IMPORTANT NOTICE

If you are entitled to receive this Disclosure Document under the laws of the provinces of Alberta, Manitoba, New Brunswick, Ontario or Prince Edward Island (“Disclosure Provinces”), then this Disclosure Document has been provided to you under the Ontario Arthur Wishart Act (Franchise Disclosure), 2000, the Alberta Franchises Act, the Prince Edward Island Franchises Act, the New Brunswick Franchises Act, or Manitoba’s The Franchises Act ("Acts"), respectively, and we will observe the 14-day waiting period after delivery of this Disclosure Document. The certificates of our officers that are required by various Disclosure Provinces are attached to this Disclosure Document after Article 29.

If you reside in a province other than the Disclosure Provinces, or if you reside in a Disclosure Province but are subject to an exemption or exclusion under the Acts from the entitlement to receive a Disclosure Document, then we have provided this Disclosure Document to you for informational purposes only, and on a voluntary basis. The information in this Disclosure Document has been prepared pursuant to the laws of the Disclosure Provinces for distribution to prospective franchisees in those provinces who we are required to provide it to pursuant to the Acts. Accordingly, some of the information contained in the Disclosure Document is specific to prospective franchisees in one or more of the Disclosure Provinces only and, as a result, may not be correct for you or applicable to the operation of a franchise in your area. You are encouraged to make your own investigations to ensure the accuracy of the information.

If the Hotel is or will be located in the province of Quebec, please see Article 28 for certain information that applies only to Hotels located in Quebec.

REQUIRED STATEMENTS (ONTARIO RESIDENTS ONLY)

The following paragraphs are required by the Arthur Wishart Act (Franchise Disclosure), 2000 to be included in this document.

1. A commercial credit report is a report which may include information on the Franchisor’s business background, banking information, credit history and trade references. Such reports may be obtained from private credit reporting companies and may provide information useful in making an investment decision.

2. Independent legal and financial advice in relation to the Franchise Agreement should be sought prior to entering into the Franchise Agreement.

3. A prospective Franchisee is strongly encouraged to contact any current or previous Franchisees prior to entering into the Franchise Agreement.

4. The cost of goods and services acquired under the Franchise Agreement may not correspond to the lowest cost of the goods and services available in the marketplace.
**REQUIRED STATEMENTS (PRINCE EDWARD ISLAND RESIDENTS ONLY)**

1. A prospective franchisee should seek information on the franchisor and on the franchisor’s business background, banking affairs, credit history and trade references.

2. A prospective franchisee should seek expert independent legal and financial advice in relation to franchising and the franchise agreement prior to entering into the franchise agreement.

3. A prospective franchisee should contact current and previous franchisees prior to entering into the franchise agreement.

4. Lists of current and previous franchisees and their contact information can be found in this disclosure document.

**REQUIRED STATEMENTS (NEW BRUNSWICK LOCATIONS ONLY)**

**Risk Warnings**

1. A prospective franchisee should seek information on the franchisor and on the franchisor’s business background, banking affairs, credit history and trade references.

2. A prospective franchisee should seek expert independent legal and financial advice in relation to franchising and the franchise agreement prior to entering into the franchise agreement.

3. A prospective franchisee should contact current and previous franchisees prior to entering into the franchise agreement.

4. Lists of current and previous franchisees and their contact information can be found in this disclosure document.

**REQUIRED STATEMENTS (MANITOBA LOCATIONS ONLY)**

**Risk Warnings**

1. A prospective franchisee should seek information on the franchisor and on the franchisor’s business background, banking affairs, credit history and trade references.

2. A prospective franchisee should seek expert independent legal and financial advice in relation to franchising and the franchise agreement before entering into the franchise agreement.

3. A prospective franchisee should contact current and previous franchisees before entering into the franchise agreement.

4. Lists of current and previous franchisees and their contact information can be found in the disclosure document.
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ARTICLE 1
BUSINESS BACKGROUND OF THE FRANCHISOR

1.1 The Franchisor

To simplify the language in this Disclosure Document, “we” or “us” means Hilton Worldwide Franchising LP. “You” means the person(s) who signs the Franchise Agreement. If you are a business entity, “you” includes the business entity and its owners. The “Brand” refers to the name or names under which we will license you to operate a hotel. This Disclosure Document describes our licenses for hotels under the Hampton Inn/ Hampton Inn by Hilton (collectively referred to as “Hampton Inn”) and Hampton Inn & Suites/ Hampton Inn & Suites by Hilton (collectively referred to as “Hampton Inn & Suites”) Brands. Capitalized words not defined in this Disclosure Document have the meaning set forth in the Franchise Agreement.

We are a United Kingdom limited partnership formed on March 12, 2014. Our principal business address is Maples Court, Central Park, Reeds Crescent, Watford, Hertfordshire WD24 4QQ UK and our telephone number is +44 (0)20 7850 4000. In connection with the offer of this franchise, we do business under the names “Hampton Inn,” “Hampton Inn by Hilton,” “Hampton Inn & Suites,” and “Hampton Inn & Suites by Hilton.”

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 Hilton Worldwide, Inc., a Delaware corporation f/k/a Hilton Hotels Corporation (“HHC”) that has conducted a guest lodging business since May 1946. HHC was acquired by BH Hotels LLC, a Delaware limited liability company (“BHH”), 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”) in July 2007. HHC changed its name to Hilton Worldwide, Inc. (“HWI”), effective December 10, 2009. The principal business address of our parents is 7930 Jones Branch Drive, Suite 1100, McLean, Virginia 22102 USA.


Promus offered licenses for hotels in Canada, Mexico, Central America, South America and the Caribbean (collectively, “the Americas excluding the United States”) under the names Hampton Inn by Hilton and Hampton Inn & Suites by Hilton between January 2007 and October 2007. Beginning in 2006, certain international subsidiaries of HWI (collectively, “Hilton International Companies”) began offering franchises for Hampton by Hilton locations outside the Americas. Hilton International Companies assigned all of their Franchise Agreements governing Hampton
Inn and Hampton Inn & Suites hotels to HLT International Existing Franchise Holding LLC, a Delaware limited liability company, on October 24, 2007. Our predecessor, Hampton Inns International Franchise LLC, a Delaware limited liability company, offered franchise for Hampton Inn and Hampton Inn & Suites hotels for all locations outside the United States from October 2007 through June 2014.

Under an “Operating Agreement,” we and our affiliates engaged HWI to perform our respective duties and obligations under the Hampton Inns Franchise Agreements. As long as the Operating Agreement is in effect, HWI will provide services to you on our behalf under the terms of your Franchise Agreement, either directly or through other of our affiliates. However, as the Franchisor, we will always be responsible for fulfilling all our duties and obligations under your Franchise Agreement. If HWI fails to perform its obligations under the Operating Agreement, then HWI may be replaced as the franchise service provider.

The person in Ontario authorized to accept service on our behalf is Larry Weinberg, Cassels Brock & Blackwell, LLP, Suite 2100, 40 King Street W, Toronto ON M5H 3C2. The person in Manitoba authorized to accept service on our behalf is Gregory J. Tallon, Thompson Dorfman Sweatman LLP, 201 Portage Avenue, Suite 2200, Winnipeg, Manitoba R3B 3L3. We do not have a registered agent for service of process in the provinces of Alberta, New Brunswick or Prince Edward Island or elsewhere in Canada.

1.2 The Franchised Business

We license the Hampton Inn hotel system ("System"), which consists of the elements, including know-how, which we periodically designate to identify hotels operating worldwide under our two Brands: “Hampton Inn” hotels, designed to provide distinctive, high-quality hotel service to the public at moderate prices, and “Hampton Inn & Suites” hotels, designed to combine standard guest rooms with a significant block of guest suites. (Guest rooms and guest suites are referred to as "Guest Rooms".) Although we offer licenses in Canada for hotels under the “by Hilton” tagline, under rare circumstances, we may still permit franchisees to operate hotels in Canada under the names “Hampton Inn” and “Hampton Inn & Suites” without the “by Hilton” tagline. The System currently includes the Marks (see Article 16); 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 (a copy of which is attached as Exhibit A), in the Manual (see Article 14) or in other communications to you, and programs for our inspecting your hotel and consulting with you. We may add elements to the System or modify, alter or delete elements of the System.

We license the non-exclusive right to use the System in the operation of your hotel under either the Hampton Inn Brand or the Hampton Inn & Suites Brand, at a specified location. You must follow the high standards we have established as the essence of the System and you may be required to make future investments.

During the term of the license, we may offer to amend your Franchise Agreement as part of the offer of a new program or for some other reason. If you agree to the proposed changes, you must sign our then current form of amendment that will contain our standard estoppel and general release. Our standard estoppel and general release provisions are included in the Voluntary Termination Agreement attached as Exhibit G to this Disclosure Document.
Various of our affiliates, also direct and indirect subsidiaries of HWI, own, lease and/or manage Hampton Inn and Hampton Inn & Suites hotels throughout the world. In certain situations, you may choose to have our affiliate Hilton International Manage LLC or one of its affiliates manage your hotel under a management agreement, to be signed at the same time as, or after, you sign your Franchise Agreement. Hilton International Manage LLC is a Delaware limited liability company formed in September 2007. Its principal business address is 7930 Jones Branch Drive, Suite 1100, McLean, Virginia 22102.

1.3 Our Affiliates and their Predecessors

HWI, through its subsidiaries, currently owns the following principal marks and their related guest lodging systems ("Hilton Worldwide Brands"): Hilton®, Conrad®, DoubleTree®, Embassy®, Hampton®, Hilton Garden Inn®, Home2®, Homewood®, and Waldorf Astoria®. HWI and its subsidiaries own, operate, manage, and license others to operate hotels under the Hilton Worldwide Brands throughout the world. The “franchising entities” include HLT ESP Franchise LLC, Hilton Franchise LLC, Hilton Garden Inns Franchise LLC, Waldorf Astoria Franchise LLC, Conrad Franchise LLC, Embassy Suites Franchise LLC, Homewood Suites Franchise LLC, Hampton Inns Franchise LLC, Doubletree Franchise LLC and us.

The following subsidiaries of HWI provide products or services to our franchisees, and to other hotels operating under Hilton Worldwide Brands:

- Hilton Reservations Worldwide, L.L.C. d/b/a Hilton Reservations & Customer Care, successor-in-interest to Hilton Service Corporation ("Reservations Worldwide") will provide you with its national and international reservation services and systems ("Reservation Service"). (See Articles 6 and 14)

- Hilton Supply Management LLC ("HSM") distributes hotel furniture, furnishings, fixtures, equipment and supplies, and certain food and beverage supplies. (See Articles 6 and 14)

- Hilton HHonors Worldwide, LLC ("Hilton HHonors Worldwide") operates and administers the Hilton HHonors® guest reward program. You must participate in the programs of Hilton HHonors Worldwide. (See Article 6)

- Hilton Systems Solutions, LLC ("HSS") provides computer hardware, software and support services for all of HWI’s Brands and signs the Hilton Information Technology System ("HITS") Agreement.

ARTICLE 2
KEY PERSONNEL

Chief Executive Officer and President: Christopher J. Nassetta

Mr. Nassetta has served as Chief Executive Officer and President of the franchising entities since October 2013. He has served as Chief Executive Officer, President and Director of Hilton Worldwide since September 2013, and has held the same positions with HWI since December 2007. Mr. Nassetta was President and Chief Executive Officer of Host Hotels & Resorts, Inc., in Bethesda, Maryland, from 2000 to November 2007.
Chief Financial Officer and Executive Vice President: Kevin J. Jacobs
Mr. Jacobs has served as Chief Financial Officer and Executive Vice President of the franchising entities since October 2013. He has served as Chief Financial Officer and Executive Vice President of Hilton Worldwide since September 2013, and a Director of HWI since October 2013. Mr. Jacobs served as HWI’s Senior Vice President, Corporate Strategy and Treasurer from May 2009 to November 2012, and as HWI’s Senior Vice President, Corporate Strategy from June 2008 through May 2009.

General Counsel and Executive Vice President: Kristin A. Campbell
Ms. Campbell has served as General Counsel and Executive Vice President of the franchising entities since October 2013. She has served as General Counsel, Executive Vice President and Secretary of Hilton Worldwide since October 2013, as a Director of HWI since October 2013, and as Executive Vice President, General Counsel and Secretary of HWI since June 2011. Ms. Campbell served as Senior Vice President, General Counsel and Secretary of Staples, Inc. in Framingham, Massachusetts from 2007 to June 2011.

Executive Vice President – Global Brands: James E. Holthouser
Mr. Holthouser has served as Executive Vice President – Global Brands of the franchising entities and HWI since November 2012. He has served Executive Vice President – Global Brands for Hilton Worldwide since September 2013, and has served as HWI’S Global Head – Full Service Category since February 2009. Mr. Holthouser served as HWI’S Global Head – Embassy Suites from March 2006 to August 2012, and served as HWI’S Senior Vice President – Brand Management, Homewood Suites from December 1999 to March 2006.

Senior Vice President and Treasurer: Sean Dell’Orto
Mr. Dell’Orto has served as Senior Vice President and Treasurer of the franchising entities since September 2012. He has held these positions with Hilton Worldwide since September 2013 and has served as a Director of HWI since October 2013. Mr. Dell’Orto served as HWI’S Vice President, Corporate Finance from February 2010 to September 2012. He served as Senior Vice President and Chief Financial Officer of Barceló Crestline Corporation, in Fairfax, Virginia, from October 2009 to February 2010 and was Barceló’s Vice President and Treasurer from October 2007 to October 2009.

Senior Vice President – Global Head – Focused Service Category: Philip Keith Cordell
Mr. Cordell has served as Senior Vice President for Hilton Garden Inns Franchise LLC, HLT ESP Franchise LLC and Homewood Suites Franchise LLC since March 1, 2010, and in the same capacity with Hampton Inns Franchise, LLC since October 2007. Mr. Cordell has served as HWI’S Global Head – Hampton Inn (f/k/a Senior Vice President – Brand Management Hampton Inn) since December 1999 and as HWI’S Global Head – Focused Service Category since June 2008, He was Senior Vice President fro Hampton Inns International Franchise LLC, Hilton Garden Inns International Franchise LLC, HLT ESP International Franchise LLC, HLT ESP International Franchisor Corporation, Homewood Suites International Franchise LLC and Hilton International Franchisor Corporations from March 1, 2010 to June 30, 2014.

President – Global Development: Ian R. Carter
Mr. Carter has served as President – Global Development of Hilton Worldwide and HWI since September 2013. He served as President – Global Operations of HWI from March 2008 to September 2013. Mr. Carter served as Director, Executive Vice President and Chief Executive Officer of Hilton International, in Watford, United Kingdom, from January 2005 to March 2008.
Executive Vice President: Simon Robert Vincent
Mr. Vincent has served as HWI’s Executive Vice President since March 2014, headquartered in Watford, United Kingdom. He served as Executive Vice President of the international franchising entities from May 2008 through June 2014, and as Hilton International’s Area President Hilton UK and Ireland from January 2007 through June 2014. Mr. Vincent was Chief Executive for Opodo Limited, headquartered in London, United Kingdom, from 2002 through 2006.

Senior Vice President: Brian Wilson
Mr. Wilson has served as our Senior Vice President since March 2014, and has served as HWI’s Senior Vice President & Assistant General Counsel, Europe since September 2008. He held similar positions with the international franchising entities from September 2008 through June 2014. Mr. Wilson has been affiliated with Hilton International since September 1988, holding various titles during his tenure, including Hilton International’s Executive Director - Legal Administration & Deputy Secretary from March 1996 through June 2014. He is headquartered in Watford, United Kingdom.

Senior Vice President Global Operations Finance: Mark Jonathan Way
Mr. Way has been our Senior Vice President Global Operations Finance since March 2014 and held the same position with HWI since March 2007. He held similar positions in HLT International Conrad Franchise LLC, Doubletree International Franchise LLC, HLT Waldorf Astoria Franchise LLC, Hilton International Franchisor Corporation, and HLT International Existing Franchise Holding LLC from March 2010 through June 2014. He has held the following positions in Hilton International: Vice President Finance & Development UK & Ireland from Oct 2001 to Feb 2006, Senior Vice President International Operations from Feb 2006 to Apr 2009, and Senior Vice President Global Operations Finance from April 2009 to June 2014. Mr. Way is headquartered in Watford, United Kingdom.

Vice President-International Controller: Stuart Beasley
Mr. Beasley has served as our Vice President-International Controller since June 2014 and has held the same position with HWI since June 2014. He was previously HWI’s Senior Director-Assistant Controller International from January 2013 to May 2014 and has been employed in various capacities with HWI since January 2008. Mr. Beasley is headquartered in Watford, United Kingdom.

Senior Vice President – Development – Americas: William Fortier
Mr. Fortier has served as Senior Vice President – Development – Americas of HWI and the franchising entities since October 2007. He served as HWI’s Senior Vice President – Franchise Development from May 2000 to October 2007.

