If Customer has not received a notice of an Intellectual Property Right infringement but believes that Customer’s data or other files accessed, used, saved, stored or backed-up on the Information System infringes any Intellectual Property Rights, Customer shall promptly notify the Designated Agent listed above.

**12. Additional Services.** Any services provided by HSS to Customer at Customer’s request in addition to the services which HSS is obligated to perform pursuant to the express terms of Schedule A (the “**Additional Services**”) shall be billed to Customer by HSS at its standard rates then in effect or as otherwise agreed in writing by HSS and Customer and shall be due and payable by Customer within fifteen (15) days from the date of invoice.

**13. Limitations of Liability and Exclusions of Damages.**

(a) THE REMEDIES EXPRESSLY PROVIDED IN THIS AGREEMENT CONSTITUTE CUSTOMER’S SOLE AND EXCLUSIVE REMEDIES. IN NO EVENT SHALL ANY ITP BE LIABLE FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING WITHOUT LIMITATION DAMAGES FOR LOSS OF USE, LOST PROFITS OR LOSS OF DATA OR INFORMATION OF ANY KIND,

ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, WHETHER OR NOT HSS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGE. IN NO EVENT SHALL HSS' LIABILITY TO CUSTOMER ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, WHETHER IN CONTRACT, TORT OR OTHERWISE, EXCEED THE AMOUNTS ACTUALLY PAID BY CUSTOMER TO HSS UNDER THIS AGREEMENT DURING THE SIX (6) MONTH PERIOD IMMEDIATELY PRECEDING THE TIME THAT THE CAUSE OF ACTION GIVING RISE TO SUCH LIABILITY FIRST ACCRUES.

(b) CUSTOMER ACKNOWLEDGES THAT ITS USE OF THE INFORMATION SYSTEM, INCLUDING, BUT NOT LIMITED TO, THE USE, SAVING, STORING OR BACKUP OF CUSTOMER'S DATA AND OTHER FILES RELATING TO CUSTOMER'S OPERATION, AND/OR CERTAIN OTHER CUSTOMER DATA AND FILES AS MAY BE UTILIZED ON THE INFORMATION SYSTEM IS NOT WITHOUT RISK AS TO LIMITATIONS, FAILURE AND/OR INTERRUPTION. FOR INSTANCE, THERE COULD BE A FAILURE OR INTERRUPTION OF CUSTOMER'S ACCESS TO OR ANY USE OF THE INFORMATION SYSTEM FOR AN INDETERMINATE PERIOD OF TIME DEPENDING UPON THE NATURE AND SEVERITY OF THE EVENT CAUSING THE FAILURE OR INTERRUPTION. HSS IS NOT RESPONSIBLE FOR INCORRECT OR INACCURATE ENTRY INFORMATION, OR DESTROYED, IMPAIRED OR LOST DATA, WHETHER CAUSED BY CUSTOMER OR BY ANY OF THE EQUIPMENT OR PROGRAMMING ASSOCIATED WITH OR UTILIZED IN THE INFORMATION SYSTEM OR BY ANY TECHNICAL OR HUMAN ERROR WHICH MAY OCCUR IN THE PROCESSING OF ANY INFORMATION RELATED TO THE INFORMATION SYSTEM. CUSTOMER HEREBY ACKNOWLEDGES AND AGREES THAT NEITHER HSS NOR ANY SUCH THIRD PARTY PROVIDER SHALL BE RESPONSIBLE OR LIABLE TO CUSTOMER FOR ANY DELAYS, FAILURES, OR INTERRUPTIONS IN THE ACCESS TO OR ANY USE OF THE INFORMATION SYSTEM DUE TO, BUT NOT LIMITED TO, THE REASONS SET FORTH IN THE FORCE MAJEURE SECTION BELOW.

(c) HSS RESERVES THE RIGHT FOR ANY REASON, INCLUDING, BUT NOT LIMITED TO, CUSTOMER'S FAILURE TO COMPLY WITH THE INFORMATION SYSTEM'S USE REGULATIONS, RULES AND POLICIES, TO TEMPORARILY BAR ACCESS OF CUSTOMER TO THE INFORMATION SYSTEM AND/OR TO TEMPORARILY OR PERMANENTLY REMOVE ANY OR ALL DATA OR OTHER FILES. IF HSS OR THE THIRD PARTY PROVIDER HEREUNDER, DETERMINES OR RECEIVES NOTICE THAT CUSTOMER'S NETWORK CONNECTION, SOFTWARE, EQUIPMENT OR FILES MAY INFECT THE INFORMATION SYSTEM WITH A VIRUS, THAT INTERNET ACCESS BY THE CUSTOMER OR CUSTOMER'S ACCESS TO OR USE OF THE INFORMATION SYSTEM IS IN VIOLATION OF THE APPLICABLE ACCEPTABLE USE POLICY GOVERNING USE OF THE INTERNET SERVICE PROVIDER'S SERVICES ("AUP"), THE DIGITAL MILLENNIUM COPYRIGHT ACT (THE "DMCA") OR OTHER GOVERNMENTAL LAW OR REGULATION OR THAT CUSTOMER'S NETWORK CONNECTION, SOFTWARE, EQUIPMENT OR FILES MAY CAUSE HARM TO OR DISRUPT THE INFORMATION SYSTEM. HSS AND THE THIRD PARTY PROVIDER SHALL NOT BE LIABLE FOR ANY INCONVENIENCE OR DISRUPTION TO THE CUSTOMER CAUSED BY SUCH MEASURES.

(d) ELECTRONIC COMMUNICATIONS PRIVACY ACT NOTICE (18 U.S.C. §§ 2701-2711) AND SIMILAR LAWS: HSS MAKES NO GUARANTY OF CONFIDENTIALITY OR PRIVACY OF ANY DATA OR OTHER FILES TRANSMITTED ON OR THROUGH THE INFORMATION SYSTEM. HSS WILL NOT BE LIABLE FOR THE PRIVACY OF ANY DATA OR OTHER FILES TRANSMITTED ON OR THROUGH THE INFORMATION SYSTEM.

(e) HSS MAY INFORM GOVERNMENTAL AUTHORITIES OR INTERESTED THIRD PARTIES IF HSS SUSPECTS, BELIEVES OR RECEIVES NOTICE THAT CUSTOMER'S DATA OR OTHER FILES CONTAIN LEGALLY PROHIBITED INFORMATION OR ARE BEING USED FOR ILLEGAL PURPOSES. CUSTOMER ACKNOWLEDGES THAT HSS OR THE THIRD PARTY PROVIDER MAY MONITOR AND REVIEW STORED DATA AND OTHER FILES WITHOUT RESTRICTION AND CUSTOMER HEREBY ACKNOWLEDGES AND CONSENTS TO SUCH MONITORING. CUSTOMER ALSO ACKNOWLEDGES THAT HSS OR THE THIRD PARTY PROVIDER MAY NEED TO RELEASE CUSTOMER'S DATA OR OTHER FILES WHEN HSS OR THE THIRD PARTY PROVIDER BELIEVES IT MUST DO SO IN ORDER TO COMPLY WITH A LAW, SUBPOENA, WARRANT, ORDER OR REGULATION ARISING FROM LITIGANTS, LAW ENFORCEMENT, COURTS AND OTHER GOVERNMENTAL AGENCIES. NEITHER HSS NOR THE THIRD PARTY PROVIDER SHALL BE RESPONSIBLE OR LIABLE TO CUSTOMER FOR ANY SUCH ACTIONS TAKEN BY HSS OR THE THIRD PARTY PROVIDER.

**14. Limitations on Actions.** Subject to applicable law, no action, regardless of form, arising out of the transactions under this Agreement, other than an action for nonpayment or for billing errors may be brought by either party hereto more than one (1) year after the cause of action has occurred.

**15. Third Party Claims.** To the maximum extent permitted by applicable law, HSS and all ITPs and their subsidiaries and affiliates and each of their respective former and present owners, and each of such entities' officers, employees, directors, shareholders, alter egos, affiliates, partners, representatives, agents, attorneys, successors and assigns shall have no liability to third parties for any claims, losses or damages of any type whatsoever arising out of or in any way related to the access to or use of the Information System, or, without limitation, any of the other products or services provided under this Agreement or the Schedules attached hereto. Customer shall be responsible for, and Customer agrees to indemnify, the ITPs and their parents, subsidiaries and affiliates and hold them harmless from and with respect to, any loss or damage (including without limitation attorneys' fees, costs and expenses) which arise out of Customer's business operations, including access to or any use of the Information System or any of the other products or services provided under this Agreement or the Schedules attached hereto, including, but not limited to, infringement of any Intellectual Property Rights.

**16. Entire Agreement/Prior Agreements.** This Agreement and the Schedules attached hereto constitute the entire understanding and agreement between Customer and HSS with respect to the transactions contemplated herein and, except for the Brand Agreements as noted in Section 7, supersede any and all prior or contemporaneous oral or written communications with respect to the subject matter hereof. No other agreements, covenants, representations or warranties, express or implied, oral or written, have been made by either party to the other with respect to the subject matter hereunder. There being no expectations to the contrary between the parties hereto, no usage of trade or other regular practice or method of dealing between the parties hereto shall be used to modify, interpret, supplement or alter in any manner any express terms of this Agreement or the Schedules attached hereto. Neither this Agreement nor the Schedules attached hereto shall be modified, amended or in any way altered except by an instrument in writing signed by an authorized representative of HSS and by an authorized representative of Customer. Without limiting the generality of the foregoing, this Agreement supersedes and terminates any prior or existing agreements between Customer and HWI or any of its affiliates or subsidiaries related to the Information System, including without limitation any Hilton Information Technology System Agreements. Nothing in this Section 16 disclaims any representation made in the Franchise Disclosure Document provided to the Customer. The Customer and the person signing this Agreement on behalf of the Customer have the full legal power, authority and legal right to enter into, perform and observe this Agreement. This Agreement constitutes a legal, valid and binding obligation of Customer.

**17. Cumulative Remedies.** No remedy available to HSS hereunder or relating hereto shall be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy hereunder or now or hereafter existing at law or in equity or by statute or otherwise. No waiver of any provision of this Agreement or any Schedule attached hereto or any rights or obligations of either party hereunder shall be effective, except pursuant to a written instrument signed by the party or parties waiving compliance, and any such waiver shall be effective only in the specific instance and for the specific purpose stated in such writing.

**18. Force Majeure.** No ITP shall be responsible for delays or failures in performance hereunder resulting from any act of God, fire, flood, lightning strikes, tornadoes, earthquakes or other disasters, riots, civil commotion, terrorism, acts of war, labor disputes, strikes, lockouts, epidemics, governmental regulations imposed after the fact, network failure, communication line, power, air conditioning or humidity control failures, or any other occurrence beyond their reasonable control.