Senior Vice President – Development – North America: Craig A. Mance
Mr. Mance has served as Senior Vice President – Development – North America of HWI and the franchising entities since October 2010. He served as HWI’s Senior Vice President – Franchise Development from July 2008 to October 2010. Mr. Mance served as HWI’s Vice President Development – Northeast Region from 1999 to July 2008. He is based in Southbury, Connecticut.

Vice President – Development Contract Administration – Americas: Dawn Beghi
Ms. Beghi has served as Vice President – Development Contract Administration – Americas of HWI and the franchising entities since August 2009. She served as Vice President – Franchise
Administration of the franchising entities from February 2001 to August 2009. Ms. Beghi is based in Los Angeles, California.

**Vice President: Karen Boring Satterlee**

Ms. Satterlee has served as Vice President and Senior Counsel – Global Franchise and Development of HWI and the franchising entities since August 2009. She was Vice President and Assistant Secretary of our predecessor from March 2010 through June 2014. Ms. Satterlee was Corporate Counsel and Director of Franchise Licensing of Starbucks Coffee Company in Seattle, Washington from January 2004 to August 2009.

**ARTICLE 3 CONVICTIONS, CHARGES, JUDGMENTS AND ORDERS**

3.1 Fraud, Unfair or Deceptive Business Practices

None of us, our associates, or any of our directors, general partners and officers has been convicted, within the past 10 years, of an offence involving franchises or other businesses, fraud, embezzlement, unfair or deceptive business practices or a violation of a law that regulates franchise or businesses. There are no such matters currently pending against any of the foregoing.

3.2 Administrative Action

None of us, our associates, or any of our directors, general partners or officers has been subject to an injunction or restrictive order imposed by a public agency involving franchises or other businesses, nor been subject to an administrative order or penalty imposed under a law of any jurisdiction. There are no such matters currently pending against any of the foregoing.

3.3 Civil Actions

Except as described below, none of us, our associates, or any of our directors, general partners or officers has been found liable in a civil action of misrepresentation, unfair or deceptive business practices or violating a law that regulates franchises or businesses, including a failure to provide proper disclosure to a franchisee, nor is there any such action pending against any of the foregoing.

**A. PENDING ACTIONS – INVOLVING HWI (F/K/A HHC)**

*Kathleen Soule v. Hilton Worldwide, Inc. and Doe Defendants 1-50* (Circuit Court, First Circuit, State of Hawaii, Civil No. 13-1-2790-10-KKS (Class Action)

On October 17, 2013, Kathleen Soule, individually and on behalf of all persons similarly situated (“Plaintiff”), filed a civil class action complaint against HWI, alleging that failure to disclose at the time a reservation was made that a resort fee was mandatory was a violation of Hawaii’s Uniform Deceptive Trade Practices Act. Plaintiff seeks restitution, disgorgement of gains, actual, punitive and exemplary damages, statutory treble damages, pre-judgment interest, costs and disbursements, including attorneys’ fees and other relief in an unspecified amount. HWI filed a Motion to Dismiss on December 4, 2013, which was heard on February 18, 2014. Plaintiff filed an amended complaint against HWI on March 31, 2014. HWI filed a Motion to Dismiss Plaintiff’s Amended Complaint on April 17, 2014, which is scheduled to be heard on September 2, 2014. HWI denies all of the allegations and intends to defend this action vigorously.
In re: Online Travel Company (OTC) Hotel Booking Antitrust Litigation (United States District Court, Northern District of Texas, Dallas Division, Case No. 3:12-MD-2405-B, Consol. Civil Action No. 3:12-cv-3515-B).

On February 26, 2013, 31 complaints originally filed in multiple federal courts from August 2012 to February 2013, brought against various online travel companies (“Online Retailers”) and hotels, including HWI (“Hotels”), were consolidated for pretrial purposes, and all cases except James Smith et al. v. Orbitz Worldwide, Inc. et al. (United States District Court, Northern District of Texas, Dallas Division, Case No. CV-03515-B) were administratively dismissed. Plaintiffs, on behalf of all persons and entities who paid for a room at one of the Hotels reserved through one of the Online Retailers, generally allege that they purchased hotel room reservations online directly from one of the Online Retailers, and that the Online Retailers conspired with the Hotels to enter into, maintain and/or enforce minimum resale price maintenance agreements in restraint of trade in violation of the Sherman Antitrust Act, 15 U.S.C. § 1 and state antitrust and consumer protection laws. Plaintiffs are seeking damages, other penalties allowed by law, permanent injunctive relief, prejudgment interest, costs of suit, reasonable attorneys’ fees and other relief. Defendants filed a Motion to Dismiss on July 1, 2013, which was heard on December 17, 2013. The court granted the Motion to Dismiss without prejudice on February 18, 2014. Plaintiffs filed a motion for leave to amend on March 20, 2014; the proposed second amended complaint alleges wrongdoing against the Online Retailers but not the Hotels.


HWI and the United States Department of Justice (“United States”) have agreed to a form of Consent Decree ("Consent Decree") addressing alleged violations of Title III of the Americans with Disabilities Act, 42 U.S.C. § 12181 et seq. (the “ADA”). The United States alleged that: 1) HWI failed to design and construct its owned facilities constructed for first occupancy after January 26, 1993 ("Post-1993 Hotels") in compliance with the ADA; 2) certain Managed and Franchised Post-1993 Hotels operated under HWI’s Brands do not comply with the ADA; 3) HWI failed to provide individuals with disabilities the same opportunity to reserve accessible guestrooms using its on-line and telephonic reservations systems that is available for reserving other Brand hotel rooms; and 4) such actions or practices constitute a pattern or practice of violating Title III of the ADA. HWI denies that it has violated the ADA at its owned hotels or that it is in any way responsible for any purported non-compliance with the ADA in connection with hotels that it does not own or manage. HWI neither owns nor operates, within the meaning of Title III of the ADA, 42 U.S.C. § 12182(a), the vast majority of Brand Hotels. HWI specifically denies that it operates, within the meaning of Title III of the ADA, 42 U.S.C. § 12182(a), any Franchised Hotels for purposes of liability under 42 U.S.C. § 12182. HWI further states that its Reservations System provides individuals with disabilities ample opportunity to identify and reserve accessible rooms that are available at hotels within the Reservations System. HWI also denies that it failed to design and construct its hotels in accordance with the requirements of Title III of the ADA. The United States and HWI have agreed to resolve these issues through the entry of a Consent Decree, which was entered by the Court on November 30, 2010, with an Effective Date of March 30, 2011. The term of the Consent Decree is four years from the Effective Date. During the term of the Consent Decree, HWI shall not engage in any practice that discriminates against any individual on the basis of disability in violation of Title III of the ADA in the provision of lodging and related services and shall: 1) undertake certain specific remedial measures with regard to its owned, joint venture, and managed hotels; 2) engage in certain specific actions with regard to prototype designs and the Reservation Service (including the website) to assure their compliance with Title III of the ADA; 3) revise its Brand Standards
Manuals to include certain ADA requirements; and 4) provide additional ADA training to its employees and make such training available to its managed and franchised properties. In addition, before: 1) entering into a new franchise or management agreement to convert an existing Post-1993 Hotel to a Franchised Hotel or Managed Hotel; 2) renewing or extending for more than six (6) months an existing franchise or management agreement (other than unilateral renewals or extensions by the other party to the agreement) for a Franchised Hotel or Managed Post-1993 Hotel; or 3) consenting to a change of ownership at a Franchised Hotel or Managed Post-1993 Hotel, HWI will require the hotel owner to conduct a survey to determine whether the Managed or Franchised Hotel complies with the certain specific requirements of the ADA related to guest rooms and public parking. If the Hotel does not comply with those requirements, the hotel owner will be required to develop a plan to make the Hotel compliant within a set period of time. HWI will require certain architects' certifications related to newly constructed hotels. HWI has also agreed to pay the United States $50,000 as part of the resolution of this matter. The Consent Decree applies to HWI and its subsidiaries, including us.

B. CONCLUDED ACTIONS – INVOLVING HWI (F/K/A HHC)


On or about April 16, 2009, Starwood Hotels & Resorts Worldwide, Inc. (“Starwood”) filed a complaint against HHC (now HWI) and two of its employees, Ross Klein and Amar Lalvani, both former Starwood employees. In its complaint, as amended on January 14, 2010, Starwood claimed that Messrs. Klein and Lalvani improperly misappropriated Starwood’s confidential and proprietary information and ultimately used that information to develop the Denizen Hotel brand. Starwood asserted the following claims: (i) breach of contract against Messrs. Klein and Lalvani for alleged breach of separate non-solicitation, confidentiality and intellectual property agreements that they signed while employed by Starwood; (ii) tortious interference with contractual relations against HWI for allegedly inducing Messrs. Klein and Lalvani to breach their contracts with Starwood; (iii) fraud against Mr. Klein and aiding and abetting fraud against HWI and Mr. Lalvani; (iv) breach of fiduciary duty against Messrs. Klein and Lalvani and aiding and abetting breaches of fiduciary duty against HWI; (v) misappropriation of trade secrets, unfair competition, theft/conversion, unjust enrichment, and violation of the Computer Fraud and Abuse Act against all defendants; (vi) inducing breach of contract and tortious interference with contract against Messrs. Klein and Lalvani; (vii) fraud against HWI and Mr. Lalvani, and (viii) aiding and abetting fraud against Mr. Klein. Starwood sought preliminary and permanent injunctive relief, enjoining all defendants and their respective officers, agents and employees from: (i) using Starwood property and information, which it claims is proprietary, confidential and trade secrets; (ii) pursuing certain hotel owners in designated locations identified by Starwood or negotiating with investors with whom Starwood has current management contracts; (iii) “purging” from all material and websites information Starwood claims is proprietary, confidential and/or trade secrets and preliminary and permanent injunctive relief, enjoining all defendants and their respective officers, agents and employees from using such information; (iv) requiring HWI to make certain disclosures to property owners and industry professionals; (v) appointing a monitor or monitors over HWI’s compliance with any injunctions; (vi) preliminarily and permanently enjoining HWI for a reasonable period of time from expanding its luxury and lifestyle brands; (vii) the destruction of all information relating to the launch and promotion of the Denizen Hotel brand; (viii) findings of contempt against all defendants and (ix) compensatory and punitive damages against all defendants. On April 23, 2009, the court entered a preliminary injunction, with the consent of all defendants, requiring that the defendants and anyone acting in concert with them: i) cease all development of the Denizen brand; ii) cease using any
documents or information that originated from Starwood; and ii) return any such information to Starwood. In December 2010, the parties entered into a Settlement Agreement (“Agreement”) resolving this action, in which HWI and Messrs Klein and Lalvani consented to the entry of a court-ordered permanent injunction (“Injunction”) enjoining the use or distribution of Starwood’s proprietary, confidential or trade secret information, and imposing other restrictions on HWI’s business activities in the lifestyle hotel or branded boutique space for 2 years. HWI made a $75,000,000 cash payment to Starwood on December 31, 2010, and furnished other contingent guarantees and consideration to Starwood. The Agreement provided for mutual releases of the parties and the action was stayed during the term of the Injunction. The injunction expired on December 31, 2012 and the action was dismissed on January 30, 2013.

**Burgans Block, LLC v. Hilton Worldwide, Inc. Homewood Suites Franchise, LLC, HLT ESP Franchise, LLC, Hilton Franchise Holding, LLC, Patrick Speer and Jane Doe Speer, WA Sup. Court., No. 11204275-2.**

On October 13, 2011, Burgans Block, LLC, a prospective franchisee (“Burgans”), filed a Complaint against HWI, Homewood Suites Franchise, LLC, HLT ESP Franchise, LLC, Hilton Franchise Holding, LLC, Patrick Speer and Jane Doe Speer. Burgans alleged that it submitted to HLT ESP Franchise, LLC an application for a Home2 Suites Hotel along with $50,000 for the Development Services Fee. Further, Burgans alleged that it made handwritten notes on the materials submitted, stating that a portion of the Development Services Fee was refundable if Burgans and HLT ESP Franchise, LLC could not agree to the terms of a franchise agreement. At the alleged suggestion of Patrick Speer, an employee of HLT ESP Franchise, LLC, Burgans decided to move to a Homewood Suites Hotel and submitted to Homewood Suites Franchise, LLC a second application along with another Development Services Fee. On receipt of the Homewood Suites application, HLT ESP Franchise, LLC returned the application and Development Services Fee for the Home2 Hotel. Burgans and Homewood Suites Franchise, LLC did not reach an agreement on a final franchise agreement for the Homewood Suites Hotel and Burgans requested the return of the Development Services Fee for the Homewood Suites Hotel. Homewood Suites Franchise, LLC disputed that the Development Services Fee was refundable and Burgans filed suit, alleging violation of the Washington Franchise Investment Protection Act, unjust enrichment, negligent misrepresentation, conversion, violation of the Washington Consumer Protection Act, fraud, and breach of contract. On November 29, 2011, Homewood Suites Franchise, LLC and Burgans entered into a settlement agreement under which Homewood Suites Franchise, LLC paid Burgans $60,000 for a refund of the Development Services Fee and for attorneys’ fees and costs incurred by Burgans. No other defendants paid any compensation to Burgans. At Burgans’ request as required by the settlement agreement, the court dismissed the case with prejudice on December 29, 2011.

**Majestic Resorts, Inc. v. HPP Hotels USA, Inc. (f/k/a Conrad Hotels USA, Inc.), Hilton Hotels Corporation, and Conrad Hospitality, LLC (JAMS Arbitration No. 1260000590).**

On or about May 4, 2007, Majestic Resorts, Inc. (“Majestic”) initiated an arbitration against HPP Hotels USA, Inc. (f/k/a Conrad Hotels USA, Inc.) (“HPP Hotels”), HHC (now HWI), and Conrad Hospitality LLC (collectively, “the Conrad Parties”) asserting claims for breach of contract, breach of the duty of good faith and fair dealing, promissory estoppel, and intentional and/or negligent misrepresentation. The arbitration was filed after Conrad terminated the management agreement for a proposed Conrad condominium-hotel and Waldorf Astoria residences in Las Vegas when Majestic repeatedly failed to meet project development deadlines. On March 6, 2008 the arbitration panel issued a unanimous award in favor of the Conrad Parties and awarding the Conrad Parties $1,154,601.28 in costs and attorneys’ fees. The arbitration award
was confirmed in its entirety on June 10, 2008 by the District Court of Clark County, Nevada, which also awarded the Conrad Parties their attorneys’ fees incurred in confirming the award. Majestic appealed to the Nevada Supreme Court. On February 26, 2010, the Nevada Supreme Court affirmed the District Court’s decision. The time for filing a rehearing has expired.

U.S. v. Hilton Hotels Corporation, et al. (United States District Court, District of Oregon, Case No. 70-310).

On or about May 12, 1970, the United States filed a civil complaint against HHC (now HWI) (among other defendants), alleging the violation of Section 1 of the Sherman Act consisting of engaging in a combination and conspiracy in restraint of trade by giving preferential treatment to hotel suppliers paying assessments to the Greater Portland Convention Association and by curtailing or threatening to curtail purchases of hotel supplies from hotel suppliers which did not pay assessments to the Greater Portland Convention Association. On or about November 29, 1971, pursuant to a stipulation filed October 26, 1971, the court entered a final judgment against HWI enjoining and restraining it from engaging in any agreement, understanding, combination, conspiracy or concert of action to give or promise to give preferential treatment in purchasing hotel supplies to any hotel suppliers, or to curtail or terminate or threaten to curtail or terminate the purchase of hotel supplies from any hotel suppliers. The order and injunction further restrained and enjoined HWI from engaging in activities which were the subject matter of the Complaint in the action. This restraining order and injunction applied to HWI, its subsidiaries (including Hilton Inns), and the officers and directors of HWI and its subsidiaries, including the officers and directors listed in Article 2 of this Disclosure Document.

Hilton Hotels Corporation and Promus Hotels, Inc. v. TSP Hotels, Inc.; Balwantsinh D. Thakor; Lataben B. Thakor; Nitin Shah; Dilipkumar M. Patel; Ramla Dilip Patel Shailendra Devdhara; and Does 1 through 10, Superior Court of State of California, County of Alameda, Docket No. RG04149793.