**19. Severability and Interpretation.** If any provision hereof is found invalid or unenforceable pursuant to judicial decree or decision, the remainder of this Agreement shall remain valid and enforceable according to its terms. Without limiting the foregoing, it is expressly understood and agreed that each and every provision of this Agreement and the Schedules attached hereto which provide for a limitation of liability, disclaimer of warranties, or exclusion or limitation of damages or other remedies is intended by the parties to be severable and independent of any other provision and to be enforced as such. In addition, no provision of this Agreement shall be interpreted or construed against the party responsible for the drafting or preparation of this Agreement. Instead, such provision shall be interpreted or construed as if both the Customer and HSS jointly prepared this Agreement. Further, it is expressly understood and agreed that if any remedy hereunder is determined to have failed of its essential purpose, all limitations of liability and exclusions of damages or other remedies set forth herein shall remain in effect.

**20. No Joint Venture.** Nothing contained herein shall be deemed or construed as creating a joint venture or partnership between HSS and Customer. The parties have entered into this Agreement on a principal-to-principal basis and neither party is, by virtue of this Agreement, authorized as an agent or legal representative of the other.

**21. Assignment.** This Agreement shall be binding upon and inure to the benefit of the parties' respective successors and assigns permitted hereunder and in accordance with the terms of this Section 21. Customer understands and acknowledges that HSS anticipates that it may arrange for one or more third parties to provide certain services, which HSS is obligated to provide to Customer hereunder. Customer further expressly agrees that HSS may assign or transfer this Agreement and/or any of its rights and duties hereunder to any parent, subsidiary or affiliated entity or any entity which acquires all or substantially all of HSS' operating assets, or into which HSS is merged or reorganized pursuant to any plan of merger or reorganization. Customer shall not have the right or power to assign or transfer this Agreement or any interest herein without HSS' prior written consent, which consent may be withheld in the sole and absolute exercise of HSS' discretion.

**22. Counterparts; Electronic Copies.** This Agreement may be executed in one or more counterparts, each of which shall constitute one and the same instrument. Facsimile, portable document format (pdf) or other electronic copies of this Agreement, which include the electronic representation of original signatures thereon, are valid, binding and enforceable and shall have the same legal effect for all purposes as signed hard copy originals.

**23. Applicable Law, Consent to Jurisdiction, Equitable Relief, and Waiver of Jury Trial.** This Agreement shall be governed by, and shall be construed, interpreted and enforced in accordance with the laws of the same jurisdiction or jurisdictions that are provided for in Customer's Management Agreement, or, if none, Customer's License Agreement or, if none, Customer's affiliation agreement.

The parties to this Agreement agree that any claim, suit, action or proceeding, brought by either party, arising out of or relating to this Agreement or the relationships created hereby, any breach of this Agreement, and any and all disputes between HSS and Customer, whether sounding in contract, tort or otherwise, shall be submitted for adjudication in the same jurisdiction or jurisdictions that are provided for in Customer's Management Agreement or, if none, Customer's License Agreement or, if none, Customer's affiliation agreement. The parties expressly agree to be bound by such selection of jurisdiction and venue for purposes of such adjudication, waive any objections to jurisdiction and venue, and agree and consent to jurisdictional service of process as provided for in such agreements.

The parties hereto acknowledge and agree that the ITPs' remedy at law for any breach or threatened breach of this Agreement which relates to requiring that Customer take any action or refrain from taking any action would be inadequate and such breach or threatened breach shall be per se deemed as causing irreparable harm to such ITP(s). Therefore, in the event of such breach or threatened breach, the parties hereto agree that in addition to any available remedy at law, including, but not limited to, monetary damages, an aggrieved ITP shall be entitled to obtain equitable relief in the form of specific enforcement, temporary restraining order, temporary or permanent injunction, or any other equitable remedy that may then be available to the aggrieved ITP.

Should jurisdiction or venue be rejected by the courts specified in Customer's Management Agreement, License Agreement or Customer's affiliation agreement, or in the event Customer has not executed a Management Agreement, License Agreement or Affiliation Agreement, then any litigation arising out of or related to this Agreement or the relationships created hereby, any breach of this Agreement, and any and all disputes between HSS and Customer, whether sounding in contract, tort, or otherwise, will instead be construed, interpreted and enforced in accordance with the laws of the State of New York and submitted to and resolved exclusively by the United States District Court for the Eastern District of Virginia in Alexandria, Virginia or in the courts of the Commonwealth of Virginia in Fairfax County, Virginia. Should venue be rejected by the United States District Court for the Eastern District of Virginia or by the courts of the Commonwealth of Virginia in Fairfax County, Virginia, then any litigation arising out of or related to this Agreement will instead be submitted to and resolved exclusively by a court of competent jurisdiction located in the City and State of New York. Customer waives, and agrees never to assert, move or otherwise claim that these substitute venues are for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including asserting any claim under the judicial doctrine of *forum non conveniens*).

TO THE EXTENT EITHER PARTY INITIATES LITIGATION INVOLVING THIS AGREEMENT OR ANY ASPECT OF THE RELATIONSHIP BETWEEN THEM (EVEN IF OTHER PARTIES OR OTHER CLAIMS ARE INCLUDED IN SUCH LITIGATION), ALL THE PARTIES WAIVE THEIR RIGHT TO A TRIAL BY JURY AS MAY BE PROVIDED IN CUSTOMER'S MANAGEMENT AGREEMENT, LICENSE AGREEMENT OR IF NONE, CUSTOMER'S AFFILIATION



AGREEMENT. THIS WAIVER WILL APPLY TO ALL CAUSES OF ACTION THAT ARE OR MIGHT BE INCLUDED IN SUCH ACTION, INCLUDING CLAIMS RELATED TO THE ENFORCEMENT OR INTERPRETATION OF THIS AGREEMENT, ALLEGATIONS OF NATIONAL, TRANSNATIONAL, PROVINCIAL, REGIONAL, LOCAL, STATE OR FEDERAL STATUTORY VIOLATIONS, FRAUD, MISREPRESENTATION, OR SIMILAR CAUSES OF ACTION, AND IN CONNECTION WITH ANY LEGAL ACTION INITIATED FOR THE RECOVERY OF DAMAGES BETWEEN OR AMONG HSS AND CUSTOMER OR BETWEEN OR AMONG ANY OF THEIR OWNERS, AFFILIATES, OFFICERS, EMPLOYEES OR AGENTS.

**24. Attorneys' Fees.** In the event of any suit, action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby, the prevailing party thereunder shall be entitled to recover reasonable attorneys' and paralegals' fees (for negotiations, trials, appeals and collection efforts) and court costs incurred in connection therewith in addition to any other relief to which such party may be entitled. The prevailing party shall be the party that prevails on its claim whether or not an award or judgment is entered in its favor.

**25. No Reproduction.** Customer acknowledges that the Proprietary Software comprising the Informaiton System is subject to certain Intellectual Property Rights owned or held by HSS and/or its affiliates or subsidiaries and that the information contained therein is proprietary to HSS and/or its affiliates or subsidiaries. Customer agrees not to reproduce, nor duplicate, nor reuse, in whole or in part, any of the Software, documentation or materials comprising the Information System in any manner (whether directly, or in creating a new use or otherwise) without the prior written consent of HSS or unless provided for otherwise in this Agreement. This prohibition against reproduction also applies to the duplication and/or transmission of any related materials supplied by HSS.

**26. Confidentiality.**

(a) Customer shall maintain the confidential nature of the information contained in the materials, which are provided for its use at the Customer's Site (the "**Site**") also referred to herein as Customer's Hotel (the "**Hotel**") under this Agreement and the Schedules attached hereto. Customer agrees not to provide or otherwise make available the Software or documentation comprising the Information System to any person or entity other than Customer's selected employees at the Site without prior written consent of HSS. Customer further agrees to take all reasonable steps and precautions necessary to protect the Information System or any of the software or information contained therein from unauthorized use or disclosure by its agents, employees, or other third parties.

(b) Customer hereby represents and warrants that it will not share with nor enter into any agreement or understanding with any competitors of Hilton including any other HWI brand hotel (other than any such hotel owned by the same owner) to share or exchange information concerning prices, bids, or terms or conditions of sale.

(c) Customer further agrees that it shall maintain the confidential nature of the information contained in the Software and related materials, together with all of the information HSS and/or its affiliates and subsidiaries may obtain from Customer or about Customer or about the Customer's Site or its guests under this Agreement, or under any agreement ancillary to this Agreement, or otherwise related to this Agreement and agrees that such information is HSS' and/or its affiliates' and subsidiaries' proprietary and confidential. All revenues related thereto will be HSS' and/or its affiliates' and subsidiaries' property.

(d) All information HSS and/or its affiliates and subsidiaries obtain from Customer or about the hotel site or its guests or prospective guests is HSS' and/or its affiliates' and subsidiaries' confidential and/or proprietary information which HSS and/or its affiliates and subsidiaries may use for any reason including making a financial performance representation. Customer may use information that it acquires from third parties in operating the hotel site, such as Personal Information, at any time during or after the term of this Agreement to the extent lawful and at Customer's sole risk and responsibility, but only in connection with operating the hotel site.

(e) Customer will: (i) comply with all applicable Privacy Laws; (ii) comply with all Standards that relate to Privacy Laws and the privacy and security of Personal Information; (iii) refrain from any action or inaction that could cause HWI, HSS and/or their affiliates or subsidiaries to breach any Privacy Laws; (iv) do and execute, or arrange to be done and executed, each act, document and thing HWI, HSS and/or their affiliates or subsidiaries deem necessary in their business judgment to keep HWI, HSS and/or their affiliates or

subsidiaries in compliance with the Privacy Laws; and (v) immediately report to HWI the theft or loss of Personal Information (other than the Personal Information of Customer's own officers, directors, shareholders, employees or service providers).

(f) For purposes of this Section 26, the capitalized terms used above will have the following meanings. **"Personal Information"** means any information that (i) can be used (alone or when used in combination with other information within Customer's control) to identify, locate or contact an individual, or (ii) pertains in any way to an identified or identifiable individual. By way of illustration, and not of limitation, Personal Information consists of obvious data elements, such as name, address and email address as well as less obvious information such as credit card number, personal preferences, hotel stay-related information and guest account information. Personal Information can be in any media or format, including computerized or electronic records as well as paper-based files. As an example, Personal Information may pertain to guests and other consumers, employees and other workers, business partners' employees, or visitors. **"Privacy Laws"** means any international, national, federal, provincial, state, or local law, code or regulation that regulates the Processing of Personal Information in any way, including national data protection laws (whether or not derived from the EU Data Protection Directive 95/46/EC and the Privacy and Electronic Communications Directive 2002/58/EC), laws regulating marketing communications and/or electronic communications, information security regulations and security breach notification rules. For purposes of this Agreement, **"Privacy Laws"** includes required industry codes, such as the Payment Card Industry Data Security Standard (PCI DSS). **"Processing"** means to perform any operation or set of operations upon Personal Information, whether or not by automatic means, such as to collect, receive, record, install, download, organize, store, retain, adapt, alter, align, copy, combine, retrieve, access, print, read, open, consult, use, make available, convey, distribute, disclose, transmit, share, block, dispose of, erase or destroy, such Personal Information. **"Standards"** means all standards, specifications, requirements, criteria, and policies that have been and are in the future developed and compiled by HWI, Hilton Worldwide Limited, Hilton Hotels, Inc., Hilton International Co., Hilton Franchise LLC, Hilton International Franchise LLC and/or their affiliates or subsidiaries for use in connection with the design, construction, renovation, refurbishment, appearance, equipping, furnishing, supplying, opening, operating, maintaining, marketing, services, service levels, quality, and quality assurance of HWI brand hotels, including the hotel site.

**27. Surviving Obligations.** All representations, promises, warranties, and accrued obligations of HSS and Customer shall survive the termination of this Agreement. In the event that Customer makes improper use of the rights granted herein, the parties agree that HSS and/or its affiliates and subsidiaries would suffer irreparable damage, and HSS shall have the right to obtain an injunction to prevent such misuses and to protect its rights in the Information System, including, but not limited to, the Software and the documentation or information contained therein or any use thereof. Such right to injunctive relief shall be cumulative and in addition to any other right or remedy at law to which HSS may be entitled. In the event HSS shall employ legal counsel to enforce its rights hereunder, HSS shall be entitled, in addition to any other damages, to recover reasonable attorneys' fees and costs.

## SCHEDULE A

### INFORMATION SYSTEM SOFTWARE LICENSED / SERVICES PROVIDED

#### **Software Items:**

#### **Proprietary Software Modules:**

Please Note: Under this Agreement, Customer will not be licensed to use or access HSS' OnQ<sup>®</sup> Proprietary Software for Customer's property management system. Instead, Customer will utilize the Third Party PMS in accordance with Customer's PMS Agreement. At no additional license or access fee cost to Customer, HSS will provide the following Proprietary Software modules for use by Customer in conjunction with such Third Party PMS:

- Operations Audit
- Customer Relationship Management
- OnQ<sup>®</sup> Insider
- OnQ<sup>®</sup> Rate and Inventory

#### **Certified Third Party Software:**

%INTLSoftwareListwithQTY%

#### **Revenue Management System:**

Unless provided under the terms of Schedule I (if applicable), Customer shall pay HSS, Preferred Retailer, Preferred Services Provider or another retailer approved by HSS for the license fees for certain revenue management system software needed for the operation of Customer's hotel, as determined by HSS in its sole discretion. The license fees for any such revenue management system software will be billed separately to and payable by Customer. For certain hotels, HSS may recommend specific revenue management system software; if so, a sample agreement may be attached hereto.

Customer will be responsible for the cost of any services necessary for the installation of any revenue management system software and for the implementation and verification of the proper functioning of such revenue management system software on Customer's equipment. The cost of such services and the travel costs for any on-site services will be billed separately by HSS or the Preferred Services Provider and payable by Customer.

#### **Electronic Mail:**

Unless provided under the terms of Schedule I (if applicable), Customer shall pay HSS or its designee for the license fees for electronic mail. The license fees for electronic mail will be billed separately by HSS or the Preferred Services Provider and payable by Customer.

Certain additional Software may be required by HSS for the operation of Customer's hotel. Any such additional Software will be provided pursuant to the terms, conditions and limitations contained in this Agreement and the terms, conditions and limitations required by the supplier of such additional Software.

### **Hilton Business Process Training:**

Training will be needed for Customer's employees who have responsibilities related to the use of certain Proprietary Software Modules for the Hotel's management, change management business processes and other HWI business environment and operational business solutions ("**Hilton Business Process Training**"). The fees and costs for Hilton Business Process Training are shown on Schedule B.

### **Project Management:**

HSS will exercise full Project Management for the preparation, installation and/or implementation of the Third Party PMS as part of OnQ<sup>®</sup>. HSS in its sole discretion may also require additional HSS or Preferred Services Provider presence at the Customer's Site during the installation. Project Management may include, but not be limited to the following:

### **IT Project Services Item:**

HSS may provide and charge Customer with certain IT specialist services related to the opening and/or brand conversion of Hotel.

### **IT Opening Project Manager (Owned and Managed Hotels only):**

- Project Initiation Phase – Site Survey, budget preparation, plan creation.
- Project Management Phase – technical design assistance, system and application recommendations, project meetings, budget and plan management.
- Pre-Opening Phase – 3<sup>rd</sup> party order coordination, escalation points for IT Manager.

### **IT Manager or Consultant:**

Special IT resources may be needed during the pre-opening and opening phases to oversee and manage various activities which may be additional to and in support of Customer's own IT Manager or Consultant employed at Customer's expense. Additionally, where practical, HSS may also provide approved 3<sup>rd</sup> party contractors, or a HSS seconded resource, which would also be chargeable to Customer.

These services may include, but not be limited to:

- Pre-Opening office set up and support.
- Training room set ups.
- Onsite 3<sup>rd</sup> party vendor management.

### **Infrastructure Change Coordination – Information System Server Consolidations/Hilton Family Brand Conversions:**

HSS may provide and charge Customer for services to coordinate the execution of the required infrastructure changes needed for Information System server consolidations (from dual-server to single server) and for brand conversions which require changes on multiple backend infrastructure systems. These services may include, but not be limited to:

- Credit card encryption key manager changes.
- Domain Name System (DNS) changes.



## **Note:**

The specific services and the charges and costs for such services provided under this item may vary depending upon size, brand and complexity of Customer's Hotel, and will be shown on Schedule B. Related travel expenses for the above services will also be charged to Customer as described below and on Schedule B.

## **Project Management and Contracting:**

HSS may provide and charge Customer for an Implementation Project Manager and a Contracts Manager to be assigned to Hotel and to provide end-to-end project management services. These services may include, but not limited to:

- Facilitation of contracting process
- Advice on mandatory hardware, introduction of approved 3<sup>rd</sup> party vendors, outline application & network requirements.
- Ensure compliance to HWI approved 3<sup>rd</sup> party hardware standards and facilitate the connection to Hilton Wide Area Network.
- Pre-live preparation including kick-off meeting, detailed project preparation and guidance, weekly conference calls, focused preparation and change impact in revenue and finance areas, webex sessions and e-learning facilitation.
- Management, coordination and facilitation of on-site implementation and change management training process.
- Post implementation support and follow-up.

## **Implementation:**

As set forth in this Schedule A below, HSS (or its designee) may, in its sole discretion, provide certain services for Customer's Authorized Equipment listed on Schedule D and related Certified Third Party Software. These are summaries of some current requirements; however, more exact requirements may be set forth in the applicable Brand and/or Standards Manual(s) and are subject to change by HSS or HWI or their affiliate or subsidiary from time to time as set forth in the License Agreement and such Manuals.

HSS may, in its sole discretion, provide the services (the "**On-Site Services**") of Systems Implementation consultants. The resource requirements are to be determined by HSS in its sole discretion. These consultants will:

- (i) work with the Hotel, which is responsible for the cost of building the Hotel's database, including the verification of the proper functioning of the Software, installation, conversion, implementation, data conversion or recovery;
- (ii) provide procedural support for the property management system to the Hotel's management;
- (iii) work with the Hotel's management to adapt their use of the Information System to meet the Hotel's requirements;
- (iv) support the Hotel's staff in their use of the Information System through the Hotel's management;
- (v) work with the Hotel's management to assure that the Hotel has all necessary tools for the implementation of the Information System (i.e., Authorized Equipment, Certified Third Party Software, documentation, etc.);
- (vi) install or approve the installation of equipment to meet the requirements of the Hotel, HSS and the manufacturer of the Authorized Equipment;
- (vii) work with third party vendors to meet the technical criteria for interface communications; i.e., central reservations, call accounting, energy management, pay movies, guest internet access, etc.;
- (viii) administer a trial run of the Information System to verify that the front desk staff and audit staff have been trained properly (the minimum passing score for the General Manager or General Manager designee (if applicable) is 80%, and 80% for the combined average of the management group and primary employee user group);
- (ix) verify that all front desk staff and Hotel's management have successfully completed the Information System Guided Tour & Training;
- (x) identify and address operational problems that involve the Information System; and

- (xi) formulate and present recommendations that maximize efficient use of the Information System.

#### **HSS May Use Third Party Designee to Provide Services Hereunder:**

From time to time during the term of the Agreement, HSS may elect to enter into a business relationship with one or more third party vendors to provide some or all of the goods and services to be delivered to Customer under the provisions of the Agreement. Such services may include, but not be limited to, the procurement and configuration of Authorized Equipment and Certified Third Party Software, the installation of same at the Hotel, and the maintenance of the Authorized Equipment and Certified Third Party Software at the Hotel on an ongoing basis following installation. Customer agrees to pay invoices rendered by the third party vendors in accordance with the terms thereof as if they were rendered directly by HSS, and if Customer fails to do so, it shall be considered a default hereunder.

#### **Cost of On-Site Services/Travel Expenses:**

The cost of all On-Site Services (including the cost of the Systems Implementation Consultants) is shown on Schedule B. Schedule B will indicate whether travel costs for On-Site Services are included in the cost of On-Site Services or will be billed separately by HSS or Preferred Services Provider.

In addition, Customer shall reimburse HSS for any other travel expenses incurred by HWI or HSS (or its designee), including without limitation, those shown on Schedule B.

#### **3<sup>rd</sup> Party Interface Testing and Connectivity**

If Customer requires the implementation of any Third Party PMS Interface software for connectivity to 3rd party systems, Customer shall be responsible for any fees assessed by the 3rd party vendors to test and implement the necessary connectivity. In addition, Customer will be required to make arrangements with any such 3rd party vendor to provide the necessary assistance required to test and to implement the interface connectivity. This assistance requires the vendor to be on-site at the time of testing and implementation unless the 3rd party vendor can perform all necessary tasks (as defined by HSS) through a remote connection to the Customer's 3rd party system. The cost incurred by any 3rd party vendors for testing and implementing connectivity to 3rd party systems will be billed to Customer by HSS, other ISP or HSS designee for the license of each copy of the Proprietary Software and the Certified Third Party Software licensed to Customer by HSS.