On April 7, 2004, HHC (now HWI) and Promus filed suit against a former Hampton Inn franchisee and its individual owners and guarantors to collect unpaid franchise fees and to obtain reimbursement for costs, attorneys fees and other expenses associated with the resolution of a third party personal injury suit, Bridget Bray v. TSP Hotels, Inc., Promus Hotels, Inc., Hilton Hotels Corp., and S&S Security Services. The franchisee, TSP Hotels, Inc., failed to secure and maintain adequate insurance coverage required to defend and indemnify HHC (now HWI) and Promus for the third party action. In addition, the franchisee failed to pay its franchise fees. The license agreement was terminated on January 5, 2004 for failure to pay franchise fees, among other reasons. This collection action against the franchisee and the individual guarantors seeks the recovery of about $1,500,000.00 in combined damages. The defendants filed a cross complaint on May 28, 2004 making insurance-related allegations against third parties unaffiliated with HWI and Promus (the “insurance parties”) and a counterclaim against HWI and Promus alleging wrongful termination, breach of the implied covenant of good faith and fair dealing, promissory estoppel, tortious interference and fraudulent misrepresentations that Promus would refrain from terminating the license agreement. The cross-complaint and counterclaim sought in excess of $1,000,000 in combined damages and attorneys’ fees, expenses and costs from HWI, Promus and the insurance parties. HWI and Promus filed a Demurrer seeking dismissal of the cross-complaint on the basis that the defendants’ claims against HWI and Promus are legally without merit based on the clear language in the license agreement. The matter was settled on December 31, 2005 pursuant to a settlement agreement whereby the franchisee agreed to pay HWI and Promus $550,000 and dismiss their cross-
complaint and counterclaim in exchange for HWI’s and Promus’ agreement to dismiss the complaint in its entirety.

*Century Pacific, Inc. and Becker Enterprises, Inc. v. Hilton Hotels Corporation, Doubletree Corporation, and Red Lion Hotels, Inc.* (United States District Court, Southern District of New York, Case No. 03 CV 8258).

On or about October 17, 2003, two former franchisees of Red Lion Hotels, Inc. (“Red Lion”) filed a complaint against HHC (now HWI), Doubletree Corporation, and Red Lion asserting claims for violation of Sections 683 and 687 of the New York Franchise Act, common law fraud, negligent misrepresentation, and fraudulent omission, based on HWI’s sale of Red Lion and the Red Lion brand to a third party. On April 21, 2004, the court dismissed the claims based on the New York Franchise Act. On April 4, 2005, the defendants filed a motion for summary judgment, which was heard on May 5, 2006. On May 10, 2006, the court granted defendants’ motion to strike plaintiffs’ jury demand. On October 16, 2007, the court granted defendants’ motion for summary judgment and dismissed the plaintiffs’ complaint in its entirety. One of the former franchisees subsequently agreed to waive its appeal in exchange for a dismissal of defendants’ counterclaims against it and mutual releases of all known and unknown claims. On December 5, 2008, defendants entered into a settlement agreement with the other former franchisee under which (i) the parties stipulated to entry of a judgment under Rule 54(b) of the Federal Rules of Civil Procedure in favor of defendants on the former franchisee’s claims, (ii) defendants’ counterclaims were stayed pending disposition of the former franchisee’s appeal on the summary judgment ruling, (iii) the parties stipulated to a $400,000 judgment in favor of defendants, to be entered if the former franchisee does not prevail on its appeal, and (iv) the former franchisee placed $300,000 into escrow to be either applied against the judgment or, if the former franchisee is successful on its appeal, returned to the former franchisee. On November 25, 2009, the appellate court affirmed the judgment in favor of HWI and no further appeal was taken.

**ARTICLE 4**

**BANKRUPTCY**

There have been no bankruptcy or insolvency proceedings, whether voluntary or otherwise, any part of which took place during the six years immediately preceding the date of this Disclosure Document, against any of the following persons as debtor: (i) against us or our associate, (ii) a corporation whose directors or officers include any of our current directors, officers or general partners, or included such a person at a time when the bankruptcy or insolvency proceeding was taking place, (iii) a partnership whose general partners include any of our current directors, officers or general partners, or included such a person at a time when the bankruptcy or insolvency proceeding was taking place, or (iv) any of our directors, officers or general partners in their personal capacity.

**ARTICLE 5**

**FINANCIAL STATEMENTS**

Attached as Exhibit H is our opening balance sheet as of March 12, 2014.

Also attached as Exhibit H are our predecessor’s audited consolidated balance sheets as of December 31, 2013 and 2012, and the related consolidated statements of operations and members’ capital and cash flows for the years ended December 31, 2013, 2012 and 2011.
ARTICLE 6
INITIAL FRANCHISE FEES AND OTHER FEES

6.1 Initial Fees

The following is a list of all initial fees charged by or payable to us or our affiliates. Unless otherwise stated, these are not refundable under any circumstances. All fees are stated in US Dollars.

<table>
<thead>
<tr>
<th>Type of Fee</th>
<th>Amount</th>
<th>Due Date</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Franchise Application Fee - New Development or Conversion</td>
<td>$75,000 plus $400 for each additional guest room/suite over 150</td>
<td>With Franchise Application</td>
<td>All prospective franchisees must complete a Franchise Application to operate a Brand hotel. See Note 1.</td>
</tr>
<tr>
<td>Franchise Application Fee – Re-licensing</td>
<td>$75,000</td>
<td>With Franchise Application</td>
<td>All prospective franchisees must complete a Franchise Application to operate a Brand hotel. See Note 1.</td>
</tr>
<tr>
<td>Franchise Application Fee – Change of Ownership</td>
<td>$150,000</td>
<td>With Franchise Application</td>
<td>If we approve your Franchise Application but the Change of Ownership does not occur, we will refund your Franchise Application Fee, without interest and less a $7,500 processing fee. See Note 1.</td>
</tr>
<tr>
<td>Product Improvement Plan (&quot;PIP&quot;) Fee</td>
<td>$7,500</td>
<td>Before we schedule the PIP inspection.</td>
<td>Payable to determine renovation requirements if you desire to convert an existing hotel to a Brand hotel or apply for a Change of Ownership or if we agree to Re-license an existing Brand hotel.</td>
</tr>
<tr>
<td>Construction Extension Fee – New Development</td>
<td>$10,000</td>
<td>After the extension of construction commencement date (&quot;CCD&quot;) is approved.</td>
<td>You must start construction at your hotel by the CCD specified in your Franchise Agreement. If you want an extension, you must submit a written request before the CCD. If we approve the extension, we set a new CCD and project milestone dates.</td>
</tr>
<tr>
<td>Renovation Work Extension Fee - Conversion</td>
<td>$10,000</td>
<td>After the extension of renovation work completion date (&quot;RWCD&quot;) is approved.</td>
<td>You must complete renovation by the RWCD specified in your Franchise Agreement. If you want an extension, you must submit a written request before the RWCD. If we approve the extension, we set a new RWCD and project milestone dates.</td>
</tr>
<tr>
<td>OnQ® Up-Front Hardware &amp; Software Installation</td>
<td>$34,000 to $79,000, based on size of hotel and number of workstations</td>
<td>About 45 days before Opening.</td>
<td>In addition to the portion of your Monthly Program Fee that pays for the standard hardware required for OnQ, you must pay HWI or HSS the related up-front software and hardware and software installation fees and charges. The up-front computer costs are not refundable. You must also pay the reasonable travel related and other expenses of HWI’s employee(s).</td>
</tr>
<tr>
<td>Miscellaneous OnQ Start-up Costs – Additional Guest Rooms</td>
<td>Currently, $120 per additional guest room/suite.</td>
<td>As incurred</td>
<td>If you add or construct additional guest rooms after you sign the Franchise Agreement, you must pay HWI or HSS an additional software fee, based on the then current per guest room/suite software fee charged to System Hotels multiplied by the number of additional guest rooms/suites.</td>
</tr>
<tr>
<td>Miscellaneous OnQ Start-up Costs – Delays in Opening Date</td>
<td>Currently, $700 per representative per day for delays, and $2,000 rescheduling fee if the</td>
<td>As incurred</td>
<td>Under the HiTS Agreement, HWI representatives must be on-site for your hotel's opening and you must pay HWI or HSS for services it provides in connection</td>
</tr>
<tr>
<td><strong>Type of Fee</strong></td>
<td><strong>Amount</strong></td>
<td><strong>Due Date</strong></td>
<td><strong>Remarks</strong></td>
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<tr>
<td>delay results in the departure and rescheduling of the representative’s on-site service period.</td>
<td></td>
<td>with the start up of OnQ. HWI determines the number of representatives and number of days on site based on size and type of hotel. Once the representative is on-site, any delays in your hotel's opening will result in fees for each additional day a representative remained at the hotel, plus any additional travel expenses if the delay results in rescheduling. The fees are non-refundable, and are subject to change.</td>
<td></td>
</tr>
<tr>
<td><strong>Miscellaneous</strong></td>
<td><strong>OnQ Start-Up Costs – OnQ connection</strong></td>
<td>$590 to $1,260 per month for frame relay network services. Rescheduling and cancellation fees typically range from $500 to $2,000 per incident depending on circumstances and vendors.</td>
<td>When the circuit is installed, about 45 days before opening.</td>
</tr>
<tr>
<td><strong>Miscellaneous</strong></td>
<td><strong>OnQ Start-Up Costs – electronic mail service</strong></td>
<td>Currently, $120 initial 1-time set-up fee per account; $9.20 per user per month; $22 per month for delivery to approved mobile devices.</td>
<td>As incurred.</td>
</tr>
<tr>
<td><strong>Miscellaneous</strong></td>
<td><strong>OnQ Start-Up Costs – hardware maintenance contract</strong></td>
<td>Currently, $600 to $1,200 per month</td>
<td>Within 30 days after shipment of the computer equipment.</td>
</tr>
<tr>
<td><strong>Guest Internet Access Hardware &amp; Software</strong></td>
<td>51-room hotel: $19,000 to $26,000 initially $1,100 to $3,700 per month</td>
<td></td>
<td>You must purchase and install hardware and software from HSS (or its designee) to provide Guest Internet Access in addition to the hardware and software for OnQ. The additional hardware, software and support must meet our requirements and specifications. See Note 3 and Article 6.2.</td>
</tr>
<tr>
<td></td>
<td>80-room hotel: $21,000 to $27,000 initially $1,100 to $3,800 per month</td>
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<td></td>
<td>101-room hotel: $37,000 to $50,000 initially $1,300 to $3,900 per month</td>
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<tr>
<td><strong>Fee to Evaluate Conforming Guest Internet Access Hardware and Software</strong></td>
<td>$5,000 to $10,000</td>
<td></td>
<td>Under rare circumstances, we may permit you to purchase the hardware from a third party vendor, but if you do, you must pay HWI or HSS for all its reasonable expenses in determining that the equipment conforms to its specifications including configuration costs; installation costs; reasonable travel and other expenses of HWI's or HSS's employees and vendors who perform installation services; necessary communication vehicles (phone lines, network connections); and installation fees for connection to communication vehicles. Cost varies depending on your location, local connection charges and the amount of equipment purchased for the hotel.</td>
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<tr>
<td>Type of Fee</td>
<td>Amount</td>
<td>Due Date</td>
<td>Remarks</td>
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<tr>
<td>Fee to Evaluate Conforming Hardware &amp; Software</td>
<td>$5,000 to $10,000</td>
<td></td>
<td>For a portion of your Monthly Program Fee (see Article 6.2), HWI provides specified hardware and software components (the fee does not include the proprietary hotel operations management system software), hardware maintenance, software maintenance and technical support for both hardware and software under the OnQ fee based pricing program. This hardware will be provided by third parties, installed by HWI, and maintained by HWI or its agents. You may only acquire the required software and hardware for OnQ through our fee based pricing program. Under the OnQ program you do not need to purchase the software (except the proprietary property management component software), hardware or maintenance. However if you choose to, you may purchase the hardware from a third party vendor, but if you do you must pay the vendor the cost of the equipment in addition to the Monthly Program you pay HWI, and you must pay HWI or HSS for all its reasonable expenses in determining that the hardware meets the exact specifications provided by its Implementation Department, plus configuration costs; installation costs; reasonable travel and other expenses of HWI's or HSS's employees and vendors who perform installation services; necessary communication vehicles (phone lines, network connections); and installation fees for connection to communication vehicles.</td>
</tr>
<tr>
<td>Required Pre-Opening Training</td>
<td>Individual programs range from $50 to $4,400</td>
<td>Before hotel opening.</td>
<td>We provide required training programs that key personnel must complete before certification for opening a hotel. This training is required for new as well as existing hotels. We may charge you for the training services and materials. You must also pay wages, travel, lodging and other expenses of your attendees. Training program fees are not refundable.</td>
</tr>
</tbody>
</table>

**NOTES**

1. **Application and Franchise Application Fee.** You must provide all the information we ask for in your Application. We may on occasion approve your Application before you supply all of the information, but if we do so, this approval will be conditioned on our receiving the rest of the information within the time we specify. If you fail to provide the rest of the information within the specified time, we may terminate our offer. If we terminate our offer, we will not refund the Franchise Application Fee. If you withdraw your Application before we approve it, or if we deny your Application, we will refund the Franchise Application Fee, without interest, less a $7,500 processing fee, which may be waived or reduced at our discretion. If we approve your Application subject to certain requirements, we may terminate our offer if you fail to meet those requirements. Once we approve your Application, the fee is usually non-refundable, even if we subsequently terminate our offer. In addition, we and our predecessor have occasionally agreed to give full or partial refunds under unique circumstances. We and our predecessor have also
occasionally agreed to credit the non-refundable Franchise Application Fee toward the Franchise Application Fee of another application for the Brand if submitted and approved within a limited amount of time (usually six months or less). However, we and our predecessor have not always agreed to do so, and we may freely choose not to credit the Franchise Application Fee toward the Franchise Application Fee of another application for the Brand even under these circumstances. While the Franchise Application Fee is usually applied uniformly, we may, in our sole discretion, elect to waive, reduce, or rebate a portion of it, as well as reduce the Monthly Royalty Fee for a period of time, or offer other incentives, either as part of a development incentive program available to a group of qualifying franchisees or as an incentive to a specific franchisee under certain circumstances. Among the factors and criteria we consider are: incentives for the development of additional or multiple hotels within the System, a particular hotel's market position, the property size or unique characteristics, the number of hotels in the System operated by a franchisee, and other unique circumstances. However, we and our predecessor have not always waived or reduced the Franchise Application Fee or offered other incentives even for franchisees or projects possessing the characteristics, and we may freely choose not to reduce your Franchise Application Fee or negotiate with you, even if you possess some or all of these characteristics. We may modify or discontinue any development incentive program in our sole discretion. While we generally require payment of the Franchise Application Fee in a lump sum when you submit your Application, we may occasionally allow payment of the Franchise Application Fee in installments over a limited time period before the start of construction work on the hotel. If we do so, we will not charge interest or require a security interest over the installment period. You may prepay the unpaid amount of the Franchise Application Fee at any time. If there is a default under the Franchise Agreement, the outstanding installment payments are accelerated and become your immediate obligation, along with court costs and attorney's fees for collection. In addition to the Franchise 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 pay outstanding royalties and other fees due under the prior franchise agreement relating to the System Hotel. If you increase the proposed number of rooms/suites after your Franchise Application is approved and before the opening of your hotel under the Brand, you must obtain our approval and pay any additional Franchise Application Fee owed as if those additional rooms/suites were part of your original Franchise Application.

2. Computer System Fees. You must agree to have installed and to use our required business software and hardware system, currently known as OnQ, which we may periodically change. Currently, OnQ is a business system comprised of software that includes a proprietary property management component, reservations component, revenue management component, rate & inventory component, Hilton University component and other components we consider necessary to support the following activities: reservations, sales, distribution, customer relationship management ("CRM"), hotel operations, and business intelligence gathering and analysis. The OnQ system is linked to a communications network which connects System Hotels to HWI’s reservation offices and travel planners worldwide. Because of its proprietary nature HWI is the only supplier of the OnQ software, including the property management component, CRM, Key Hotel Marketing Reports and the revenue management component. All franchisees must use the OnQ software. The OnQ proprietary software is not available from any other source. We are not able to determine and disclose a separate market price because there is no third party market for this product. The OnQ system also includes specific hardware required to operate the software system. We may choose to change the way in which the OnQ data is delivered to the property in our sole judgment as changes are made to the architecture of the OnQ product. About 90 to 120 days before your hotel opens, you must sign the agreement for OnQ (the "HITS Agreement") and/or other related agreements we require, which
will govern your access to and use of the computerized systems. The current HITS Agreement and Guest Internet Access Agreement (collectively, “Computer Service Agreements”) are Exhibit B to this Disclosure Document. These agreements currently include hardware, software, installation and support.

3. **Guest Internet Access.** The hardware for Guest Internet Access is provided by third parties chosen by us, installed by us or our agents, and maintained by HSS or its agents. If you purchase the equipment from HSS’s approved supplier, this is the estimated cost, depending on the type of solution you deploy, including hardware, software, installation, and certain other costs and fees with the exception of structured cable and cabling installation (Category 5e or Category 6). Costs are for wired and wireless guestrooms and do not include advanced services (IPTV, VOD, VoIP, etc) which would add substantial additional costs. The estimate for ongoing service includes the Guest Internet Access connection and monthly service for the required dial-in-line, 24x7 call center support and equipment break-fix maintenance. Your costs will depend on your hotel size, number of meeting rooms, and bandwidth usage. You must provide a dial-in-line for out-of-band equipment management at your own cost.

### 6.2 Other Fees

The following is a list of other fees charged by, or payable to, the franchisor or its affiliates. Unless otherwise noted, these fees are not refundable under any circumstances.

<table>
<thead>
<tr>
<th>TYPE OF FEE</th>
<th>AMOUNT</th>
<th>DUE DATE</th>
<th>REMARKS</th>
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<tbody>
<tr>
<td><strong>General</strong></td>
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</tr>
<tr>
<td>Monthly Royalty Fee</td>
<td>6% of Gross Rooms Revenue</td>
<td>Payable monthly by the 15th day of the following month.</td>
<td>See Note 1.</td>
</tr>
<tr>
<td>Monthly Program Fee</td>
<td>4% of Gross Rooms Revenue</td>
<td>Payable monthly by the 15th day of the following month.</td>
<td>We may change the Monthly Program Fee. See Notes 1 and 2 and Article 12.</td>
</tr>
<tr>
<td>Room Addition Fee</td>
<td>Currently, $400 per guest room or suite, multiplied by the number of additional guest rooms or suites</td>
<td>When we approve your application.</td>
<td>Payable if you add or construct additional guest after you open the hotel under the Brand. We may require you to upgrade the hotel, and if we do, you must pay us a PIP fee to determine the renovation requirements for the hotel. The fee is non-refundable once we approve your application.</td>
</tr>
<tr>
<td>Maintenance Fees for OnQ, OnQ Connectivity, and E-mail</td>
<td>$600 to $1,200 per month for maintenance support. $590 to $1,260 per month for OnQ connectivity. $9.20 per user, per month, for e-mail for all users. $22 per month for delivery to approved mobile devices.</td>
<td>OnQ maintenance Payable Monthly by the 15th day of the following month. OnQ connectivity billed monthly. E-mail billed quarterly.</td>
<td>Fee is determined by the number of workstations and other OnQ equipment at your hotel. We currently pay for the cost of three email accounts per month per hotel. You pay for all additional email accounts which are billed to the hotel. The monthly fees are subject to increase by HWI or HSS on an annual basis. These fees are non-refundable. See Article 6.1.</td>
</tr>
<tr>
<td>Additional OnQ Fees</td>
<td>Currently, $120 per guest room/suite.</td>
<td>When the additional guest room/suites are completed.</td>
<td>If you add or construct additional guest rooms at the hotel at any time after you sign the Franchise Agreement, you must pay or HSS or HWI an additional fee, based on the then-current per guest</td>
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<tbody>
<tr>
<td>Stay Connected Circuit Cost and maintenance fee</td>
<td>$1,100 to $3,900 per month for the guest internet circuit and maintenance fee depending on circuit size, type and physical location of the hotel.</td>
<td>Monthly on the 1st of the month for the current month.</td>
<td>You must also arrange and pay for the ongoing Guest Internet Access service. You must purchase this service from AT&amp;T or other third-party provider but pay HSS. Your costs will depend on your hotel size, number of meeting rooms, and bandwidth usage. All third-party circuits must meet the Standards before installation.</td>
</tr>
<tr>
<td>Guest Assistance and Quality Assurance Programs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Guest Assistance Program: Customer Satisfaction Guarantee</td>
<td>Currently, $150 per handled transaction for HHonors Gold members, $200 per handled transaction for HHonors Diamond members and $100 per handled transaction for all other guests.</td>
<td>Within 48 hours of receipt of invoice.</td>
<td>Payable to resolve guest complaints. Our Guest Assistance Agent may offer the guest a cash refund (up to the full cost of the customer’s stay), HHonors points or a complimentary return stay to resolve the complaint to the customer’s satisfaction. You are billed the cost of the rebate plus the handling fee. We may change the maximum guest rebate amount or increase the handling fee.</td>
</tr>
<tr>
<td>Guest Assistance Program: Our Best Rates Guaranteed.</td>
<td>Currently, $100 handling fee includes the cost of the Gift Cheque and other fees.</td>
<td>Within 10 days of billing.</td>
<td>Payable if a guest finds a lower qualifying rate for a qualified booking at your hotel. After the Guest Assistance Department confirms the stay, we will adjust the rate to the lower rate and issue a $50 American Express Gift Cheque to the guest.</td>
</tr>
<tr>
<td>Guest Assistance Program: First Contact Resolution</td>
<td>Currently, $15 administrative fee</td>
<td>Within 10 days of billing.</td>
<td>Payable if more than 5 files are created in a month by Guest Assistance to resolve guest complaints about products, services or cleanliness. You must pay the cost of any compensation we provide to any guest to resolve the complaint, even if the fee does not apply. The fee is subject to change.</td>
</tr>
<tr>
<td>Quality Assurance Re-evaluation Fee</td>
<td>Currently, $2,500 per re-evaluation visit.</td>
<td>Within 10 days of billing.</td>
<td>Payable each time 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 product improvement plan have been corrected or completed by the required dates or for any additional evaluations exceeding 2 annually, or if your Hotel fails to open during the initial Quality Assurance opening evaluation. You must also provide complimentary lodging for the quality assurance auditor. The fee is subject to change.</td>
</tr>
<tr>
<td>Conferences and Training</td>
<td></td>
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<tr>
<td>Brand Conference</td>
<td>Currently $1,500 per attendee.</td>
<td>Before attendance.</td>
<td>Your General Manager must attend the brand conference, which is usually held annually. The dates, location and duration of the conference vary from year to year. There may be annual increases in the costs. You must also pay the wages, travel, lodging and miscellaneous expenses of your attendees.</td>
</tr>
<tr>
<td>TYPE OF FEE</td>
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<tr>
<td>Training Programs and Training Materials</td>
<td>Varies from 50 to $5,000 per attendee per program.</td>
<td>Before class or material delivery.</td>
<td>In some cases, you must also pay wages, travel, lodging and other expenses of your attendees, or pay the expenses of trainers. See Article 11.</td>
</tr>
<tr>
<td><strong>Frequent Customer, Affiliation and Distribution Programs</strong></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>AAA/CAA Show Your Card &amp; Save Program</td>
<td>Currently, $.30 per available room</td>
<td>Within 15 days of billing.</td>
<td>Payable annually for American Automobile Association (AAA) and Canada Automobile Association (CAA) approved hotels. The program and fees are subject to change.</td>
</tr>
<tr>
<td>AAA/CAA Discounts and Rewards Program: Member Direct</td>
<td>Currently, 10% commission</td>
<td>If invoiced, within 15 days. If through Automated Clearing House (&quot;ACH&quot;), by the 12th business day of each month.</td>
<td>Payable for each consumed stay booked through the dedicated AAA/CAA &quot;member-direct&quot; line at Hilton Reservations &amp; Customer Care (&quot;HRCC&quot;). The program and fees are subject to change.</td>
</tr>
<tr>
<td>FastPay (Centralized Group Meeting Payment Program)</td>
<td>Currently, $0.18 per transaction, which includes commissionable reservations plus cancellations, no-shows and non-commissionable reservations.</td>
<td>If invoiced, within 15 days. If ACH, the 12th business day of each month.</td>
<td>All Hilton brand hotels are automatically enrolled in this program unless an opt-out form is submitted but we may require you to participate in the future. The FastPay Program centralizes and automates third-party group and meeting planner commissions into one payment for all HWI hotels. HWI may also perform reconciliation services for these payments. The fee is subject to change.</td>
</tr>
<tr>
<td>EDGE Program</td>
<td>Currently, 4.25% for each commissionable reservation received through EDGE.</td>
<td>If invoiced, within 15 days. If through ACH, on the 12th business day of the month.</td>
<td>EDGE combines ecommerce and Demand Generation. We pay major search engines to place listings for System Hotels in “sponsored search” results. Consumers who click on our sponsored search are referred to brand.com. If the consumer books a hotel on brand.com and completes the stay, you pay a commission to us for that booking. This fee is in addition to any other applicable reservation fees and is subject to change</td>
</tr>
<tr>
<td>Frequent Traveler/Guest Reward Programs</td>
<td>Currently, 4.9% of eligible room revenue with a $110 maximum per stay charge.</td>
<td>10 days after billing.</td>
<td>You must participate in all brand-specific or system-wide guest frequency or reward programs we require. Currently, you must participate in HHonors. These programs and fees are subject to change. See Note 3.</td>
</tr>
<tr>
<td>Hilton Plus Program</td>
<td>Currently, $0.18 transaction fee applies to all bookings through Hilton Plus, including no-show, canceled, commissionable and non-commissionable reservations. Hotel is billed 10% commission on the consumed hotel revenue.</td>
<td>If invoiced, within 15 days. If through ACH, on the 12th business day of each month.</td>
<td>The Hilton Plus Program is mandatory for all hotels in the System and gives the hotel the ability to sell vacation packages, combining rooms, air, car, and other travel components. Only the hotel room revenue component associated with a Hilton Plus package consumed sale is commissionable to the Packaging Technology Provider. Hotel receives 25% credit on the positive gross margin generated from the non-hotel components of the Hilton Plus Package.</td>
</tr>
<tr>
<td>Third-Party Reservation Charges</td>
<td>Currently, $4.50 per stay.</td>
<td>If invoiced, within 15 days. If ACH, on the 20th day of each month.</td>
<td>Presently these include the costs and fees incurred in connection with Third-Party Reservation systems, such as GDS, airline reservation services, internet and other service reservation providers for using their distribution system for reservations. These</td>
</tr>
<tr>
<td>TYPE OF FEE</td>
<td>AMOUNT</td>
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<tr>
<td>Travel Planner Centralized Payment Program (TPCP)</td>
<td>Currently, up to 10% commission on the total room rate and other commissionable charges and $0.18 per transaction processing fee on commissionable and non-commissionable reservations, cancellations and no-shows.</td>
<td>If invoiced, within 15 days. If through ACH, on the 12th business day of each month.</td>
<td>TPCP consolidates all commissionable consumed travel planner bookings and remits one payment per agency. The fast changing nature of distribution relationships in the marketplace may require occasional changes to the commission and processing fee requirements.</td>
</tr>
<tr>
<td>Unlimited Budget Travel Planner Incentive and Loyalty Program</td>
<td>Weekday stay (Monday - Thursday nights) = $0.71; Weekend stay (with 1 Fri/Sat/Sun night) = $1.42; Weekend stay (with 2 Fri/Sat/Sun nights) = $2.13. Costs increase to $1.42, $2.63, and $3.63, respectively, for Double Points.</td>
<td>If invoiced, within 15 days. If through ACH, on the 12th business day of each month.</td>
<td>Mandatory participation for all OnQ-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). The booking fees are subject to change without advance notice.</td>
</tr>
<tr>
<td>Transfers, Relicensing and Financing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lender Comfort Letter Processing Fee</td>
<td>Currently $3,000</td>
<td>Before we issue a Lender Comfort Letter.</td>
<td>We will only issue a Lender Comfort Letter if you request it on behalf of your lender. We may waive, reduce or increase this fee.</td>
</tr>
<tr>
<td>Processing Fee for “Permitted Transfers”</td>
<td>Currently, $5,000</td>
<td>When you submit transfer consent request.</td>
<td>Applies if you propose “Permitted Transfer” (not a Change of Ownership - see above). See Article 22.</td>
</tr>
<tr>
<td>Public Offering or Private Placement Processing Fee</td>
<td>Currently $5,000</td>
<td>When you or any of your owners submit request for approval of public offering or private placement.</td>
<td>You must also reimburse us for any additional costs we may incur in reviewing your documents, including reasonable attorneys’ fees.</td>
</tr>
<tr>
<td>Management Fees</td>
<td></td>
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</tr>
<tr>
<td>Management Fees</td>
<td>Fees will be established by mutual agreement.</td>
<td>As incurred.</td>
<td>Payable if you enter into a management agreement with our affiliate or you may hire an outside management company with our approval.</td>
</tr>
<tr>
<td>Remedies and Damages</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Actual Damages Under Special Circumstances</td>
<td>Varies. See remarks.</td>
<td>On demand.</td>
<td>Under certain circumstances we will charge you actual damages for the termination of your Franchise Agreement. Actual damages are calculated as set forth in Article 22.</td>
</tr>
<tr>
<td>Audit</td>
<td>Actual amount of discrepancy plus service fees.</td>
<td>On demand.</td>
<td>Payable if audit reveals that you understated or underpaid any payment due 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.</td>
</tr>
<tr>
<td>Default Remedies</td>
<td>Reimbursement of all of our expenses.</td>
<td>Case by case basis as incurred.</td>
<td>Our expenses may include attorneys’ fees, court costs, and other expenses reasonably incurred to protect us and the Entities or to remedy your default.</td>
</tr>
<tr>
<td>Indemnification</td>
<td>Reimbursement of all reasonable expenses including attorneys’ fees and</td>
<td>Case by case basis as incurred.</td>
<td>You must defend us, HWI, and each of such entities’ current and/or future subsidiaries, and affiliates and any officers,</td>
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<tbody>
<tr>
<td>court costs we incur to protect ourselves, our subsidiaries or affiliates</td>
<td>directors, employees, agents, successors and assigns but we retain the</td>
<td></td>
<td>to any claim, demand, tax, penalty, or judicial or administrative investigation or proceeding arising from any claimed occurrence at your hotel, or to remedy your defaults under the Franchise Agreement.</td>
</tr>
<tr>
<td>due to any claim, demand, tax, penalty, or judicial or administrative</td>
<td>right, through counsel of our choice, to control any matter to the</td>
<td></td>
<td></td>
</tr>
<tr>
<td>investigation or proceeding arising from any claimed occurrence at your</td>
<td>extent the matter directly or indirectly affects us, our subsidiaries,</td>
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</tr>
<tr>
<td>hotel, or to remedy your defaults under the Franchise Agreement.</td>
<td>affiliates, officers, directors, employees, agents, successors or</td>
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<td></td>
<td>assigns.</td>
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</tr>
<tr>
<td>Insurance</td>
<td>Actual amount.</td>
<td>On demand.</td>
<td>If you do not obtain or maintain the required insurance or policy limits described in Article 7 and the Manual, then we can (but are not obligated to) obtain and maintain the insurance for you without first giving you notice. If we do so, then you must immediately pay our costs to obtain such insurance. See Article 7.</td>
</tr>
<tr>
<td>Liquidated Damages for Post-Opening Premature Termination</td>
<td>$3,600 for each authorized guest room</td>
<td>On demand.</td>
<td>Payable if we terminate the Franchise Agreement before the 2nd anniversary of the Opening Date.</td>
</tr>
<tr>
<td></td>
<td>The sum of the Monthly Royalty Fees due to us for the previous 24</td>
<td>On demand.</td>
<td>Payable if we terminate the Franchise Agreement after the 2th anniversary but before the last 5 calendar years of the Term.</td>
</tr>
<tr>
<td></td>
<td>months, divided by 24, and multiplied by 60.</td>
<td>On demand.</td>
<td>Payable if we terminate the Franchise Agreement within 60 months of the Expiration Date of the Term.</td>
</tr>
<tr>
<td></td>
<td>The sum of the Monthly Royalty Fees due to us for the previous 24</td>
<td>On demand.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>months, divided by 24, and multiplied by the number of months left in</td>
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<td>the Term.</td>
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</tr>
<tr>
<td>Liquidated Damages for Unauthorized Opening</td>
<td>$5,000 per day that your hotel is open without authorization, plus our</td>
<td>On demand.</td>
<td>Payable if you open before we give you written authorization to open.</td>
</tr>
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<td>costs, including attorneys' fees.</td>
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</tr>
<tr>
<td>Liquidated Damages for Pre-Opening Premature Termination</td>
<td>$3,600 for each authorized guest room.</td>
<td>On demand.</td>
<td>Payable if we terminate the Franchise Agreement after you begin Hotel Work but before you open.</td>
</tr>
<tr>
<td></td>
<td>$3,600 for each authorized guest room.</td>
<td>On demand.</td>
<td>Payable if we terminate the Franchise Agreement before you begin Hotel Work and you or a Guarantor enter into an agreement for or begin construction of a Competitor Brand within 1 year after termination.</td>
</tr>
<tr>
<td>Service Charges for Overdue Payments</td>
<td>1½% per month or highest percentage permissible by law, whichever is</td>
<td>On demand.</td>
<td>You must pay service charges if you do not make any payment to us or our affiliates when due. See Article 22.</td>
</tr>
<tr>
<td>Taxes</td>
<td>Actual amount.</td>
<td>On Demand</td>
<td>Payable if any sales, use, gross receipts or similar tax is imposed on us for the receipt of any payments you are required to make to us under the Franchise Agreement.</td>
</tr>
<tr>
<td>Miscellaneous Services/Programs</td>
<td>Consultation Fees</td>
<td>When we request.</td>
<td>At your request, we may make consultation and advice services available to you on the same basis as other System Hotels.</td>
</tr>
<tr>
<td>TYPE OF FEE</td>
<td>AMOUNT</td>
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</tr>
<tr>
<td>TMC/Consortia Program</td>
<td>Currently, $2.70 for each consumed night booked under the TMC/consortia &quot;parity&quot; rate.</td>
<td>If invoiced, within 15 days. If through ACH, on the 12th business day of each month.</td>
<td>You must participate in BOTH or NEITHER of the TMC/Consortia Program and the Pay-On-All-Pay-For Performance Program. 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. The list of participating travel planner accounts may vary depending on negotiations with accounts. The fee is subject to change.</td>
</tr>
<tr>
<td>TMC Pay-On-All-Pay-For Performance Program</td>
<td>Currently, $1.03 for each consumed night booked by a TMC travel planner.</td>
<td>If invoiced, within 15 days. If through ACH, on the 12th business day of each month.</td>
<td>You must participate in BOTH or NEITHER of the TMC/Consortia Program and the TMC Pay-On-All-Pay-For Performance Program. 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. The list of participating travel planner accounts may vary depending on negotiations with accounts. The fee is subject to change.</td>
</tr>
<tr>
<td>FedRooms Government and Military Travel Program</td>
<td>Currently, 2.75% of room revenue – for each consumed stay booked under the FedRooms rate/SRP.</td>
<td>Billed on TAPS invoice. If invoiced, within 15 days. If ACH, on the 15th of the month.</td>
<td>We pay the entire fee to FedRooms. The fee is subject to change.</td>
</tr>
<tr>
<td>Sato Travel Government and Military Travel Program</td>
<td>Currently, $2.70 for each consumed night booked under the Sato Travel SRP.</td>
<td>Billed on TAPS invoice. If invoiced, within 15 days. If ACH, on the 15th of the month.</td>
<td>We pay a portion of the fee directly to Sato Travel; the remainder is used to fund marketing efforts with Sato Travel and as a processing charge. The fee is subject to change.</td>
</tr>
<tr>
<td>ResMax Program</td>
<td>Currently, 1.25% to 5% of consumed revenue. Rate varies due to hotel type, location, ADR and other factors.</td>
<td>As required by us or our affiliate.</td>
<td>Payable if you participate in this optional, supplemental service, but we may begin charging non-participating hotels if you accept a referral. The program, related fees and your eligibility are subject to change.</td>
</tr>
<tr>
<td>Revenue Management Consolidated Hotel Center (RMCC)</td>
<td>Foundation Program - $1,352 (1-time fee); Core Program - $750 (1-time set-up fee), plus $1,025 per month; GRO Support Program - $555 per month; Complex and Custom Support Program – from $2,000 to $6,000 per month</td>
<td>With PIP Fee or within 10 days of billing.</td>
<td>Foundation Program is mandatory if a PIP is required. Core, GRO Support and Complex and Custom Support Programs are optional. The programs offer revenue management analysis, strategy and coaching services, with an emphasis on individual hotel market conditions as well as the goals and objectives of hotel management and ownership. The fees are subject to change.</td>
</tr>
<tr>
<td>Procurement and Service Fees</td>
<td>Currently, up to 10% of product cost.</td>
<td>Within 10 days of billing.</td>
<td>Payable in addition to product cost, freight, taxes, import duties and other actual costs incurred by HSM on your behalf.</td>
</tr>
</tbody>
</table>