The Customer is responsible for payment of Hilton Project Management Fees to HSS as detailed below:

**Cost of IT Project Services:**

IT Opening Project Manager	\$%INTLITOPENPM%
IT Manager or Consultant	\$%INTLITOPENMC%
Technical Installer – New Opening/Brand Conversion	\$%INTLINSTFEE%
Infrastructure Change Coordination	\$%INTLINFCHGCO%

**Cost of Installation Management, Implementation and Training Services:**

Project Management and Contracting Fee	\$%INTLDEPLPM%
Hilton Onsite Change Management Fee	\$%INTLCHANGEMGMTFEE%
Hilton Business Process Training Materials	\$%INTLBUSINESSTRAIN%
Hilton Implementation Fee	\$%INTLIMPFFEE%
Oracle Hospitality / Hilton Worldwide Integration	\$%IntlMfHwIntegration%
Hilton Onsite Revenue Conversion Preparation	\$%INTLREVPREP%
Brand Training Materials	\$%INTLPreOpenMat%
Delphi Implementation Specialist	\$%INTLDELPHIIMP%
Delphi Project Management Fee	\$%INTLDELPHIPM%
IdeaS Implementation Fee	\$ %INTLIDEAS%

Maintenance Notes: %MaintComments%

Travel expenses, *per diem* fees and related costs will be the responsibility of Customer and will be invoiced to Customer separately by HSS or an affiliate of HSS or the Preferred Services Provider.

**3. Site Survey Fees.**

Customer and HSS shall mutually determine the scope, schedule and timing of a site survey that may be required for the preparation, installation and/or implementation of OnQ and the Third Party PMS (the “**Site Survey**”). HSS and Customer shall identify the responsible parties for each aspect of the Site Survey. In preparation for any Site Survey, Customer will provide information and documentation relative to the Hotel as requested by HSS, including, but not limited to, hotel drawings, room locations and wiring diagrams. For certain new hotels, a portion or all of the Site Survey may be performed by HSS using blueprints, wiring diagrams and pre-survey questionnaires and may not require on-site services. If HSS performs on-site services during the Site Survey, the Customer is responsible for providing timely access to the Hotel property, as well as complimentary room nights with confirmed reservations at the Hotel, as needed in the course of performing the Site Survey. A Hotel representative shall be appointed by Customer to provide escort and access to guest rooms for the room inspection portion of the Site Survey. The fees and costs for any work performed by HSS or its designee relative to the Site Survey, including any fees for creation and validation of the wireless network design, any travel expenses, *per diem* fees and other out-of-pocket related costs, will be billed separately by HSS or its designee to the Customer. Any additional costs incurred due to delays in performing the Site Survey caused by the Customer’s Hotel will also be billed to Customer.

Site Survey Fees \$%INTLTSSiteSurvey% (Price excludes taxes, travel expenses, *per diem* fees and related costs)

#### **4. Travel Expenses/Accommodations / Per Diem / Rescheduling and Out of Pocket Expenses**

Customer shall pay for or promptly reimburse any out-of-pocket travel expenses actually incurred by HSS or any vendor hereunder (or their designees), including without limitation:

round-trip airfare (due to frequent scheduling changes HSS is often unable to book airline tickets more than one week in advance of travel);

single room accommodations (if the hotel cannot provide accommodations, comparable accommodations will be utilized);

meals;

ground transportation (all ground transportation required to get to and from the hotel as well as transportation used during HSS' representatives' stay at the hotel);

tips;

taxes; and

miscellaneous expenses

Promptly following HSS' providing of the services described in this schedule where not previously paid for or reimbursed by hotel, an invoice will be submitted to Customer for HSS' representatives' out-of-pocket expenses, any additional *per diem* charges for its representatives, any re-scheduling fee, and any additional travel expenses as described herein, which invoice shall be payable within fifteen days of Customer's receipt of same.

#### **Notes:**

If Customer attaches or uses third party equipment and/or interfaces with the Authorized Equipment which have not been certified or approved by HSS as meeting HSS' specifications and/or does not conform to the standards provided by the supplier of the Third Party PMS or if Customer installs other third party non-HSS proprietary software which has not been certified or approved by HSS as meeting HSS' specifications on the equipment or that does not conform to the standards provided by the supplier of the Third Party PMS, the software may need to be reconfigured and the entire cost of the reconfiguration shall be borne by Customer.

All fees indicated are exclusive of applicable taxes. (see Agreement sections on taxes). Unless otherwise specified by HSS in writing, Customer shall make all payments in United States dollars to HSS or any other party designated by HSS in its sole discretion, including without limitation Hilton International CO.

Customer shall pay according to the terms of any invoice(s) submitted to Customer therefore, including any provision for late charges, the fee for the installation of any telephone line(s) or wide area network connection(s) necessary for connection of the Authorized Equipment.

Customer shall purchase and replace, from any source, paper, ribbons, printer maintenance kits, toner and such other operating supplies as shall be required for the operation of the Authorized Equipment, but Customer shall utilize only such brands as are approved by HSS or the Authorized Equipment manufacturer.

HSS requires that its representatives be on-site for the Hotel's implementation of the Information System. Once HSS' representatives are on-site, any delays in the Hotel's implementation will result in additional expense to Customer. If HSS' representatives stay at the Hotel beyond the number of person-days to be provided as set forth above, whether on account of a delayed opening caused by Hotel or at Customer's request, Customer will be required to pay HSS (or its designee) currently \$700 per representative per day for each such additional day, plus such representatives' additional travel expenses. If a delay in implementation of the Information System caused solely by the Hotel necessitates the departure and re-scheduling of HSS' representatives, in addition to the fee set forth above, Customer will be required to pay a re-scheduling fee, currently \$ 5000.00, plus such representatives' additional travel expenses. The re-scheduled date will be determined based on the needs of the Hotel as well as the availability of HSS' representatives.

Without prejudice to any other remedy available to HSS under this Agreement or otherwise, if Customer fails to make any payment due hereunder precisely on its due date as provided herein, the Customer shall pay, only in U.S. dollars, penalty interest on any past due amount at the highest rate permitted by New York law from the date such payment became due until paid in full.

**SCHEDULE C**  
**SOFTWARE MAINTENANCE / COST AND PAYMENT TERMS**

1. **General.** HSS may provide Customer with maintenance and support for Proprietary Software set forth on Schedule A for the term of this Agreement, commencing upon execution hereof.
2. **Use of Certified Third Party Software Only.** Customer understands that the use of any software other than that provided by HSS pursuant to this Agreement as described on Schedule A or pursuant to Customer's PMS Agreement, unless such additional third party software has been otherwise approved in writing by the HSS Information Technology Department (collectively, "**Certified Software**"), is not warranted for use on the Authorized Equipment. In the event Customer uses or installs any third party software other than Certified Software on the Authorized Equipment or uses equipment that is not Authorized Equipment, HSS shall have no further obligations to provide any Software Maintenance services to Customer hereunder for Proprietary Software.
3. **Software Maintenance.**
  - (a) Customer acknowledges and understands that HSS is unable to modify the Certified Third Party Software. HSS does not provide support for Certified Third Party Software or for any software provided under the PMS Agreement. In the event Customer notifies HSS of any condition which Customer believes constitutes a breach of any warranty provided by a third party vendor or a defect in Certified Third Party Software provided hereunder, HSS shall, upon Customer's request, provide reasonable cooperation and assistance in notifying such third party vendor of such condition and in urging such third party vendor to fix such condition.
  - (b) With respect to the Proprietary Software, provided Customer has paid for any Software Maintenance and other fees charged hereunder and satisfied all other obligations under this Agreement and under Customer's License Agreement, HSS shall supply Customer with any standard enhancements, improvements, updates, and/or modifications to the Proprietary Software generally made available by HSS as options or new releases to its Customers which are not charged for separately by HSS as options or new releases ("**Software Maintenance**"). Such enhancements, improvements, updates, additions, and/or modifications which are supplied by HSS to Customer, and all Intellectual Property Rights shall be HSS' sole and exclusive property and shall be deemed part of the Proprietary Software hereunder and shall be subject to all of the terms and conditions of the Agreement. Customer acknowledges and agrees that it may be required to purchase some enhancements, improvements, updates, and/or modifications to the Proprietary Software, which are charged for separately by HSS, as well as additional hardware and/or software in order to utilize certain major upgrades or enhancements.
4. **Cooperation.** Customer shall provide HSS with all information, data and other required materials necessary for HSS to replicate any problem identified by Customer. Customer shall maintain for the term of this Agreement a modem and dial-up telephone line and a facsimile machine or other electronic communication capability mutually acceptable to both parties to facilitate HSS' ability to perform its maintenance services remotely.
5. **Expenses.** If service personnel incur travel, lodging, meal, or any other out of pocket expenses in furnishing any maintenance services hereunder, Customer shall pay for or promptly reimburse HSS for same, subject to reasonable documentation of such expenses. Customer shall also pay for all telephone toll charges incurred in providing maintenance and support hereunder.
6. **Exclusions.** HSS' obligations hereunder shall not apply to any errors, defects or problems caused in whole or in part by (i) any modifications or enhancements made to any Software by Customer or any third person or entity other than HSS; (ii) any software program, hardware, firmware, peripheral or communication device used in connection with the Authorized Equipment or Software which was not approved in advance in writing by HSS that does not conform to the standards provided by the supplier of the Third Party PMS; (iii) the failure of Customer to follow the most current instructions promulgated by HSS , (iv) the failure of Customer to follow the most current instructions promulgated by any third party vendor from time to time with respect to the proper use of the Authorized Equipment and the Software; (v) the failure of Customer to schedule regular preventive maintenance in accordance with standard HSS procedures; (vi) forces or supplies external to the Authorized Equipment, including without limitation the reasons set forth in the *Force Majeure* section of the HITS Agreement; (vii) the negligence of Customer or any other third person or entity. Any fixes performed by HSS for any such errors, defects or problems shall be fixed, in HSS' sole discretion, at HSS' then current time and material charges. HSS expressly reserves the right to fix any errors, defects or problems. HSS shall be under no obligation, however, to fix any such Customer or externally caused errors, defects or problems.



7. **Proprietary Rights.** Any changes, improvements, additions, and/or modifications to any of the Proprietary Software supplied by HSS to Customer, and all proprietary rights therein, including without limitation copyrights, patents and trade secret rights, shall be HSS' sole and exclusive property, and all such software shall be subject to the terms and conditions of the Agreement.

8. **Hotline.** HSS will provide, in accordance with its customary business practices and procedures, telephone customer service support as reflected in this Schedule, for the purposes of receiving reports from Customer regarding software malfunctions subject to maintenance hereunder. HSS may attempt, to the extent practical, to resolve any reported problems by telephone or by accessing Customer's equipment remotely.

9. **On-Site Services.** In the event HSS is unable to resolve any reported problem by telephone or modem, HSS will dispatch service personnel to Customer's hotel site for the purpose of providing maintenance services hereunder at HSS' standard rates and charges.