**NOTES**

1. "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, and not deducted, from the calculation of Gross Rooms Revenue. The term “Guest Rooms” includes guest rooms and guest suites (two-room suites).

The Monthly Royalty Fee and the Monthly Program Fee must be paid to us at the place we designate on or before the 15th day of each month, and must be accompanied by our standard schedule showing the computation of the Monthly Royalty Fee and Monthly Program Fee for the month.

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. The conversion of Gross Rooms Revenue into U.S. Dollars shall be daily and be based on WSJ.com rates that are reported by Reuters as blended rates by multiple banks that trade in excess of $1 million daily.

There will 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.

If there is a fire or other insured casualty at your hotel that results in a reduction of Gross Rooms 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 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 claim with your insurer(s).

If you executed a Franchise Agreement for a System Hotel between March 1, 2007 and June 30, 2011, and we choose to relicense your hotel, the Monthly Royalty Fee will increase to 6% of Gross Rooms Revenue (or the standard Monthly Royalty Fee rate in effect when relicensing occurs).

If you are an existing franchisee under a Franchise Agreement executed before March 1, 2007 ("Pre-March 2007 license"), you remain subject to the Monthly Royalty Fee terms set forth in your pre-March 2007 license unless and until a Relicensing and/or Change of Ownership event occurs, in which case we will permit a royalty “freeze” as described below:

If you are an existing franchisee under a Pre-March 2007 license and we and you enter into a Relicensing that immediately replaces your Pre-March 2007 license, and the Relicensing does not involve a Change of Ownership event, then we will freeze the Monthly Royalty Fee in your Relicensing agreement at 4% of Gross Rooms Revenue for the period during the Relicensing term from signing of the Relicensing Agreement to the 25th anniversary of the date of the opening of your hotel as a Hampton brand (or for up to five years if your hotel joined the system as a conversion from another brand), increasing to whatever the then-current monthly royalty fee is for new Canadian Hampton hotels at the time you enter into the re-licensing, and (2) your monthly program fee will be the then-standard Canadian Hampton rate. The Monthly Royalty Fee will then increase to 6% of Gross Rooms Revenue (or whatever the standard Monthly Royalty Fee rate is at the time the Relicensing is executed) for the period during the Relicensing term that begins on or after the 25th anniversary of the date the hotel first began operating as a Hampton brand hotel.
If we approve an Application for a Change of Ownership under the terms of your Pre-March 2007 license and we enter into Change of Ownership Franchise Agreement with the new owner, then under the terms of that agreement (1) the Monthly Royalty Fee will be 4% of Gross Rooms Revenue for the first five years, increasing to whatever the then-current Monthly Royalty Fee is for new Canadian Hampton hotels at the time of the Change of Ownership, and (2) the Monthly Program Fee will be the then-standard Canadian Hampton rate.

2. 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% of Gross Rooms Revenue 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. 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; (v) certain computer costs; and (vi) 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 offered by us or HWI in which you voluntarily choose to participate. These fees also do not cover the cost of operating the hotel in accordance with the Standards or the Manual.

3. You must participate in, and pay all charges related to, our and HWI’s marketing programs not covered by Monthly Program Fees, and all guest frequency programs we or HWI require, including the Hilton HHonors Worldwide guest reward programs or any successor programs. You must also honor the terms of any discount or promotional programs (including any frequent guest program) that we or HWI 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. We and our affiliates’ other hotel 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 HWI participates. 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. 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 basic program fees are assessed on any stay for which a guest (a) earns HHonors points, (b) earns airline mileage and 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 basic program fees outlined above, hotels are also responsible for the cost of certain guest amenities provided to HHonors members. Hotels must 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 the HHonors program.

**ARTICLE 7**
**OTHER COSTS OF ESTABLISHING THE FRANCHISE**

The following chart is an estimate of the direct and indirect costs to be incurred by a typical franchisee for the establishment of a franchise hotel under the Brand. The ranges given in this Article 7 of the Disclosure Document are based on our (and our affiliates’) experience derived from operating and franchising hotels within the U.S. and Canada and are estimates only of average or reasonably anticipated expenses. We cannot guarantee that you will not have additional expenses starting your business, because your costs will depend on factors such as: your management skill and business experience, competition, the prevailing wage rate, room occupancy rates reached, and local economic conditions. Your actual expenses may exceed the estimates reflected in the chart, perhaps significantly. Please note that these figures are not influenced by any particular level of sales as these expenses are incurred before your operation. The dollar amounts listed in this Article are current as of the date of the Disclosure Document but may have changed since that time. We cannot reasonably estimate the likelihood or magnitude of such changes. In addition, some of the following information has been compiled by us from reports to us from franchisees. While we are not aware of any reason to doubt the accuracy of the information, we have not reviewed it to confirm it is accurate. You should review these figures carefully and compare them with information you obtain from local sources, and then discuss your findings with a business or other legal advisor before you make a decision to purchase the franchise. To our knowledge, the costs and expenses described below are not refundable; however, you should check with the third parties regarding their practices. All amounts are stated in U.S. dollars. Information is provided for 51-room, 80-room and 101-room hotels as these sizes are standard sizes for Hampton’s prototypes for design and layout of a hotel.

**51 ROOM HAMPTON INN PROTOTYPE**

<table>
<thead>
<tr>
<th>Type of Expenditure</th>
<th>Amount</th>
<th>Method Of Payment</th>
<th>When Due</th>
<th>To Whom Payment Is To Be Made</th>
</tr>
</thead>
<tbody>
<tr>
<td>Franchise Application Fee Note 1</td>
<td>$75,000 - $150,000</td>
<td>Lump Sum</td>
<td>With franchise application</td>
<td>Us</td>
</tr>
<tr>
<td>Type of Expenditure</td>
<td>Amount</td>
<td>Method Of Payment</td>
<td>When Due</td>
<td>To Whom Payment Is To Be Made</td>
</tr>
<tr>
<td>------------------------------------------------</td>
<td>-------------------------</td>
<td>-------------------------</td>
<td>-------------------------------------------</td>
<td>-----------------------------------------------</td>
</tr>
<tr>
<td><strong>Product Improvement Plan</strong></td>
<td>$5,000</td>
<td>Lump Sum</td>
<td>Before preparation of plan</td>
<td>Us</td>
</tr>
<tr>
<td><strong>Note 2</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Market Study</strong></td>
<td>Varies</td>
<td>As arranged</td>
<td>As arranged</td>
<td>Independent consulting firm</td>
</tr>
<tr>
<td><strong>Note 3</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Phase 1 Environmental Assessment</strong></td>
<td>$0 to $10,000</td>
<td>As Arranged</td>
<td>Before you purchase the land</td>
<td>Engineering or consulting firm</td>
</tr>
<tr>
<td><strong>Note 4</strong></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td><strong>Real Property</strong></td>
<td>Varies</td>
<td>As Incurred</td>
<td>As Incurred</td>
<td>Suppliers</td>
</tr>
<tr>
<td><strong>Note 5</strong></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td><strong>Construction/Leasehold Improvements</strong></td>
<td>$2,750,000 to $4,400,000</td>
<td>As Incurred</td>
<td>As Incurred</td>
<td>Suppliers</td>
</tr>
<tr>
<td><strong>Notes 6 and 7</strong></td>
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</tr>
<tr>
<td><strong>Designer and Engineering Fees</strong></td>
<td>$100,000 to $250,000</td>
<td>As Incurred</td>
<td>As Incurred</td>
<td>Suppliers</td>
</tr>
<tr>
<td><strong>Furniture, Fixtures and Equipment</strong></td>
<td>$450,000 to $700,000</td>
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<td>As Incurred</td>
<td>Suppliers</td>
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<tr>
<td><strong>Note 8</strong></td>
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</tr>
<tr>
<td><strong>Inventory and Operating Equipment</strong></td>
<td>$40,000 to $120,000</td>
<td>As Arranged</td>
<td>Before Opening</td>
<td>Suppliers</td>
</tr>
<tr>
<td><strong>Note 9</strong></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td><strong>Signs</strong></td>
<td>$30,000 to $75,000</td>
<td>As Incurred</td>
<td>As Incurred</td>
<td>Suppliers</td>
</tr>
<tr>
<td><strong>Note 9</strong></td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>Computer Software</strong></td>
<td>$34,000 to $79,000</td>
<td>Cash, Check or Wire Transfer</td>
<td>45 days before opening</td>
<td>Third Party Supplier</td>
</tr>
<tr>
<td><strong>Note 10</strong></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td><strong>Stay Connected High Speed Internet Program</strong></td>
<td>$19,000 to $26,000</td>
<td>Cash, Check or Wire Transfer</td>
<td>45 days before opening</td>
<td>AT&amp;T</td>
</tr>
<tr>
<td><strong>Note 10</strong></td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>Other Computer Hardware</strong></td>
<td>$3,200 to $5,150</td>
<td>As Agreed</td>
<td>As Agreed</td>
<td>Suppliers</td>
</tr>
<tr>
<td><strong>See Note 11</strong></td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>Required Pre-Opening Training</strong></td>
<td>$5,000 to $15,000</td>
<td>As Incurred</td>
<td>As Incurred</td>
<td>HWI and Suppliers</td>
</tr>
<tr>
<td><strong>Note 12</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Construction/Renovation Extension Fees</strong></td>
<td>$10,000</td>
<td>Lump Sum</td>
<td>With request</td>
<td>Us</td>
</tr>
<tr>
<td><strong>Note 13</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Insurance</strong></td>
<td>Varies</td>
<td>As Required</td>
<td>As Required</td>
<td>Agent/Insurer</td>
</tr>
<tr>
<td><strong>Note 14</strong></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td><strong>Organizational Expense</strong></td>
<td>$15,000 to $50,000</td>
<td>As Agreed</td>
<td>As Agreed</td>
<td>Accountant Attorney</td>
</tr>
<tr>
<td><strong>Note 15</strong></td>
<td></td>
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</tr>
<tr>
<td><strong>Permits, Licenses and Governmental Fees</strong></td>
<td>$60,000 to $100,000</td>
<td>As Arranged</td>
<td>Before Opening</td>
<td>Suppliers</td>
</tr>
<tr>
<td><strong>Note 16</strong></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Type of Expenditure</td>
<td>Amount</td>
<td>Method Of Payment</td>
<td>When Due</td>
<td>To Whom Payment Is To Be Made</td>
</tr>
<tr>
<td>--------------------------------------------------------------</td>
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</tr>
<tr>
<td>Miscellaneous Pre-Opening and Project Management Expenses</td>
<td>$60,000 to $150,000</td>
<td>As Incurred</td>
<td>As Incurred</td>
<td>Suppliers</td>
</tr>
<tr>
<td>Note 17</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Contingencies</td>
<td>$100,000 to $300,000</td>
<td>As contingencies arise</td>
<td>As Agreed</td>
<td>Contractor, Suppliers</td>
</tr>
<tr>
<td>Note 18</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Additional Funds</td>
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<td>As Incurred</td>
<td>Employees, Suppliers, Utilities</td>
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<td>Note 19</td>
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<tr>
<td>TOTAL</td>
<td>$3,956,200 to $7,045,150</td>
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</tbody>
</table>

THESE FIGURES DO NOT INCLUDE REAL ESTATE COSTS, MARKET STUDIES, INSURANCE, INTEREST OR THE COST OF IMPROVEMENTS UNDER A CONVERSION, RE-LICENSING OR CHANGE OF OWNERSHIP LICENSE.

80 ROOM HAMPTON INN

<table>
<thead>
<tr>
<th>Type of Expenditure</th>
<th>Amount</th>
<th>Method Of Payment</th>
<th>When Due</th>
<th>To Whom Payment Is To Be Made</th>
</tr>
</thead>
<tbody>
<tr>
<td>Franchise Application Fee</td>
<td>$75,000 - $150,000</td>
<td>Lump Sum</td>
<td>With franchise application</td>
<td>Us</td>
</tr>
<tr>
<td>Note 1</td>
<td></td>
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</tr>
<tr>
<td>Product Improvement Plan</td>
<td>$5,000</td>
<td>Lump Sum</td>
<td>Before preparation of plan</td>
<td>Us</td>
</tr>
<tr>
<td>Note 2</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Market Study</td>
<td>Varies</td>
<td>As arranged</td>
<td>As arranged</td>
<td>Independent consulting firm</td>
</tr>
<tr>
<td>Note 3</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Phase 1 Environmental Assessment</td>
<td>$0 to $10,000</td>
<td>As Incurred</td>
<td>Before you purchase the land</td>
<td>Engineering or consulting firm</td>
</tr>
<tr>
<td>Note 4</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Real Property</td>
<td>Varies</td>
<td>As Incurred</td>
<td>As Incurred</td>
<td>Suppliers</td>
</tr>
<tr>
<td>Note 5</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Construction/Leasehold Improvements</td>
<td>$4,400,000 to $7,150,000</td>
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<td>As Incurred</td>
<td>Suppliers</td>
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<tr>
<td>Notes 6 and 7</td>
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<td>Designer and Engineering Fees</td>
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<td>As Incurred</td>
<td>As Incurred</td>
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<tr>
<td>Note 7</td>
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<tr>
<td>Furniture, Fixtures and Equipment</td>
<td>$800,000 to $1,300,000</td>
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<td>Note 8</td>
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<tr>
<td>Inventory and Operating Equipment</td>
<td>$80,000 to $160,000</td>
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<td>Before Opening</td>
<td>Suppliers</td>
</tr>
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<td>Note 9</td>
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</tr>
<tr>
<td>Signs</td>
<td>$30,000 to $75,000</td>
<td>As Incurred</td>
<td>As Incurred</td>
<td>Suppliers</td>
</tr>
<tr>
<td>Note 10</td>
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<td></td>
<td></td>
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</tr>
<tr>
<td>Computer Software</td>
<td>$34,000 to $79,000</td>
<td>Cash, Check or Wire Transfer</td>
<td>45 days before opening</td>
<td>Third Party Supplier</td>
</tr>
<tr>
<td>Note 10</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Type of Expenditure</td>
<td>Amount</td>
<td>Method Of Payment</td>
<td>When Due</td>
<td>To Whom Payment Is To Be Made</td>
</tr>
<tr>
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<td>Stay Connected High Speed Internet Program Note 10</td>
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<td>Cash, Check or Wire Transfer</td>
<td>45 days before opening</td>
<td>HWI Approved Provider – AT&amp;T</td>
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<td>Other Computer Hardware Note 11</td>
<td>$3,200 to $5,150</td>
<td>As Agreed</td>
<td>As Agreed</td>
<td>Suppliers</td>
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<tr>
<td>Required Pre-Opening Training Note 12</td>
<td>$5,000 to $15,000</td>
<td>As Incurred</td>
<td>As Incurred</td>
<td>Us and Suppliers</td>
</tr>
<tr>
<td>Construction/Renovation Extension Fees Note 13</td>
<td>$10,000</td>
<td>Lump Sum</td>
<td>On request</td>
<td>Us</td>
</tr>
<tr>
<td>Insurance Note 14</td>
<td>Varies</td>
<td>As Required</td>
<td>As Required</td>
<td>Agent/Insurer</td>
</tr>
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<td>Organizational Expense Note 15</td>
<td>$25,000 to $75,000</td>
<td>As Agreed</td>
<td>As Agreed</td>
<td>Accountant or Attorney</td>
</tr>
<tr>
<td>Permits, Licenses and Governmental Fees</td>
<td>$60,000 to $120,000</td>
<td>As Arranged</td>
<td>Before Opening</td>
<td>Suppliers</td>
</tr>
<tr>
<td>Miscellaneous Pre-Opening and Project Management Expenses Note 17</td>
<td>$80,000 to $300,000</td>
<td>As Incurred</td>
<td>As Incurred</td>
<td>Suppliers</td>
</tr>
<tr>
<td>Contingencies Note 18</td>
<td>$200,000 to $500,000</td>
<td>As Required</td>
<td>As Required</td>
<td>Third Parties</td>
</tr>
<tr>
<td>Additional Funds Note 19</td>
<td>$160,000 to $275,000</td>
<td>As contingencies arise</td>
<td>As Agreed</td>
<td>Contractor or Suppliers</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$6,138,200 to $10,656,150</td>
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</tr>
</tbody>
</table>

These figures do not include real estate costs, market studies, insurance, interest or the cost of improvements under a conversion, re-licensing or change of ownership license.

### 101 ROOM HAMPTON INN & SUITES

<table>
<thead>
<tr>
<th>Type of Expenditure</th>
<th>Amount</th>
<th>Method Of Payment</th>
<th>When Due</th>
<th>To Whom Payment is to be Made</th>
</tr>
</thead>
<tbody>
<tr>
<td>Franchise Application Fee Note 1</td>
<td>$75,000 - $150,000</td>
<td>Lump Sum</td>
<td>With franchise application</td>
<td>Us</td>
</tr>
<tr>
<td>Product Improvement Plan Note 2</td>
<td>$5,000</td>
<td>Lump Sum</td>
<td>Before Preparation of Plan</td>
<td>Us</td>
</tr>
<tr>
<td>Market Study Note 3</td>
<td>Varies</td>
<td>As arranged</td>
<td>As arranged</td>
<td>Independent consulting firm</td>
</tr>
<tr>
<td>Phase 1 Environmental Assessment Note 4</td>
<td>$0 to $10,000</td>
<td>As Incurred</td>
<td>Before you purchase the land</td>
<td>Engineering or consulting firm</td>
</tr>
<tr>
<td>Type of Expenditure</td>
<td>Amount</td>
<td>Method Of Payment</td>
<td>When Due</td>
<td>To Whom Payment is to be Made</td>
</tr>
<tr>
<td>------------------------------------------------------------------------</td>
<td>----------------------------</td>
<td>---------------------------</td>
<td>--------------------</td>
<td>------------------------------</td>
</tr>
<tr>
<td>Real Property Note 5</td>
<td>Varies</td>
<td>As Incurred</td>
<td>As Incurred</td>
<td>Suppliers</td>
</tr>
<tr>
<td>Construction/Leasehold Improvements Notes 6 and 7</td>
<td>$6,160,000 to $9,900,000</td>
<td>As Incurred</td>
<td>As Incurred</td>
<td>Suppliers</td>
</tr>
<tr>
<td>Designer and Engineering Fees</td>
<td>$180,000 to $500,000</td>
<td>As Incurred</td>
<td>As Incurred</td>
<td>Suppliers</td>
</tr>
<tr>
<td>Furniture, Fixtures and Equipment Note 8</td>
<td>$1,100,000 to $1,760,000</td>
<td>As Incurred</td>
<td>As Incurred</td>
<td>Suppliers</td>
</tr>
<tr>
<td>Inventory and Operating Equipment</td>
<td>$90,000 to $180,000</td>
<td>As Arranged</td>
<td>Before Opening</td>
<td>Suppliers</td>
</tr>
<tr>
<td>Signs Note 9</td>
<td>$30,000 to $80,000</td>
<td>As Incurred</td>
<td>As Incurred</td>
<td>Suppliers</td>
</tr>
<tr>
<td>Computer Software Note 10</td>
<td>$34,000 to $79,000</td>
<td>Cash, Check or Wire Transfer</td>
<td>45 days before opening</td>
<td>Third Party Supplier</td>
</tr>
<tr>
<td>Stay Connected High Speed Internet Program Note 10</td>
<td>$37,000 to $50,000</td>
<td>Cash, Check or Wire Transfer</td>
<td>45 days before opening</td>
<td>AT&amp;T</td>
</tr>
<tr>
<td>Other Computer Hardware Note 11</td>
<td>$3,200 to $5,150</td>
<td>As Agreed</td>
<td>As Agreed</td>
<td>Suppliers</td>
</tr>
<tr>
<td>Required Pre-Opening Training Note 12</td>
<td>$5,000 to $15,000</td>
<td>As Incurred</td>
<td>As Incurred</td>
<td>HWI and Suppliers</td>
</tr>
<tr>
<td>Construction/Renovation Extension Fees Note 13</td>
<td>$10,000 per extension</td>
<td>Lump Sum</td>
<td>On Request</td>
<td>Us</td>
</tr>
<tr>
<td>Insurance Note 14</td>
<td>Varies</td>
<td>As Required</td>
<td>As Required</td>
<td>Agent/Insurer</td>
</tr>
<tr>
<td>Organizational Expense Note 15</td>
<td>$25,000 to $85,000</td>
<td>As Agreed</td>
<td>As Agreed</td>
<td>Accountant/Attorney</td>
</tr>
<tr>
<td>Permits, Licenses and Governmental Fees Note 16</td>
<td>$80,000 to $160,000</td>
<td>As Arranged</td>
<td>Before Opening</td>
<td>Suppliers</td>
</tr>
<tr>
<td>Miscellaneous Pre-Opening and Project Management Expenses Note 17</td>
<td>$80,000 to $400,000</td>
<td>As Incurred</td>
<td>As Incurred</td>
<td>Suppliers</td>
</tr>
<tr>
<td>Contingencies Note 18</td>
<td>$200,000 to $625,000</td>
<td>As Required</td>
<td>As Required</td>
<td>Third Parties</td>
</tr>
<tr>
<td>Additional Funds Note 19</td>
<td>$300,000 to $650,000</td>
<td>As Contingencies Arise</td>
<td>As Agreed</td>
<td>Contractor/Suppliers</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$8,414,200 to $14,644,150</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

These figures do not include real estate costs, market studies, insurance, interest or the cost of improvements under a conversion, re-licensing or change of ownership license.
NOTES

1. See Article 6 for more information about the Franchise Application Fee and when we will refund the Franchise Application Fee. We do not finance any Franchise Application Fees.

2. If you apply to convert an existing hotel to a Hampton Inn or a Hampton Inn & Suites hotel or apply for a change of ownership or other re-licensing, we charge a non-refundable PIP fee. In some circumstances, we may waive the PIP fee or apply the PIP fee to the payment of the Franchise Application Fee.

3. For all new Hampton Inn and Hampton Inn & Suites hotels, we recommend and may require a market study from a nationally-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. While we do not require prospective franchisees who are converting existing hotels to obtain a market study, occasionally 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 (see Article 7).

4. Before you purchase the land, you should, at a minimum, consider obtaining a Phase 1 environmental assessment to determine the environmental condition of the land. Based on this Phase 1 report, additional investigations and tests may be necessary before you make your purchase decision. Many lenders will require a Phase 1 report before lending purchase money.

5. We cannot estimate real estate costs. These costs vary widely by reason of location, size of parcel, competitive market conditions and type of interest acquired. Typical locations for a Hampton Inn hotel include suburban office parks and airport and commercial markets. Typical locations for a Hampton Inn & Suites hotel include suburban office parks and commercial, destination and resort markets.

6. We have estimated costs based on a 51-room Hampton Inn prototype hotel with a building area of 27,357 square feet, an 80-room Hampton Inn hotel with a building area of 47,489 square feet, and a 101-room Hampton Inn & Suites hotel with a mix of 69 guest rooms and 32 guest studio suites and a building area of 60,845 square feet. Construction costs may vary due to unusual conditions associated with site preparation, foundations, etc.

7. In a Change of Ownership, Re-licensing or Conversion situation, you will incur costs to bring your existing property into conformity with the Hampton Inn System as specified in your Franchise Agreement. 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.

8. These amounts include the cost of the telephone system.

9. Signs include freestanding signs and primary identification for the building. The amount includes installation, freight, foundation and wiring. 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 vendor currently licensed by us. You may contact your Architecture & Construction representatives for a current list.
10. The “up-front” software costs for the OnQ program are based on the size of the hotel and number of workstations at your hotel. The up-front computer costs are not refundable. Under the OnQ the cost of the hardware is paid for from a portion of your Monthly Program Fee (see Article 6). In addition to the computer hardware and software requirements and costs described in Article 6 (the required OnQ program), we require you to provide Guest Internet Access for all guest rooms and meeting rooms at your hotel in accordance with brand standards. You must purchase and install additional hardware and software to meet this high-speed internet access requirement in addition to the hardware and software for OnQ. The additional hardware, software, and support must meet HSS’s requirements and specifications. This hardware will be provided by third parties chosen by HWI, installed by HSS or its agents, and maintained by HSS or its agents. You must also arrange and pay for ongoing Guest Internet Access provided on a complimentary basis to hotel guests. You must purchase this service from HSS or its designated supplier. Your costs will depend on your hotel size, number of meeting rooms, and bandwidth usage.

11. By December 31, 2014, all System Hotels must have computer workstations and printers available for guest use, free-of-charge, either in a traditional business center or in an open zone in the lobby (“Connectivity Zone”). You must purchase and install the approved equipment. If the hotel has a traditional business center, you must purchase and install 2 computer workstations and at least 1 printer. If the hotel has an existing Connectivity Zone in the lobby, you must purchase and install 1 computer workstation and 1 printer. If you purchase additional workstations, printers and upgrade options, your costs will be higher. The estimate does not include any costs for internet connectivity, power or additional furniture.

A portion of your Monthly Program Fee pays for the standard hardware required for OnQ (see Article 6). Under the OnQ program you do not need to purchase the standard Network Authorized Equipment. However if you choose to, you may purchase the hardware required for the OnQ program from a third party vendor. We are unable to estimate the costs of purchasing the hardware required for the OnQ program from a third-party vendor because the range of costs would be so wide. If you purchase from a third-party vendor, you still pay HWI or HSS the portion of the Monthly Program Fee, and you must pay HWI for all its reasonable expenses in determining that the equipment conforms to its specifications; configuration costs; installation costs; reasonable travel and other expenses of HWI or HSS employees and vendors who perform installation services; necessary communication vehicles (phone lines, network connections); and installation, rescheduling and cancellation fees for connection to communication vehicles. In 2013, costs for work to ensure that hardware from third party vendors met the technical criteria ranged from $5,000 to $10,000 depending on a franchisee’s location, local connection charges and the number of workstations at the hotel. Computer system fees are not refundable.

12. We will provide the training programs required for your general managers under the terms set forth in Articles 6 and 11. You are responsible for the costs of training materials and travel and living expenses while training. We may charge additional training costs based on the number of line level employees.

13. Your Franchise Agreement contains a deadline by which construction work must begin. You may request an extension of this deadline under the terms set forth in Article 6.

14. You must maintain the minimum levels and types of insurance specified in the Manual at your expense. This insurance must be with insurers having minimum ratings we specify; name as additional insured the parties we specify in the Manual; and carry the endorsements and

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notice requirements we specify in the Manual. Insurance premiums vary widely by reason of location, size of hotel and type of coverage purchased and cannot be estimated.

15. Actual cost depends on work done by an accountant and attorney, and standard regional rates.

16. The licenses and permits you must obtain to operate your hotel vary depending on the province, municipality or other political subdivision in which the hotel is located.

17. Miscellaneous pre-opening expenses include advertising costs you incur for billboard and other advertising to announce your presence in the local market and in all key markets identified in your hotel business plan. Markets include travel agencies, corporations and consumers. Other pre-opening costs include security deposits, utility deposits and business permits. These figures are estimates and will vary by location.

18. The term “Contingencies” refers to unanticipated construction cost overruns and other unanticipated expenses.

19. Additional funds required during the first three months of operation include other payroll costs utility costs and expendable supplies. These figures are estimates and you may have additional expenses starting the business. Your costs will vary depending on factors such as: your management skill, experience and business acumen; local economic conditions; prevailing wage rates; and competition. This sum does not include Royalties, Program Fees, or management fees, each of which will be a percentage of your revenues.

20. We have relied on HWI’s 50+ years of experience in the lodging business to compile these estimates. You should review these figures carefully with a business advisor before making any decision to purchase the license.

**ARTICLE 8
ANNUAL OPERATING COSTS**

We do not provide an estimate of annual operating costs. Further, we do not authorize our salespeople or any of our employees, agents or representatives to provide estimates of operating costs. If you have received such an estimate, please let us know before you sign the Franchise Agreement.

**ARTICLE 9
FINANCIAL PERFORMANCE REPRESENTATIONS**

We do not provide projections of earnings, but we do provide certain historic performance information for Hampton Inn and Hampton Inn & Suites hotels operating in Canada and the United States (but not its Territories or Possessions) that were open before January 1, 2012 and were in operation on December 31, 2013 (“Mature”) and reported data to Smith Travel Research. The charts below include information on all Mature Hampton Inn and Hampton Inn & Suites hotels, except as otherwise indicated. All information presented in the charts is for calendar years 2012 and 2013.

As of December 31, 2013, there were a total of 1,213 Hampton Inn branded hotels operating in Canada and the US (not including its Territories or Possessions). Of these, 1,124 were Mature. 20 of the Mature hotels were Company-Managed and 1,104 were Franchisee-Managed.
As of December 31, 2013, there were a total of 680 Hampton Inn & Suites branded hotels operating in Canada and the US (not including its Territories or Possessions). Of these, 607 were Mature. Ten of the Mature hotels were Company-Managed and 597 were Franchisee-Managed.

Combining Hampton Inn and Hampton Inn & Suites, as of December 31, 2013, there were a total of 1,893 Hampton branded hotels operating in Canada and the US (not including its Territories or Possessions). Of these, 1,731 were Mature. 30 of the Mature hotels were Company-Managed and 1,701 were Franchisee-Managed.

In this Article 9, the term “Company-Managed” refers to hotels owned and/or managed by HWI or its affiliates, including franchised hotels. “Franchisee-Managed” refers to hotels that are franchised and are managed by the franchisee or a non-HWI management company retained by the franchisee.

The following charts show Average Room Rate and Average Occupancy for Mature Hampton Inn and Hampton Inn & Suites hotels and the number and percentage of Company-Managed and Franchisee-Managed Mature hotels that met or exceeded the average. Average Room Rate and Average Occupancy are calculated based on information routinely reported to HWI by individual System Hotels.

In our view, the information provided in this Article 9 is reasonable, as it is based on actual historical information, and our knowledge of the hotels operating in the United States and Canada for the stated periods. There are many variables which can affect the financial performance of any hotel, including the state of the market and the efforts and abilities of the operator. Many factors, including location, management capabilities, local market conditions, and other factors, are unique to each hotel, and may significantly impact the financial performance of a hotel.

<table>
<thead>
<tr>
<th>Room Rates – Mature Hampton Inn Hotels</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Room Rate of all Mature Hampton Inns hotels</td>
<td>$104.75</td>
<td>$108.47</td>
</tr>
<tr>
<td>Number &amp; Percentage of Mature Company-Managed Hampton Inns hotels which met or exceeded Average Room Rate</td>
<td>4/18.2%</td>
<td>5/25.0%</td>
</tr>
<tr>
<td>Number &amp; Percentage of Mature Franchisee-Managed Hampton Inns hotels which met or exceeded Average Room Rate</td>
<td>405/35.5%</td>
<td>381/34.5%</td>
</tr>
</tbody>
</table>

Source: Hilton Worldwide, Inc.