10. **Customer Responsibilities.** Customer shall maintain on its staff at all times sufficient personnel that have been trained in and are knowledgeable about the operation of the Proprietary Software and the Authorized Equipment and are able to operate the Information System in a professional, efficient and competent manner. Customer is responsible for maintaining duplicate or back-up copies of its software, data files and documentation. HSS shall have no liability for any damages resulting from Customer's failure to maintain such copies nor for any costs or expenses of reconstructing any data or information that may be destroyed, impaired or lost. HSS has no obligation to maintain or repair any software other than the Proprietary Software, or to repair or replace any expendable or consumable components such as ribbons, paper, toner cartridges, print wheels, drums, batteries, or diskettes.

11. **Cost and Payment Terms.** Annual Cost of Proprietary Software Maintenance for the Proprietary Software provided hereunder shall be \$%AnnualSWMaint%. Payments will be calculated from the Start Date ("**Start Date**"), which shall be the shipment date of the Authorized Equipment listed on Schedule D to Customer's Hotel. Payable in monthly installments of \$%MonthlySWMaint%. The monthly payment amount will be due in advance and will be billed by HSS or its designee(s) such as Hilton International CO. Interest at the then current highest rate allowed by applicable state law will be charged for any payments made by Customer after the payment due date (thirty (30) days after billing).

Customer will be billed separately for certain services related to HSS' Help Desk ("**Help Desk Services**"). The annual cost of Help Desk Services for Customer's hotel is \$%INTLHelpYear%.

Customer will also be billed separately for certain enhancements provided by HSS in its discretion from time to time related to Information System ("**System Enhancements**"). The annual cost of System Enhancements for Customer's hotel is \$%INTLSYSYEAR%, payable in monthly installments of \$%MONTH% per month. The fee for System Enhancements is not included under Schedule I (if applicable) or otherwise under the terms of a HWI Brand Division Program.

HSS reserves the right to increase or decrease the Software Maintenance cost, the cost of Help Desk Services, and/or the fee for System Enhancements to reflect increases or decreases in such cost internally and from the Preferred Service Providers of such services and to reflect the addition or construction of additional guest rooms (or suites) by Customer for Customer's hotel.

Even where Software Maintenance, support services or Help Desk Services are provided at no additional cost under Schedule I (if applicable) or otherwise under the terms of a HWI Division Brand Program, any travel expenses, *per diem* fees and related costs for any such services that are provided on-site will be the responsibility of Customer and will be billed to Customer separately.

## SCHEDULE D

### AUTHORIZED EQUIPMENT DESCRIPTION / PURCHASE TERMS AND CONDITIONS

The term “**Authorized Equipment**” includes the equipment needed (including its specifications and quantity) to operate the software provided Customer for use with the Third Party PMS and the Software provided hereunder, all of which must conform to standards provided by the supplier of the Third Party PMS and HSS.

#### **Authorized Equipment Purchased by Customer**

Customer may purchase the Authorized Equipment from the Equipment Retailer of Customer’s choice; however, such Authorized Equipment must conform to HSS’ specifications.

#### **Authorized Equipment As Personal Property**

The Authorized Equipment will be at all times, personal property which shall not, by reason of connection to Customer’s hotel, become a fixture or appurtenance to the hotel.



**SCHEDULE E**  
**EQUIPMENT MAINTENANCE / COST AND PAYMENT TERMS**

1. **Maintenance for the Maintained Equipment.** Customer must take all steps necessary to provide all necessary maintenance services for the Authorized Equipment.
2. **Support of Equipment Maintenance.** Customer may obtain maintenance for the Authorized Equipment through a separate agreement between Customer and a PSP maintenance company or another maintenance company.
3. **Use of Certified Software Only.** Customer understands that use of any software other than the Software provided pursuant to this Agreement and any software provided to Customer under Customer's PMS Agreement, unless such additional software has been approved in writing by the HSS Information Technology Department, is not approved for use on the Authorized Equipment.
4. **Maintenance Provider.** Equipment Maintenance will be provided by Customer's third party maintenance provider.
5. **Exclusions.** The obligation of any ITP to provide Equipment Maintenance shall not apply to any Non-maintained Equipment nor to any errors, defects or problems caused in whole or in part by (i) any modifications or enhancements made to any Software provided hereunder by Customer or any third person or entity other than such ITP or its designee or by the Third Party PMS supplier pursuant to Customer's PMS Agreement; (ii) any software program, hardware, cables, cords, firmware, peripheral or communication device (that was not approved in advance in writing by HSS or by the Third Party PMS supplier pursuant to Customer's PMS Agreement) whether or not used in connection with the Authorized Equipment; (iii) the failure of Customer to follow the most current instructions promulgated by any ITP from time to time with respect to the proper use of the Authorized Equipment and the Software; (iv) the failure of Customer to schedule regular preventive maintenance in accordance with standard HSS procedures; (v) any such Authorized Equipment that is non-repairable, taken out of service or for which any such Authorized Equipment or parts for same are no longer manufactured or reasonably available (vi) forces or supplies external to such Authorized Equipment, including without limitation power surges, lighting strikes, power failures, or air condition or humidity control failures; (vi) the negligence of Customer or any other third person or entity. Any fixes performed by HSS for any such errors, defects or problems shall be fixed, in HSS' or the PSP's discretion, at the then applicable current time and material charges. HSS expressly reserves the right to fix any errors, defects or problems. Neither HSS nor the PSP shall be under any obligation, however, to fix any such Customer or externally caused errors, defects or problems.

Even where Support Services are provided under a Brand Division Agreement, any travel expenses, *per diem* fees and related costs for any on-site Support Services will be billed separately.

## Schedule F PARTICIPATION AGREEMENT

This Participation Agreement is entered into by the party signing below (“you”) for the benefit of the Microsoft affiliate (“Microsoft”) and shall be enforceable against you by Microsoft in accordance with its terms. You acknowledge that Microsoft and Hilton Systems Solutions, LLC (“customer”) have entered into Microsoft Enterprise Enrollment, No. 68436885 (the “agreement”), under which you desire to sublicense certain Microsoft products. As used in this Participation Agreement, the term to “run” a product means to copy, install, use, access, display, run or otherwise interact with it. You acknowledge that your right to run a copy of any version of any product sublicensed under the agreement is governed by the applicable product use rights for the product and version licensed as of the date you first run that copy. Such product use rights will be made available to you by the customer, or by publication at a designated site on the World Wide Web, or by some other means. Microsoft does not transfer any ownership rights in any licensed product and it reserves all rights not expressly granted.

1. **Acknowledgment and Agreement.** You hereby acknowledge that you have obtained a copy of the product use rights located at <http://microsoft.com/licensing/resources/> applicable to the products acquired under the above-referenced agreement; you have read and understood the terms and conditions as they relate to your obligations; and you agree to be bound by such terms and conditions, as well as to the following provisions:

a. **Restrictions on use.** You may not:

- (i) Separate the components of a product made up of multiple components by running them on different computers, by upgrading or downgrading them at different times, or by transferring them separately, except as otherwise provided in the product use rights;
- (ii) Rent, lease, lend or host products, except where Microsoft agrees by separate agreement;
- (iii) Reverse engineer, de-compile or disassemble products or fixes, except to the extent expressly permitted by applicable law despite this limitation;

Products, fixes and service deliverables licensed under this agreement (including any license or services agreement incorporating these terms) are subject to U.S. export jurisdiction. You must comply with all domestic and international export laws and regulations that apply to the products, fixes and service deliverables. Such laws include restrictions on destinations, end-user, and end-use for additional information, see <http://www.microsoft.com/exporting/>.

b. **Limited product warranty.** Microsoft warrants that each version of a commercial product will perform substantially in accordance with its user documentation. This warranty is valid for a period of one year from the date you first run a copy of the version. To the maximum extent permitted by law, any warranties imposed by law concerning the products are limited to the same extent and the same one year period. This warranty does not apply to components of products which you are permitted to redistribute under applicable product use rights, or if failure of the product has resulted from accident, abuse or misapplication. If you notify Microsoft within the warranty period that a product does not meet this warranty, then Microsoft will, at its option, either (1) return the price paid for the product or (2) repair or replace the product. To the maximum extent permitted by law, this is your exclusive remedy for any failure of any commercial product to function as described in this paragraph.

c. **Free and beta products.** To the maximum extent permitted by law, free and beta products, if any, are provided “as-is,” without any warranties. You acknowledge that the provisions of this paragraph with regard to pre-release and beta products are reasonable having regard to, among other things, the fact that they are provided prior to commercial release so as to give you the opportunity (earlier than you would otherwise have) to assess their suitability for your business, and without full and complete testing by Microsoft.

d. **NO OTHER WARRANTIES.** TO THE EXTENT PERMITTED BY APPLICABLE LAW, MICROSOFT DISCLAIMS AND EXCLUDES ALL REPRESENTATIONS, WARRANTIES AND CONDITIONS, WHETHER EXPRESS, IMPLIED OR STATUTORY, OTHER THAN THOSE IDENTIFIED EXPRESSLY IN THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO WARRANTIES OR CONDITIONS OF TITLE, NON-INFRINGEMENT, SATISFACTORY QUALITY, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE PRODUCTS AND RELATED MATERIALS. MICROSOFT WILL NOT BE LIABLE FOR ANY PRODUCTS PROVIDED BY THIRD PARTY VENDORS, DEVELOPERS OR CONSULTANTS IDENTIFIED OR REFERRED TO YOU BY MICROSOFT UNLESS SUCH THIRD PARTY

PRODUCTS ARE PROVIDED UNDER WRITTEN AGREEMENT BETWEEN YOU AND MICROSOFT, AND THEN ONLY TO THE EXTENT EXPRESSLY PROVIDED IN SUCH AGREEMENT.

- e. Defense of infringement and misappropriation claims.** We will defend you against any claims, made by an unaffiliated third party, that any commercial product, fix or service deliverable infringes its patent, copyright or trademark or misappropriates its trade secret, and will pay the amount of any resulting adverse final judgment (or settlement to which we consent):

You must notify us promptly in writing of the claim and give us sole control over its defense or settlement. You agree to provide us with reasonable assistance in defending the claim, and we will reimburse you for reasonable out of pocket expenses that you incur in providing that assistance. The terms “misappropriation” and “trade secret” are used as defined in the Uniform Trade Secrets Act, except in the case of claims arising under any license agreement governed by the laws of any jurisdiction outside the United States, in which case “misappropriation” will mean intentionally unlawful use and “trade secret” will mean “undisclosed information” as specified in Article 39.2 of the TRIPs agreement.