<table>
<thead>
<tr>
<th>Room Rates – Mature Hampton Inn &amp; Suites</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Room Rate of all Mature Hampton Inn &amp; Suites hotels</td>
<td>$111.53</td>
<td>$115.12</td>
</tr>
<tr>
<td>Number &amp; Percentage of Mature Company-Managed Hampton Inn &amp; Suites hotels which met or exceeded Average Room Rate</td>
<td>6/54.5%</td>
<td>5/50.0%</td>
</tr>
<tr>
<td>Number &amp; Percentage of Mature Franchisee-Managed Hampton Inn &amp; Suites which met or exceeded Average Room Rate</td>
<td>207/36.2%</td>
<td>213/35.7%</td>
</tr>
</tbody>
</table>

Source: Hilton Worldwide, Inc.
### Occupancy – Mature Hampton Inn and Hampton Inns & Suites

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Occupancy of all Mature Hampton Inns and Hampton Inn &amp; Suites hotels</td>
<td>69.0%</td>
<td>70.0%</td>
</tr>
<tr>
<td>Number &amp; Percentage of Mature Company-Managed Hampton Inns and Hampton Inn &amp; Suites hotels which met or exceeded Average Occupancy</td>
<td>23/69.7%</td>
<td>21/70.0%</td>
</tr>
<tr>
<td>Number &amp; Percentage of Mature Franchisee-Managed Hampton Inns and Hampton Inn &amp; Suites hotels which met or exceeded Average Occupancy</td>
<td>887/51.8%</td>
<td>880/51.7%</td>
</tr>
</tbody>
</table>

Source: Hilton Worldwide, Inc.

The following charts show the Occupancy Index and RevPAR Index for Mature Hampton Inn & Hampton Inn & Suites hotels and the number and percentage of Company-Managed and Franchisee-Managed Mature hotels that met or exceeded the average. Occupancy Index and RevPAR Index calculations are based on competitive set data provided by Smith Travel Research, Inc., an independent research firm that provides information to the hotel industry. Smith Travel Research receives information directly from hotel chains or individual hotel properties. We have not audited or independently verified the information provided by Smith Travel Research. The indices presented are relative to a competitive set that has been identified for Smith Travel Research by each Mature Company-Managed or Franchisee-Managed hotel. They do not represent every hotel or lodging facility in a geographic area. Generally, each of Company-Managed or Franchisee-Managed hotels must identify at least three competitive hotels.

The charts for Occupancy Index and RevPAR Index utilize a weighting that involves adjusting the competitive set's rooms available (supply) to equal the room count of the subject property. After each competitive set is weighted, the brand performance aggregates are calculated. Smith Travel Research refers to this process as “portfolio weighting”.

### Occupancy Index - The Occupancy Index measures a hotel’s occupancy performance relative to an aggregated grouping of hotels (competitive set, market, tract, etc.). Occupancy Index is designed to measure a hotel's share of the segment's demand (demand = rooms sold). An index of 100 represents a fair share compared to the aggregated group of hotels. An index greater than 100 represents more than fair share of the aggregated group’s performance.

The Occupancy Index is calculated as follows:

\[
\text{Occupancy Index} = \left( \frac{\text{Hotel Occupancy}}{\text{Comp Set Occupancy}} \right) \times 100
\]

### Occupancy Index* table

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Occupancy Index of all Mature Hampton Inns and Hampton Inn &amp; Suites hotels</td>
<td>109.06</td>
<td>109.45</td>
</tr>
<tr>
<td>Number &amp; Percentage of Mature Company-Managed Hampton Inns and Hampton Inn &amp; Suites hotels which met or exceeded Average Occupancy Index</td>
<td>20/60.6%</td>
<td>15/50.0%</td>
</tr>
<tr>
<td>Number &amp; Percentage of Mature Franchisee-Managed Hampton Inns and Hampton Inn &amp; Suites hotels which met or exceeded Average Occupancy Index</td>
<td>832/48.6%</td>
<td>832/48.9%</td>
</tr>
</tbody>
</table>

* For 2012, the table above does not include 1 Mature Company-Managed Hampton Inn and 7 Mature Franchisee-Managed Hampton Inns / Hampton Inns & Suites, as data for these hotels is insufficient. For 2013, the table above does not include 1 Mature Company-Managed Hampton Inn and 4 Mature Franchisee-Managed Hampton Inns / Hampton Inns & Suites, as data for these hotels is insufficient.
RevPAR Index - The RevPAR Index measures a hotel’s RevPAR (revenue per available room) relative to an aggregated grouping of hotels (competitive set, market, tract, etc.). An index of 100 represents a fair share compared to the aggregated group of hotels. An index greater than 100 represents more than fair share of the aggregated group’s performance.

RevPAR Index is calculated as follows:

\[
\text{RevPAR Index} = \left( \frac{\text{Hotel RevPAR}}{\text{Comp Set RevPAR}} \right) \times 100
\]

<table>
<thead>
<tr>
<th>RevPAR Index*</th>
<th>Mature Hampton Inns and Hampton Inns &amp; Suites</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average RevPAR Index of all Mature Hampton Inns and Hampton Inn &amp; Suites hotels</td>
<td>123.19</td>
<td>121.01</td>
<td></td>
</tr>
<tr>
<td>Number &amp; Percentage of Mature Company-Managed Hampton Inns and Hampton Inn &amp; Suites hotels which met or exceeded Average RevPAR Index</td>
<td>23/67.6%</td>
<td>17/56.7%</td>
<td></td>
</tr>
<tr>
<td>Number &amp; Percentage of Mature Franchisee-Managed Hampton Inns and Hampton Inn &amp; Suites hotels which met or exceeded Average RevPAR Index</td>
<td>125/48.1%</td>
<td>879/51.7%</td>
<td></td>
</tr>
</tbody>
</table>

* For 2012, the table above does not include 1 Mature Company-Managed Hampton Inn and 7 Mature Franchisee-Managed Hampton Inns / Hampton Inns & Suites, as data for these hotels is insufficient. For 2013, the table above does not include 1 Mature Company-Managed Hampton Inn and 4 Mature Franchisee-Managed Hampton Inns / Hampton Inns & Suites, as data for these hotels is insufficient.

The following charts show Average Percentage of HHonors contribution to Occupancy and the Average Percentage of Hilton Reservation Service Contribution to Occupancy for Mature Hampton Inn and Hampton Inn & Suites hotels and the number and percentage of Company-Managed and Franchisee-Managed Mature hotels that met or exceeded the average.

The Average Percentage of HHonors Contribution to Occupancy is the percentage of occupancy derived from dividing the total occupied room/suite nights as reported by Mature Hampton Inn and Hampton Inn & Suites hotels to us or to HWI into the number of HHonors-occupied room/suite nights for the hotels (defined as room/suite nights during which an HHonors member occupies a guest room/suite and is awarded HHonors points for the stay). The HHonors-occupied room/suite nights are determined from data reported by the hotels electronically to HWI through a third-party service provider, who compiles and reports the data to HWI.

<table>
<thead>
<tr>
<th>Hilton HHonors Contribution to Occupancy</th>
<th>Mature Hampton Inns and Hampton Inns &amp; Suites</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Percentage of HHonors Contribution to Occupancy for Mature Hampton Inns and Hampton Inn &amp; Suites hotels</td>
<td>52.8%</td>
<td>54.7%</td>
<td></td>
</tr>
<tr>
<td>Number of Mature hotels Reporting</td>
<td>1,745</td>
<td>1,731</td>
<td></td>
</tr>
<tr>
<td>Number of Mature hotels which met or exceeded Average % of HHonors Contribution to Occupancy</td>
<td>972</td>
<td>961</td>
<td></td>
</tr>
<tr>
<td>Percentage of Mature hotels which met or exceeded Average % of HHonors Contribution to Occupancy</td>
<td>55.7%</td>
<td>55.5%</td>
<td></td>
</tr>
</tbody>
</table>
Source: Hilton Worldwide, Inc.

The Average Percentage of Hilton Reservation Service Contribution to Occupancy is the percentage of occupancy derived from dividing the total occupied room/suite nights as reported by the Mature Hampton Inns and Hampton Inn & Suites hotels to us or to HWI into the number of Hilton Reservation Service-occupied room/suite nights for the hotels (defined as actual arrivals for room/suite nights booked directly through Hilton Reservation, adjusted for reservation cancellations and changes in reserved length of stay before arrival for such room nights, as reported by Hilton Reservations Worldwide to us and to HWI. Hilton Reservation Service-occupied room nights include those originating from HWI’s central reservation offices, our websites and those of our Affiliates, and from GDS.

<table>
<thead>
<tr>
<th>Hilton Reservation Service Contribution to Occupancy</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Percentage of Hilton Reservation Service Contribution to Occupancy for Mature Hampton Inns and Hampton Inn &amp; Suites hotels</td>
<td>56.9%</td>
<td>59.8%</td>
</tr>
<tr>
<td>Number of Mature hotels Reporting</td>
<td>1,745</td>
<td>1,731</td>
</tr>
<tr>
<td>Number of Mature hotels which met or exceeded Average % of Hilton Reservation Service Contribution to Occupancy</td>
<td>745</td>
<td>737</td>
</tr>
<tr>
<td>Percentage of Mature hotels which met or exceeded Average % of Hilton Reservation Service Contribution to Occupancy</td>
<td>42.7%</td>
<td>42.6%</td>
</tr>
</tbody>
</table>

Source: Hilton Worldwide, Inc.

YOUR FINANCIAL RESULTS ARE LIKELY TO VARY FROM THE RESULTS STATED IN THE FINANCIAL PERFORMANCE REPRESENTATION EVEN IF YOU ARE PURCHASING A MATURE HOTEL, AND THE DIFFERENCES MAY BE MATERIAL.

* * *

You are strongly advised to perform an independent investigation of this opportunity to determine whether or not the franchise may be profitable and to consult your attorney, accountant, and other professional advisors before entering into any agreement with us. You should conduct an independent investigation of the occupancy rates and room rates you will achieve. Our current and former franchisees may be one source of this information. You should construct your own business plan and pro forma cash flow statement, balance sheet, and statement of operations, and make your own financial projections regarding sales, revenues, costs, customer base, and business development for your hotel. You should obtain, from a firm with satisfactory experience in appraising and evaluating hotel operations, an independent market study containing projections for sales, costs, income and profits.

Actual results vary between hotels, and we expect that they will vary from franchisee to franchisee. Your results will be affected by a variety of factors including the following: the nature and extent of your competition; whether competitive hotels in your market are affiliated with any chains or other centralized reservation systems; the age and established customer base of competitive hotels; the in-room and common area facilities and amenities of your hotel versus competitive hotels; whether your geographic area has a greater or lesser demand for hotel accommodations, which can turn on a number of factors; the frequency of business travel to/from your geographic area; whether your hotel is situated at or near an airport; whether your hotel is situated close to or remote from a central business district; whether your hotel is situated in a geographic area that attracts vacation travelers; the type of hotel you operate – resort, full-service, limited service, all suites or rooms only; whether your hotel offers food,
beverage and/or convention and meeting services; whether your hotel is situated near a college, resort attraction, theme park or other institution that generates lodging demand; the length of time your hotel has been open to the public; and the length of time your hotel has been affiliated with us.

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing.

We will make available to you on reasonable request written substantiation for the above financial performance representations, but we are under no obligation to disclose to you specific information about a particular hotel. Information which substantiates the information provided is available at 7930 Jones Branch Drive, Suite 1100, McLean, VA 22102.

ARTICLE 10
FINANCING ARRANGEMENTS

Other than the development incentive program (“Incentive”) described below, we do not offer direct or indirect financing for franchisees. We may negotiate these incentives when business circumstances warrant. The incentive program may be modified, limited, extended or terminated at any time without advance notice or amendment of this Disclosure Document.

We generally require payment of the Franchise Application Fee in a lump sum when you submit your Application. We occasionally allow payment of the Franchise Application Fee in installments over a limited time period before the start of construction work on the hotel. If we do, we will not charge interest or require a security interest over the installment period or require you to sign a note. You may prepay the unpaid amount of the Franchise Application Fee at any time. If there is a default under the Franchise Agreement, the outstanding balance is accelerated and become your immediate obligation, along with any court costs and attorney’s fees for collection.

We may offer, in our sole discretion, certain incentives) for development and conversion hotels. The Incentive is a loan that is not subject to repayment unless the franchise terminates before the end of the Term (generally the first 20 years of operation of the hotel) or a transfer occurs. If a transfer occurs, you will repay the balance of the Incentive. At each anniversary of the hotel Opening Date, the repayable amount of the Incentive reduces by 1/20th of the original amount. To receive the Incentive, you and your principals, as co-makers, must sign a development incentive note (the “Note”) in the form attached as Exhibit A-1 when you sign the Franchise Agreement.

Any Incentive will be disbursed to you after: (i) you have passed a final credit/financial review with no material adverse changes in the business, legal, litigation, bankruptcy status or finances of the applicant, the guarantors or the project since preliminary approval; (ii) the hotel opens with our consent; (iii) you have completed any PIP required by the Franchise Agreement; and (iv) you have paid the Franchise Application Fee. The Note bears no interest except in the case of default. We may grant renewals, extensions, modifications, compositions, compromises, releases or discharges of other parties without notice to any guarantor or co-maker. If you transfer the hotel, you must repay the balance of the Note unless the Transferee and its principals assume the obligation to repay the Incentive and provide us with such other security as we may require in our sole discretion. If you are purchasing an existing hotel and you
assume the obligation to repay the unamortized balance of the Note with our consent, you must repay the balance if the franchise terminates after your purchase of the hotel.

We do not offer any other financing and do not guarantee your note, lease or other obligations.

ARTICLE 11
TRAINING AND ASSISTANCE

HWI 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. If you hire a replacement for any of the categories of personnel who must attend a training program, then that person must successfully complete the appropriate training program.

The following table sets forth the training program as of the Issuance Date of this Disclosure Document. In some instances, these training programs may be held in the United States or otherwise outside of Canada. We reserve the right to modify the training requirements as needed. The subject matter, time required, location and costs are subject to periodic change. The Brand Required Training document contains the most current required training. You may access the current Brand Required Training document through OnQ Insider > Hampton > Training & Best Practices > Training > Training by Position or by contacting Advice@hilton.com.

<table>
<thead>
<tr>
<th>Subject</th>
<th>Hours Of Classroom Training</th>
<th>Hours of On the Job Training</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hampton GM Leader Program (Note 1)</td>
<td>140</td>
<td>0</td>
<td>Memphis, TN and on-site</td>
</tr>
<tr>
<td>OnQ Property Management Training (Note 2)</td>
<td>Varies according to position</td>
<td>0</td>
<td>On-site or Hilton Worldwide University</td>
</tr>
<tr>
<td>Pre-opening Kits (Note 3)</td>
<td>0</td>
<td>0</td>
<td>On-site</td>
</tr>
<tr>
<td>Welcome to Hampton Training (Note 4)</td>
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<td>On-site</td>
</tr>
<tr>
<td>HHonors Training (Note 5)</td>
<td>1-2</td>
<td>0</td>
<td>On-site</td>
</tr>
<tr>
<td>Owners Orientation (Note 6)</td>
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<td>0</td>
<td>Memphis, TN</td>
</tr>
<tr>
<td>Controlling Alcohol Risks Effectively or Bar Code (Note 7)</td>
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<td>0</td>
<td>On-site</td>
</tr>
<tr>
<td>Annual Brand Conference (Note 8)</td>
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<td>Various hotel locations</td>
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<td>OnQ Rate and Inventory</td>
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<td>0</td>
<td>Hilton Worldwide University</td>
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<td>OnQ Revenue Management (RM) Express Training (Note 9)</td>
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<td>Hampton Sales Leadership (pre-work modules (Note 10)</td>
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<td>Hampton Sales Leadership (Note 10)</td>
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<tr>
<td>ADA Training – Survey Instrument (Note 11)</td>
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<td>0</td>
<td>Online</td>
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</table>

NOTES

1. GM Leader Program. Your general manager must attend the Hampton GM Leader Program within 90 days of the hotel opening, or within 150 days after the departure of
any previous general manager. An owner who intends to act as general manager of his/her hotel must complete the same requirements. The cost is $3,600, which includes both tuition and housing for the Memphis-based portion of the training.

2. **OnQ Property Management Training.** This training is required for all first time Hilton Worldwide product owners. Before the opening of your hotel, all hotel staff that will be utilizing OnQ must first complete their respective self-paced training and provide documentation of a printed certificate. This training must be completed within 10 days of hire (or within 30 days of hire for general managers). Under the HITS Agreement, HSS provides, at your cost, services in connection with the start up of OnQ. The number of SICs and number of days on site is determined by Hilton Worldwide and is based on size and type of hotel. As part of these required services, the SIC will verify that all front desk staff and management have successfully completed training and have passed an OnQ certification test by at least a minimum score of 80% for the general manager and 80% for the team. If your staff does not attain the minimum score, the opening of your hotel may be delayed and a rescheduling fee of $2,000 plus travel may be applied.

3. **Pre-Opening Kits.** Kit includes startup materials that are sent to hotels at approval, at start of construction, and before initial operations consultation, and includes hands-on training materials for all team members. The cost of the Kit is $1,800.