Our obligations will not apply to the extent that the claim or adverse final judgment is based on (i) your running of the product or fix after we notify you to discontinue running due to such a claim; (ii) your combining the product or fix with a non-Microsoft product, data or business process; (iii) damages attributable to the value of the use of a non-Microsoft product, data or business process; (iv) your altering the product or fix; (v) your distribution of the product or fix, or its use for the benefit of, any third party; (vi) your use of our trademark(s) without express written consent to do so; or (vii) for any trade secret claim, your acquiring a trade secret (a) through improper means; (b) under circumstances giving rise to a duty to maintain its secrecy or limit its use; or (c) from a person (other than us or our affiliates) who owed to the party asserting the claim a duty to maintain the secrecy or limit the use of the trade secret. You will reimburse us for any costs or damages that result from these actions.

If we receive information concerning an infringement claim related to a commercial product or fix, we may, at our expense and without obligation to do so, either (i) procure for you the right to continue to run the allegedly infringing product or fix, or (ii) modify the product or fix or replace it with a functional equivalent, to make it non-infringing, in which case you will stop running the allegedly infringing product or fix immediately. If, as a result of an infringement claim, your use of a commercial product or fix is enjoined by a court of competent jurisdiction, we will, at our option, either procure the right to continue its use, replace it with a functional equivalent, modify it to make it non-infringing, or refund the amount paid and terminate the license for the infringing product or fix.

If any other type of third party claim is brought against you regarding our intellectual property, you must notify us promptly in writing. We may, at our option, choose to treat these claims as being covered by this section. This Section e provides your exclusive remedy for third party infringement and trade secret misappropriation claims.

- f. Limitation of liability.** There may be situations in which you have a right to claim damages or payment from Microsoft. Except as otherwise specifically provided in this paragraph, whatever the legal basis for your claim, Microsoft's liability will be limited, to the maximum extent permitted by applicable law, to direct damages up to the amount you have paid for the product giving rise to the claim. In the case of free product, or code you are authorized to redistribute to third parties without separate payment to Microsoft, Microsoft's total liability to you will not exceed US\$5000, or its equivalent in local currency. The limitations contained in this paragraph will not apply with respect to the following in connection with the performance of the agreement:

(i) our obligations to defend third party claims of patent, copyright or trademark infringement or trade secret misappropriation, and to pay damages resulting from any final adjudication (or settlement to which we consent) of such claims;

(ii) our liability for damages for gross negligence or willful misconduct, to the extent caused by us or our agent and awarded by a court of final adjudication; and

- g. No liability for certain damages.** To the maximum extent permitted by applicable law, neither you, your affiliates or suppliers, nor Microsoft, its affiliates or suppliers will be liable for any indirect damages (including, without limitation, consequential, special or incidental damages, damages for loss of profits or revenues,

business interruption, or loss of business information) arising in connection with any agreement, product, or fix, even if advised of the possibility of such damages or if such possibility was reasonably foreseeable. This exclusion of liability does not apply to either party's liability to the other for violation of the other party's intellectual property rights.

- h. Application.** The limitations on and exclusions of liability for damages set forth herein apply regardless of whether the liability is based on breach of contract, tort (including negligence), strict liability, breach of warranties, or any other legal theory.
- i. Verifying compliance.** You must keep records relating to the products you run. Microsoft has the right to verify compliance with these terms and any applicable product use rights, at its expense, during the term of the enrollment and for a period of one year thereafter. To do so, Microsoft will engage an independent accountant from a nationally recognized public accounting firm, which will be subject to a confidentiality obligation. Verification will take place upon not fewer than 30 days notice, during normal business hours and in a manner that does not interfere unreasonably with your operations. As an alternative, Microsoft may require you to accurately complete its self-audit questionnaire relating to the products you use. If verification or self-audit reveals unlicensed use of products, you must promptly order sufficient licenses to permit all product usage disclosed. If material unlicensed use is found (license shortage of 5% or more), you must reimburse Microsoft for the costs it has incurred in verification and acquire the necessary additional licenses as single retail licenses within 30 days. If Microsoft undertakes such verification and does not find material unlicensed use of products, it will not undertake another such verification for at least one year. Microsoft and its auditors will use the information obtained in compliance verification only to enforce its rights and to determine whether you are in compliance with these terms and the product use rights. By invoking the rights and procedures described above, Microsoft does not waive its rights to enforce these terms or the product use rights, or to protect its intellectual property by any other means permitted by law.
- j. Dispute Resolution; Applicable Law.** This Participation Agreement will be governed and construed in accordance with the laws of the jurisdiction whose law governs the agreement. You consent to the exclusive jurisdiction and venue of the state and federal courts located in such jurisdiction. This choice of jurisdiction does not prevent either party from seeking injunctive relief with respect to a violation of intellectual property rights in any appropriate jurisdiction. The 1980 United Nations Convention on Contracts for the International Sale of Goods and its related instruments will not apply to this agreement or any license entered into with Microsoft or its affiliates under this agreement.

Your violation of the above-referenced terms and conditions shall be deemed to be a breach of this Participation Agreement and shall be grounds for immediate termination of all rights granted hereunder.

Dated as of the   %DayName%   day of   %MonthName%  ,   %YearName%  .

CUSTOMER AFFILIATE:

  %LegalEntity%  

By:   %HotelApproverSignature%  

Name:   %HotelApproverName%  

Title:   %HotelApproverTitle%  

Date:   %HotelApprovedDate%

## SCHEDULE G

### REWARDS AFFILIATE ADDENDUM

Customer Company Name:	See signature below								
Symantec Agreement Number (SAN) of Master Contract: (Insert SANs)]	<b>39K0SZREW</b>								
Contract Address: (Ordering Location)	See signature below								
Territory Addendum attached: (Insert Number for Territory Addendum))									
Symantec Agreement Number (SAN) of this Affiliate Contract: (Insert SANs)	<b>3</b>	<b>9</b>	<b>K</b>	<b>0</b>	<b>S</b>	<b>Z</b>	<b>R</b>	<b>E</b>	<b>W</b>
Effective Date of this Affiliate Contract:	See signature below								

This Rewards Affiliate Addendum (this “Addendum” or this “Affiliate Contract”) is entered into by and between Symantec and the Customer named above, and sets out the terms and conditions under which Customer and/or Customer’s Authorized Affiliates may obtain Symantec Products under Symantec’s Rewards Program, as such terms are defined below. Symantec may also be referred to in this Addendum as “We”, and Customer may be referred to as “You”. Symantec and Customer agree as follows:

**1. Terms Of Affiliate Contract.** This Affiliate Contract consists of multiple parts taken together:

- (a) this Addendum, and
- (b) the existing “Master Contract” identified above, incorporated by reference.

**2. Definitions and Order of Precedence.** Each capitalized word or phrase used in this Affiliate Contract has a specific definition, which You can find either in the Master Contract or elsewhere in this Addendum. However, if We define the same capitalized term differently between this Affiliate Contract and the Master Contract or if there are conflicting terms between those documents, the definitions and terms of this Affiliate Contract override those in the Master Contract.

**3. Adoption of Master Contract.** You and Symantec adopt and agree to the terms of the Master Contract. Except where this Affiliate Contract may modify the Master Contract, You and Your own Authorized Affiliates agree to be subject to the same obligations and terms and conditions as the entity originally named in the Master Contract (the “Original Named Customer”).

**4. Affiliate Status.** You warrant and represent that You are an Affiliate (as defined in the Master Contract) of the Original Named Customer. If requested, You agree to provide Symantec reasonable written documentation confirming Your status as an Affiliate. Your rights under this Affiliate

Contract expire if and when You cease to be an Affiliate of the Original Named Customer.

**5. Territory.** Your Territory for purchasing, installing and using Symantec Products is the same as the Original Named Customer’s as defined in the Master Contract, unless You indicated a different ordering Territory, based on Your contract address shown above.

If you did so, then unless otherwise agreed in writing by Symantec the following applies: Your Territory or ordering under this Addendum is the country in which Your contract address is located, and Your Territory for installing and using such Symantec Products is the same country/ies as Your ordering Territory, unless a broader Territory for installation and use is indicated by Symantec’s Deployment Territory Matrix in effect at the time Your order is accepted by Symantec. Please see the Rewards Program Guide for the most current version of the Deployment Territory Matrix.

**6. Symantec Agreement Number (SAN) and Ordering.** You must place all of Your orders for Symantec Products through Reseller(s). As part of Your enrollment in the Program, Symantec provides You a “SAN” or “Symantec Agreement Number”, which is a contract/account identification number. You must reference the SAN in Your purchase order when placing Your Initial Order and any subsequent orders, to receive the benefits of the Rewards Program and Your Affiliate Contract. You can also use Your SAN to track the accumulation of Purchase Points under Your Rewards Program enrollment.

If You do not use the SAN to place Your Initial Order within Ninety (90) days of receipt, the SAN number will expire and You may be required to execute a new/replacement Rewards Affiliate Addendum..

## **7. Discounts and Affiliate Ordering.**

**7.1 Master Contract Pricing.** Beginning with Your Initial Order, after Symantec accepts this Affiliate Contract, we will offer each of Your Reseller(s) (or Reseller's distributor) the same Band Level pricing as we provide to the Original Named Customer. Any changes made to the Original Named Customer's Band Level and related pricing under the Master Contract will also apply to You and Your orders.

**7.2 Authorized Affiliates.** Your own Authorized Affiliates in Your ordering Territory may place orders with Resellers under Your Affiliate Contract by using Your SAN, under the same terms provided in the Master Contract for Authorized Affiliate ordering. Your Authorized Affiliates' purchases under Your SAN will be counted towards Your annual volume.

**7.3 Term.** The "Term" of Your Rewards Program enrollment and this Affiliate Contract consists of successive 1 year program periods beginning on the Effective Date, renewing on the first Annual Review Date, and continuing until terminated.

The Term renews automatically on each Annual Review Date, unless either You or Symantec terminate this Affiliate Contract in accordance with this Agreement and the Master Contract. This Affiliate Contract does not terminate automatically with the Master Contract, unless the Master Contract is terminated due to insufficient purchasing activity according to Program Guide guidelines. The terms of the Master Contract will continue to apply to this Affiliate Contract for so long as this Affiliate Contract is in effect.

Either You or Symantec may elect not to renew Your Rewards Program enrollment under this Affiliate Contract by giving the other written notice of non-renewal as described in the Master Contract. If We or You choose not to renew Your Affiliate Contract, that will not affect the Master Contract.

**8. Changes and Updates.** The Rewards Program is defined in Symantec's most current Rewards Program Guide and this Agreement. You understand that Symantec may update and change the Rewards Program from time to time, for administrative purposes, program improvement or updates, and other reasons at Symantec's discretion. However, these changes will not affect You until Your next Annual Review Date. Symantec will communicate these changes and any necessary administrative changes, and

notify You via publication at Symantec's Rewards Program website available through Symantec.com. Symantec may also elect to give You written notice to Your most current contact of record, which may be delivered by e-mail, postal mail, or fax or other means reasonably designed to assure receipt. Symantec reserves the right to change the Symantec entity participating in this Addendum, by notifying You of the change, in a manner described in this Addendum

Agreed and Accepted as of the Effective Date:

**Symantec Parties**

Symantec Corporation <input type="checkbox"/> 350 Ellis Street Mountain View, CA 94043 USA	Symantec Ltd. <input type="checkbox"/> <input type="checkbox"/> Ballycoolin Business Park Blanchardstown, Dublin 15 Ireland	Symantec Asia Pacific Pte Ltd. <input type="checkbox"/> 6 Temasek Boulevard, #11-01 Suntec Tower 4, Singapore 038986
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Dated as of the  %DayName%  day of  %MonthName% ,  %YearName% .

CUSTOMER AFFILIATE:

%LegalEntity%

By:  %HotelApproverSignature%

Name:  %HotelApproverName%

Title:  %HotelApproverTitle%

Date:  %HotelApprovedDate%



**SCHEDULE H – EXAMPLE**

**SUBSEQUENT PURCHASE, LEASE, USE, LICENSE OR SUBLICENSE OF EQUIPMENT, SOFTWARE AND/OR SERVICE**

Date:  
INNCODE  
Name of Customer:  
Address of Customer:

Dear :

This Letter Agreement (“**Letter Agreement**”) confirms your request to purchase, lease, use, license or sublicense (“**Acquire**”) additional software and/or services in order to add options, features and/or systems (“**Additions**”) to the Information System, and shall constitute an amendment to the existing Hilton Information Technology System Agreement previously entered into between (“**Customer**”) and Hilton Systems Solutions, LLC (“**HSS**”) dated , (the “**Agreement**”).

It is agreed that you will Acquire the Additions and that you will be billed by HSS or the applicable vendor for the Additions as listed below. The effective date of billing on the new items shall be the date the equipment is shipped, the date upon which you Acquire the Additions, and/or the date upon which you request the Additions, whichever is earliest.

QTY	ITEM OF /SOFTWARE/EQUIPMENT	FEES/COSTS	MONTHLY MAINT.
<b>TOTAL PRICE</b>			

The prices shown above exclude taxes, travel expenses, *per diem* fees, related costs, insurance and shipping.

**Travel Expenses / Per Diem Fees/Rescheduling**

If the Additions require travel by HSS and/or the applicable vendor, you will pay for or promptly reimburse any travel expenses, *per diem* fees and related costs of HWI, HSS, any vendor hereunder or their designees, including without limitation: round-trip airfare (due to frequent scheduling changes, HSS is often unable to book airline tickets more than one week in advance of travel); single room accommodations (if the Hotel cannot provide accommodations, comparable accommodations will be utilized); meals; ground transportation (all ground transportation required to get to and from the Hotel as well as transportation used during HSS’ representatives’ stay at the Hotel); tips; taxes; and miscellaneous expenses (including phone, internet, laundry, etc.)

Promptly following HSS’ providing of the Additions described in this schedule where not previously paid for or reimbursed by hotel, an invoice will be submitted to Customer for HSS’ representatives’ out-of-pocket expenses, any additional *per diem* charges for its representatives, any re-scheduling fee, and any additional travel expenses as described herein, which invoice shall be payable within fifteen days of Customer’s receipt of same.

**Notes:**

If Customer attaches or uses third party equipment and/or interfaces with the Authorized Equipment which have not been certified or approved by HSS as meeting HSS’ specifications and/or does not conform to the standards provided by the supplier of the Third Party PMS or if Customer installs other third party non-HSS proprietary software which has not been certified or approved by HSS as meeting HSS’ specifications on the equipment or that does not conform to the standards provided by the supplier of the Third Party PMS, the software may need to be reconfigured and the entire cost of the reconfiguration shall be borne by Customer.

All fees indicated are exclusive of applicable taxes (see Agreement sections on taxes). Unless otherwise specified by HSS in writing, Customer shall make all payments in United States dollars to HSS or any other party designated by HSS in its sole discretion, including without limitation Hilton International CO.



Customer shall pay according to the terms of any invoice(s) submitted to Customer therefore, including any provision for late charges, the fee for the installation of any telephone line(s) or wide area network connection(s) necessary for connection of the Authorized Equipment.

Customer shall purchase and replace, from any source, paper, ribbons, printer maintenance kits, toner and such other operating supplies as shall be required for the operation of the Authorized Equipment, but Customer shall utilize only such brands as are approved by HSS or the Authorized Equipment manufacturer.

Upon HSS' receipt of a copy of this Letter Agreement signed by a duly authorized representative of Customer, the Agreement shall be deemed to have been automatically amended to incorporate the items of this Letter Agreement. Customer agrees that Customer's delivery to HSS by facsimile transmission of this Letter Agreement shall be deemed to be as effective for all purposes as hand delivery of the manually executed Letter Agreement and that the terms of this Letter Agreement shall be binding upon Customer without the necessity of any further action by HSS. This Letter Agreement shall be effective as of the date inserted by Customer below.

Customer may be required to sign additional license agreements with the vendors or licensors of Certified Third Party Software.

Certain Other Equipment (for orders of \$5,000 or greater) may be leased by Customer. Any such leases shall be entered into between Customer and the applicable lessor. Neither HSS nor Hilton shall be a party to such leases.

In addition to any other specific purchase terms required by a retailer of the Additions, the following purchase terms and conditions shall apply to any Other Equipment obtained from a Preferred Retailer (as that term is defined in the Agreement. The Other Equipment will be at all times, personal property which shall not, by reason of connection to the Hotel, become a fixture or appurtenance to the Hotel, and until such time as Customer or its designated third party pays to the Preferred Retailer the total sum for the Other Equipment as required hereunder, the Other Equipment shall remain the property of the Preferred Retailer, and title shall remain with the Preferred Retailer, free from any claims of Customer or the holder of any lien or encumbrance on the Hotel and/or any other property of Customer. Customer shall maintain fire, extended coverage, vandalism, and malicious mischief insurance on the Other Equipment. Said insurance shall name HSS as an additional insured. For so long as this obligation remains in effect, Customer shall furnish to HSS a certificate of the insurance carrier describing the terms and coverage of the insurance in force, the persons insured, and the fact that the coverage may not be canceled, altered or permitted to lapse or expire without thirty (30) days advance written notice to HSS. Upon payment in full, title to the Other Equipment will vest in the Customer and will be free and clear of the above requirements relating to insurance and of all of the Preferred Retailer's liens, claims and encumbrances and the Other Equipment will become the sole property of Customer.

NEITHER THE AUTHORIZED EQUIPMENT NOR THE PROPRIETARY SOFTWARE OR CERTIFIED THIRD PARTY SOFTWARE WILL BE SHIPPED, NOR WILL CUSTOMER HAVE USE OF THE PROPRIETARY SOFTWARE MODULE OR ANY EQUIPMENT LISTED IN THIS LETTER AGREEMENT UNTIL HSS RECEIVES A COPY OF THIS LETTER AGREEMENT SIGNED BY CUSTOMER.

To indicate Customer's acceptance of this Letter Agreement, please have it signed by an authorized representative of Customer and return it to me. Upon HSS' receipt of the executed Letter Agreement, you will be advised of the shipment and installation dates.

If you have any questions, please contact me at .

Sincerely,

**Hilton Systems Solutions, LLC**

**Accepted and Agreed:**

By: \_\_\_\_\_

**Customer Name**

By: \_\_\_\_\_  
Signature

Print Name and Title: \_\_\_\_\_

Effective Date: \_\_\_\_\_

**SCHEDULE I**  
**TECHNOLOGY PROGRAM LICENSE AGREEMENT**  
**FOR USE WITH THE THIRD PARTY PMS AGREEMENT**

This Technology Program License Agreement (this “**Technology Program Agreement**”) for use with Third Party PMS Agreement is entered into as of the Effective Date defined herein between Hilton Systems Solutions, LLC, a Delaware limited liability company (“**HSS**”) and %LegalEntity% (the “**Customer**”) for Customer’s Hotel (the “**Hotel**”) known as %PropertyName% and located at %PropertyAddress2% %PropertyZip% %PropertyCity% %PropertyCountryDesc%.

In connection with the Hilton Information Technology Systems Agreement for use with Third Party PMS Agreement (the “**HITS Agreement**”) entered into between HSS and Customer (and if applicable, in anticipation of the Hotel’s conversion and rebranding as a Hilton Brand Hotel), HSS is willing to make certain benefits available to Customer for the above Hotel under the Technology Program (the “**Technology Program**”), on the terms, conditions and limitations hereinafter set forth.

. For good, valuable and sufficient consideration, Customer hereby enters into this Technology Program Agreement, and HSS and Customer agree as follows:

**1. Customer’s Benefits.** The following benefits are provided to Customer by HSS during the term of this Technology Program Agreement:

**a) Third Party Property Management System.** As an alternative to Customer’s use of HSS’ OnQ<sup>®</sup> Property Management Technology, Customer has entered into an agreement (“**PMS Agreement**”) for the use of a Third Party PMS at Customer’s Hotel. The Technology Program shall cover the specifically set forth license fees and maintenance fees applicable to the Hotel for the Third Party PMS licensed or sublicensed to Customer by the third party pursuant to Customer’s PMS Agreement and the terms and conditions set forth therein. The payment of the fees for the Hotel’s Technology Program is determined as follows:

i) For all hotels that are not full service brand hotels (currently, Hampton by Hilton and Hilton Garden Inn hotels) but the operations are managed for Customer by an affiliate of HSS through a Management Agreement, the payment of the fees for the Hotel’s Technology Program (other than any fees for the software license or Software Maintenance for the Revenue Management System described below) are paid for through the Group Services Benefit Program for such managed hotels.

ii) For all hotels that are operated by Customer under a Franchise License Agreement, the fees for the Hotel’s Technology Program are paid for through such hotel’s brand division program.

HSS and the Technology Program shall have no other obligations to Customer regarding any software, equipment and/or services provided pursuant to Customer’s PMS Agreement or installation, system conversion, implementation, verification, data conversion or recovery or other services or costs, regardless of cause. For certain hotels, HSS may recommend Oracle Hospitality as the supplier of the PMS Software; if so, a sample Oracle Hospitality Agreement may be attached hereto.

Customer will be responsible for the cost of any services necessary for the installation of the above Third Party PMS, any system or data conversions or restorations required, and for the implementation and verification of the proper functioning of Third Party PMS on Customer’s equipment. The cost of such services and the travel costs for any on-site services will be billed in accordance with Customer’s PMS Agreement and/or this Agreement, as appropriate.

**b) Revenue Management System.** HSS will provide the license fees for certain revenue management system software needed for the operation of Customer’s hotel, as determined by HSS in its sole discretion. For certain hotels, HSS may recommend specific revenue management system software; if so, a sample agreement may be attached hereto.

Customer will be responsible for the cost of any services necessary for the installation of any revenue management system software and for the implementation and verification of the proper functioning of such revenue management system software on Customer’s equipment. The cost of such services and the travel costs for any on-site services will be billed separately by HSS or the Preferred Services Provider and payable by Customer.

c) **Electronic Mail.** HSS will provide the license fees for electronic mail limited to the number of licenses specified by the HWI brand division for Customer's hotel.

d) **Software Maintenance Fees.** The Technology Program covers Customer's Software Maintenance fees relative to the Proprietary Software Modules described above. Fees for System Enhancements, travel expenses, *per diem* fees and related costs for any on-site Software Maintenance are the responsibility of Customer and shall be billed separately to and payable by Customer.

e) **Help Desk.** For Proprietary Software only, the Technology Program will cover the cost of HSS' Help Desk (telephone customer service support) for certain remote reporting and diagnostic services offered in accordance with HSS' customary business practices and procedures. Provided Customer maintains recommended modem, dial-up telephone line, facsimile machine or other electronic communication vehicles acceptable to HSS to facilitate the operation of the Help Desk, HSS may perform the above services and may perform certain equipment maintenance services remotely through the Help Desk for any equipment provided by HSS hereunder. Any travel expenses, *per diem* fees and related costs that might result from on-site Help Desk Services will be the responsibility of Customer and will be billed to Customer separately.

2. **Customer's Obligations.** In consideration of the benefits provided by HSS herein, Customer shall:

a) Perform all of its obligations hereunder and under the HITS Agreement

b) Pay any and all shipping duties and all Taxes (as defined in the HITS Agreement) on any and all software, equipment or services provided under this Technology Program Agreement. Customer also specifically agrees to pay any and all personal property taxes associated with any and all software or equipment provided under this Technology Program Agreement.

c) Pay for all telephone toll charges incurred in providing maintenance and support hereunder.

d) Prevent any liens from attaching to any and all software or equipment provided hereunder.

e) Not allow any other software to be added to Customer's information system, other than software provided pursuant to Customer's PMS Agreement, Proprietary Software Modules and Certified Third Party Software, without prior specific written permission of HSS.

3. **Customer's Conditions.** All benefits provided Customer herein and all obligations of HSS under this Technology Program Agreement are expressly subject to and conditioned upon the following:

a) Customer is not, and continues not to be, in default of any agreement with HSS or any of its affiliates or subsidiaries, or any Brand division, including, but not limited to, this Technology Program Agreement, the HITS Agreement and Customer's License Agreement with Hilton Worldwide, Inc. ("HWI") or its affiliate or subsidiary.

b) Customer continues to make all other payments to HSS or HSS' Preferred Services Providers or other ITP's under any applicable agreements and does not become in default under such agreements.

c) Customer's Hotel remains (after conversion and rebranding if applicable) in one of the following Hilton Brand Divisions: Waldorf Astoria, Conrad, Hilton, Doubletree by Hilton, Hilton Garden Inn or Hampton Inn by Hilton.

d) Customer has executed the HITS Agreement or executes the HITS Agreement contemporaneously with this Technology Program Agreement.

4. **Termination and Termination Fees.** HSS may terminate all of HSS' obligations under this Technology Program Agreement at HSS' option: (a) Immediately without notice in event of breach of Customer's obligations or conditions set forth in Sections 2 and 3 above, or (b) at any time, with or without cause, upon not less than ninety (90) days advance written notice to Customer. Any default by Customer under this Technology Program Agreement shall constitute a default by Customer under the HITS Agreement and in such event, HSS may exercise any of its rights provided under Section 5 of the HITS Agreement. Any default by Customer under the HITS Agreement shall constitute a default and breach of condition by Customer under this Technology Program Agreement. Termination of the HITS Agreement will result in termination of this Technology Program Agreement. HSS may terminate this Technology Program Agreement without terminating the HITS Agreement, whereupon the HITS Agreement shall be construed and enforced as if this Technology Program Agreement had never been entered into (subject to accrued rights and obligations).

Upon termination, Customer shall pay to HSS termination fees which are designed to reimburse HSS in part for unamortized costs under this Technology Program Agreement. The termination fees shall be an amount equal to a percentage of the annual Gross Room Revenue (as defined in Customer's International Franchise License Agreement or, if none, Customer's Management Agreement) determined by the percentage listed below according to the number of years from Start Date to date of termination applicable to Customer's Hotel.

Percentage of annual Gross Room Revenues due as termination fee as follows:

Year 1	1.00%
Year 2	0.85%
Year 3	0.70%
Year 4	0.55%
Year 5	0.45%
Thereafter	0.30%

5. **Additional Software.** Additional Certified Third Party Software may be licensed by Customer.
6. **Defined Terms.** All capitalized terms used in this Technology Program Agreement which are not specially defined in this Technology Program Agreement shall have the meaning ascribed to such terms in the HITS Agreement.
7. **Other Important Provisions.** The parties mutually acknowledge and agree this Technology Program Agreement is a schedule to the HITS Agreement and that this Technology Program Agreement and its performance by the parties are a part of the transactions contemplated by the HITS Agreement. In the event of conflict between the provisions of this Technology Program Agreement and the provisions of the HITS Agreement, the provisions of this Technology Program Agreement shall prevail. Except as modified herein, all provisions of the HITS Agreement applicable to the Proprietary Software or Certified Third Party Software and Services are applicable to the equipment, software, and services described herein or provided hereunder, including, but not limited to, Sections 8 (Software), 9 (No Warranties/Limited Warranties), 10 (Proprietary Rights Notices), 11 (Infringement Claims) and 15 (Third Party Claims) and (except as herein modified) the Schedules pertaining to the Software and the Services. Where HSS or Hilton is providing software or services instead of such items being provided by another ITP, HSS or Hilton shall be entitled to all of the protections and the limitations of warranties, liabilities and damages provided any other ITP. The following additional Sections of the HITS Agreement are hereby made applicable to this Technology Program Agreement and incorporated herein by reference, as fully as if repeated herein verbatim: Sections 13 (Limitations of Liability and Exclusions of Damages); 14 (Limitations on Actions); 16 (Entire Agreement/Prior Agreements); 17 (Cumulative Remedies); 18 (Force Majeure); 19 (Severability); 20 (No Joint Venture); 21 (Assignment); 22 (Counterparts); 23 (Applicable Law, Consent to Jurisdiction and Equitable Relief and Waiver of Jury Trial); 24 (Attorneys' Fees); 25 (No Reproduction); 26 (Confidentiality); and 27 (Surviving Obligations). Except as the context may otherwise require, all references to "**this Agreement**" in these incorporated provisions shall, for purposes of this Technology Program Agreement, be construed to include this Technology Program Agreement.
8. **Notices.** The provisions of Section 4 of the HITS Agreement shall apply to all notices, requests, demands and other communications under this Technology Program Agreement.
9. **Counterparts.** This Technology Program Agreement may be executed in one or more counterparts, each of which shall constitute one and the same instrument.

Effective Date: The effective date (“**Effective Date**”) shall be the date signed by HSS.

**CUSTOMER:** %LegalEntity%

**HILTON SYSTEMS SOLUTIONS, LLC**

By: %HotelApproverSignature%  
Authorized Signature

By: %HiltonApproverSignature%  
Authorized Signature

Print Name: %HotelApproverName%

Print Name: Shannon Knox

Title: %HotelApproverTitle%

Vice President, IT Field Services &  
Title: Strategic Sourcing

Date: %HotelApprovedDate%

Date: %HiltonApprovedDate%

# EXHIBIT H

**STATEMENT OF DELIVERY  
AND RECEIPT**

**HILTON WORLDWIDE FRANCHISING LP  
DOUBLETREE BY HILTON  
DOUBLETREE SUITES BY HILTON**

THIS FRANCHISE DISCLOSURE DOCUMENT SUMMARIZES CERTAIN PROVISIONS OF THE FRANCHISE AGREEMENT AND OTHER INFORMATION. READ THIS FRANCHISE DISCLOSURE DOCUMENT AND ALL AGREEMENTS CAREFULLY.

IF HILTON WORLDWIDE FRANCHISING LP OFFERS YOU A FRANCHISE, YOU MUST BE PROVIDED WITH THIS FRANCHISE DISCLOSURE DOCUMENT AT LEAST TEN DAYS BEFORE YOU SIGN THE FRANCHISE AGREEMENT OR PRELIMINARY FRANCHISE AGREEMENT, OR PAY ANY KIND OF FEE TO HILTON WORLDWIDE FRANCHISING LP OR TO A COMPANY OR INDIVIDUAL RELATED TO HILTON WORLDWIDE FRANCHISING LP

This Franchise Disclosure Document includes the following Exhibits:

- Exhibit A List of Franchisees as of December 31, 2015
- Exhibit B List of Franchisees Terminated, Canceled, Not Renewed or with Changes in Controlling Interest During 2015
- Exhibit C Financial Statements
- Exhibit D Franchise Agreement and Addendum
- Exhibit E Guaranty of Franchise Agreement
- Exhibit F Hotel Project Application
- Exhibit G Hilton Information Technology System ("HITS") Agreement
- Exhibit H Receipts

I acknowledge that I have received the Franchise Disclosure Document dated June 30, 2016 as required by **LAW NO. 8.995 OF BRAZIL**.

**PROPOSED LICENSEE:**

Name of Proposed Licensee: \_\_\_\_\_

By: \_\_\_\_\_  
(Signature)

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

**OTHER:**

Printed Name	Signature	Date
(1) _____	_____	_____
(2) _____	_____	_____

RETURN ONE COPY OF THIS RECEIPT TO: \_\_\_\_\_

LOCATION OF PROPOSED HOTEL: \_\_\_\_\_

**STATEMENT OF DELIVERY  
AND RECEIPT**

**HILTON WORLDWIDE FRANCHISING LP  
DOUBLETREE BY HILTON  
DOUBLETREE SUITES BY HILTON**

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**PROPOSED LICENSEE:**

Name of Proposed Licensee: \_\_\_\_\_

By: \_\_\_\_\_  
(Signature)

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

**OTHER:**

<b>Printed Name</b>	<b>Signature</b>	<b>Date</b>
(1) _____	_____	_____
(2) _____	_____	_____

RETURN ONE COPY OF THIS RECEIPT TO: \_\_\_\_\_

LOCATION OF PROPOSED HOTEL: \_\_\_\_\_