4. **Welcome to Hampton Training.** All employees must complete this training within 14 days of hire except the learning map which is required within the first 90 days. This training program may be updated as necessary and your employees may be required to complete training on updated material as appropriate. Topics covered include: our brand story, welcome to Hampton, 100% Hampton Guarantee, and learning map.

5. **HHonors Training.** This training program is mandatory for all key management staff and applicable front office personnel and must be completed within 14 days of hire.

6. **Owners Orientation.** All first time owners of Hampton Inn hotels (or their management company representatives) must attend our new Owners Orientation within 6 months of approval of their Application, before you begin actual construction of a new hotel. If you purchase an existing Hampton Inn hotel, you must attend our Owners Orientation within 120 days of the date you purchase the hotel. The program will familiarize you with brand support programs and provide an overview of operating, marketing and sales principles.

7. **Controlling Alcohol Risks Effectively.** The cost of this program is $150.

8. **Annual Brand Conference.** We require participation in an annual brand conference by the general manager. This conference is conducted by the Hampton Inn brand and costs $1,500 per attendee. Conference fees and expenses are not refundable. This annual conference is mandatory for the general manager and may be held at various hotel locations.

9. **OnQ Revenue Management (RM) Express Training.** The OnQ RM solution may be replaced with a more analytical automated solution known as Global Revenue Optimization (GRO).

10. **Hampton Sales Leadership (HSL).** Every hotel must have one individual certified in HSL. The pre-work materials are available online through OnQ Hilton Worldwide University. The training is mandatory for the DOS/Sales Manager or the General Manager if there is no DOS/Sales Manager. Your designated individual must complete pre-work one month before hotel opening or within 90 days of assuming the position before attending this 3-day classroom course. The cost of the training program is $1,500 per attendee.
11. **ADA Training.** If you want to engage in a Permitted Transfer, Conversion, Relicensing or Change of Ownership Transfer for the hotel, you will be required to attend online training in order to complete an independent survey conducted by an ADA consultant to determine the hotel’s compliance with ADA.

Online and web based programming is self-paced training that trainees can access at any time. For other training, unless otherwise noted, we will provide the training on an as needed basis.

HWI’s instructors and presenters generally have a minimum of 2 to 5 years’ experience in the subject taught. We use a variety of instructional materials in connection with our training programs, including our Manual, CD-ROMs, DVDs, online programs, other media, and handbooks. We may modify these materials or use other materials for the training programs.

We offer many additional optional training courses and may develop additional training programs at any time. You must pay any fees associated with required and optional training courses. HWI may also charge for training materials. You pay for any travel, lodging and miscellaneous expenses of your attendees. For programs that include travel by our (or our affiliate’s) trainers to your hotel site, you may also be required to pay travel, lodging, tax and meals of the trainers.

**ARTICLE 12**

**ADVERTISING INFORMATION**

12.1 Advertising Information

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 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). We currently advertise using television, radio, magazines, newspapers and direct mail, with predominantly regional and national coverage. We primarily employ a national advertising agency, but may also use other advertising agencies and direct marketing firms.

You may not engage, directly or indirectly, in any cross-marketing or cross-promotion of the 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 HWI 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 (Franchise Agreement, Section 5.1).

To ensure compliance, Hilton Ad Services, a Division of FCB Worldwide (Foote Cone & Belding Worldwide) (HWI’s global advertising agency) has been designated as the permitted supplier for all property and co-op print ads. You may present a different supplier for our consideration so long as the supplier meets the requirements described in our guidelines.

HWI may periodically convene an advisory council that advises us on marketing programs, resource development and policies. We will appoint franchisees by geography and/or hotel type to serve on the council along with representatives of Hilton-Managed hotels. The advisory
council only serves in an advisory capacity, and has no operational or decision-making power. HWI can change or dissolve the advisory council.

We may provide regional and/or local cooperative marketing programs in which you may participate. Participating hotels normally bear their proportionate costs of participation. We have previously matched or supplemented the amounts paid by participating franchisees, when, in our sole opinion, the cooperative's marketing supports the national marketing objectives of us and HWI.

Our current policy is to form marketing cooperatives whenever a group of franchisees wish to get together. The contributions to the cooperatives vary depending on the voluntary contributions of members. Cooperatives may be administered by us, by franchisees, or by an advertising agency. The cooperatives do not operate from written governing documents. The cooperatives need not prepare annual or periodic financial statements. If we participate in the cooperative, we can require the cooperative to be formed, changed, dissolved or merged with another cooperative.

We cannot guarantee that we will offer any cooperative marketing programs to franchisees in the future. Any plan that we offer in the future may differ from the plans we offered to franchisees in past years.

In addition, separate from the cooperative marketing program offered by us, we may periodically create marketing programs for specific promotional purposes that may include certain appropriate franchised hotels without charge to the hotel. Selection of hotels, type of hotels and the nature and method of such marketing is periodically determined by us in accordance with our general practices applicable to System Hotels.

We will use your Monthly Program Fee (see Article 6) 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 and Internet sites; developing and maintaining the Reservation Service systems and support; quality assurance program; 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 fees, 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 HWI entity and any of its 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, which 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. The Monthly Program Fee does not cover your costs of participating in any optional marketing programs and promotions periodically offered by us or HWI 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. (Franchise Agreement, Section 4.4).

12.2 Local Advertising

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 is not in the best interest of your hotel or 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)

12.3 Websites

You may not register, own, maintain or use any domain names, World Wide Web or other electronic communications sites (collectively, "Site(s)"), relating to the Network or your hotel or that include the Marks. The only domain names, Sites, or Site contractors that you may use relating to the hotel are those assigned or otherwise approved by us. You must obtain our prior written approval concerning any third-party Site in which the hotel will be listed, and any proposed links between the Site and any other Sites ("Linked Sites") and any proposed modifications to all Sites and Linked Sites. All sites containing any of the Marks and any Linked Sites must advertise, promote, and reflect on your hotel and the System in a first-class, dignified manner. Our right to approve all materials is necessitated by the fact that those materials will include and be inextricably linked with the Marks. Therefore, any use of the Marks on the World Wide Web, the Internet, or any computer network/electronic distribution system, 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 to modify our requirements.

You may not (without a legal license or other legal right) post on your Site(s) any material in which any third party has any direct or indirect ownership interest, including video clips, photographs, sound bites, copyrighted text, trademarks or service marks, or any other text or image in which any third party may claim intellectual property ownership interests. You must incorporate on your Site(s) any other information we require in the manner we consider necessary to protect our Marks.

On the expiration or termination of the Franchise Agreement, you must irrevocably assign and transfer to us (or to our designee) all of your right, title and interest in any domain name listings and registrations which contain any references to our Marks, System or Brand, notify the applicable domain name registrar(s) of the termination of your right to use any domain name or Site(s) associated with the Marks or the Brand, and authorize and instruct the cancellation or transfer of the domain name to us (or our designee), as directed by us. You must also delete all references to HWI's Marks or Brands from any other Site(s) you own, maintain or operate beyond the expiration or termination of the Franchise Agreement. (Franchise Agreement, Section 9.5).
ARTICLE 13
ADMINISTRATION OF THE MONTHLY PROGRAM FEE

As noted above, the aggregate of Monthly Program Fees paid to us by franchisees do 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. Accordingly, we are not required to provide any report or breakdown of such a fund.

ARTICLE 14
RESTRICTIONS AND REQUIREMENTS ON PURCHASE AND SALE OF GOODS AND SERVICES

This Article describes your obligations to buy or lease from us or our designees, from suppliers we permit you to use, or in accordance with our specifications.

All franchisees must build, furnish, equip and supply their hotels in accordance with the standards and specifications in our standards manual ("Manual"). We review, modify and implement product standards and specifications. We may periodically modify and update 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, renovate, refurbish 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. The Manual is our exclusive property and you must return it to us on request and, in any event, on termination or expiration of your Franchise Agreement.

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 programs, computer networking and other computer and technology systems, and any and all other items used in the operation of the hotel (collectively, the “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 separately issued to you.

14.1 Purchases through HWI and its Affiliates

You must agree to have installed and to use HWI’s proprietary computer business software and hardware, currently OnQ. You must purchase items bearing our logo, trademark or service mark from a supplier approved by us. We may derive profit from such sales.

We did not sell any goods, services or supplies to our franchisees in 2012. We collected money for the Hilton HHonors program, but we transmitted this money directly to Hilton HHonors, an
affiliate of ours, and did not record it as our revenues. Several of our affiliates had revenues during that year from sales to franchisees.

Hilton Supply Management ("HSM"), a wholly-owned subsidiary of HWI, is a stockless distributor of hotel furniture, furnishings, fixtures, equipment and supplies, and certain food and beverage supplies. You may, but you are not obligated to, purchase these items from HSM (as we specify). (See Articles 1 and 6) HSM negotiates lower prices with manufacturers and suppliers, and then passes these savings on to franchisees when it sells to franchisees.

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, in the future, 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. HSM receives cash discounts for early payment on orders it places with manufacturers and suppliers to fill purchase orders placed with it by franchisees. 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.

Certain suppliers we approve ("PSDP Suppliers") become members of our Primary Supplier Distribution Program ("PSDP"). Each PSDP Supplier pays to HSM an administration fee that is between 0.5% and 5% of purchases by all franchisees from the respective PSDP Supplier.

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; and (iv) the supplier's ability to service the needs of the System and potential for active participation and support of the PSDP program. If a PSDP Supplier no longer meets our criteria, the PSDP Supplier's name and materials are removed from the PSDP.

14.2 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 vendor currently licensed by us. You may contact your Architecture & Construction representative for a current list.

14.3 Reservation Service and Referrals

You must participate in and use the required reservation services (the "Reservation Service"), including any additions, enhancements, supplements or variants which we or the Entities
develop or adopt. You must honor and give first priority on available rooms to all confirmed reservations referred to your hotel through the Reservation Service. The Reservation Service is the only reservation service or system you may use for outgoing reservations referred by or from your hotel to other hotels or other reservation services we or the Entities designate.

We periodically adopt programs whereby our Systems and the systems of our affiliates, promote each other. Currently, under a program we refer to as “cross-selling,” if a customer calls our Reservations Service Center and we are unable to find suitable accommodations in any hotel in the System (and the customer would otherwise terminate the phone call), we will try to find suitable accommodations with System Hotels (or that of our affiliate). We may implement a common platform for the reservation programs of our various hotel systems, so that we can cross-sell the hotels of all our systems (and those of our affiliates).

You must refer guests and customers, wherever reasonably possible, only to System Hotels and (if and as we direct) Network Hotels. However, we can require you to participate in programs designed to refer prospective customers to other hotels, whether in the System or otherwise. You must also display all material, including brochures and promotional material we provide to System Hotels and Network Hotels; and allow advertising and promotion only of System Hotels and Network Hotels on your hotel premises.

You must also purchase computer terminal equipment and software compatible for use with the Reservation Service. The computer equipment and software required for OnQ satisfy the requirement that your computer equipment and software be compatible with the Hilton Reservation Service.

14.4 Connectivity Zone

By December 31, 2014, all Hampton Inn hotels must have a Connectivity Zone. You must obtain specified equipment, software and ongoing support from our approved supplier; currently, Uniguest. In the future, any of the products or services for the Connectivity Zone may be manufactured or provided by an approved supplier who is also our client or supplier.

14.5 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 HWI 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 HWI 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.

14.6 Restrictions on the Sale of Goods and Services

We do not impose any restrictions as to the customers to whom you may sell goods or services. In general, you must comply with our requirements as to the types and levels of services, amenities and products that either must or may be used, promoted or offered at or in connection with the hotel. You must comply with our requirements regarding Supplies (defined in Article 6), including our specifications for all Supplies and our policies regarding suppliers from whom you purchase Supplies. High standards are the essence of the System we license to you.

You must operate your hotel 24 hours a day every day, except as we may otherwise permit based on special circumstances. You must operate, furnish, maintain and equip your hotel in a clean, safe and orderly manner and in first-class condition under the provisions of the Franchise Agreement and the Manual, and in compliance with all applicable laws, enactments, orders and regulations applicable to the management and operation of the hotel or the performance of the terms of the Franchise Agreement, including maintaining and conducting your business using sound business and financial practices. You must adopt, use and comply with the standards, requirements, services, products, programs, materials, specifications, policies, methods, procedures, and techniques in the Manual and keep your Manual current at all times. A copy of the Table of Contents of the Manual as of the date of this Disclosure Document is attached as Exhibit I. You must also provide efficient, courteous and high-quality service to the public.

You may not make any change in the number of approved guest rooms set forth in the Addendum to your Franchise Agreement or any other significant change (including major changes in structure, design or decor) in the hotel without our prior written approval. You may not offer products or services unless and until they have been approved by us. Minor redecoration and minor structural changes that comply with our standards and specifications will not be considered significant.

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. These standards will benefit the System as a whole. You must make these changes at your sole cost and expense. You must also maintain acceptable product quality ratings at your hotel and maintain the hotel in accordance with the Manual. We may make limited exceptions from some of those standards based on local conditions or special circumstances but we are not required to do so.

There is no limit on our right to make changes to the System. We make changes to the System based on our assessment of the long-term best interests of hotels using the System,
considering the interest of the System overall. You must comply with all changes we adopt. We may require that you purchase particular models or brands of merchandise for resale to be sold from the hotel from us or from a source we designate.

You must participate in, and pay all charges related to, all guest frequency programs we or HWI require, including the Hilton HHonors Worldwide guest reward programs or any successor programs. You must also honor the terms of any discount or promotional programs (including any frequent guest program) that we or HWI 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.

International Business Machines Corporation (IBM) and HWI have negotiated an agreement to be used when HWI’s owned and/or managed properties provide IBM with meeting services (the “Base Agreement,” which will include an applicable Statement of Work or SOW (as defined in the Base Agreement). (Because of the confidential and proprietary nature of the Base Agreement, it is not attached to this Disclosure Document, but may be reviewed on a secure website. Please contact your HWI franchise developer to request information on how to access this secure website. You may also request us to provide you with a paper copy of the Base Agreement.)

We are currently offering you the opportunity to participate in this program with IBM. The program is entirely voluntary. If you decide to participate in the IBM program, IBM will provide you with the specific Statement of Work applicable to the event for which you may contract as part of its proposal for the specific event. The Statement of Work will contain IBM's then-current general terms and its proposed specific terms, including pricing, for the event. You will then have the option to either agree or refuse to contract with IBM for the proposed event. If you sign the Statement of Work for such event, you agree to be bound by the Statement of Work applicable to your event and the then-current Base Agreement.

It will be a default under the Franchise Agreement if you materially breach the Base Agreement or any Statement of Work that you have agreed to. However, it will not be a default under the Franchise Agreement or Base Agreement for you to decline to contract with IBM for any proposed event and the Statement of Work for that event.

We may require you to offer amenities such as restaurants, lounges, recreational facilities (pool, whirlpool, exercise room, sauna, etc.), parking facilities, meeting and function space, gift shop and other concessions. The types and quality of the products and services that supplement the above amenities must also comply with our requirements.

You may not conduct or permit gaming or casino operations in the hotel or on the hotel premises without our express written prior permission, which we may withhold at our sole discretion.

Except as described in the following sentence, you may not conduct or permit the sale of timeshares, vacation ownership, fractional ownership, condominiums, or like schemes at or adjacent to your hotel without our written permission, you may do so only as we permit and we may withhold permission at our sole discretion. You may conduct timeshare or condominium sales or marketing at any property that you own or lease which is located adjacent to the hotel so long as you do not use any of the Marks in these sales efforts and you do not use the hotel or its facilities in these timeshare or condominium sales, marketing efforts or business operations.
You may not share the business operations and your hotel facilities with any other hotel, inn, conference center, lodging facility or similar business without our express permission, which we may withhold for any reason. You are not allowed to engage in any tenant-in-common syndication or transfer of any tenant-in-common interest in the hotel or the hotel site, other than a Transfer that is otherwise a Permitted Transfer, without our express permission, which we may withhold for any reason. If we permit you to share your business operation or engage in a tenant-in-common syndication or transfer, you must comply with any terms that we require as a condition to our approval.

ARTICLE 15
REBATES

Any profits, rebates, discounts or other allowances that we realize in respect of purchases of made by you that we require are set out in Article 14. 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.

ARTICLE 16
TRADEMARKS AND COMMERCIAL SYMBOLS

16.1 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 licensed trademarks "Hampton Inn", “Hampton Inn & Suites”, Hampton Inn by Hilton”, “Hampton Inn & Suites by Hilton” or "Hampton by Hilton." As used in the Franchise Agreement and this Disclosure Document, the System includes the Marks, including the Principal Mark “Hampton”. The Marks include the Principal Mark 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 of hotel may use.

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 “Hampton” 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.

16.2 Registration and Ownership of the Trademarks and Other Intellectual Property

Our affiliate Hilton Worldwide Holding LLP, a United Kingdom limited liability partnership ("Trademark Owner") holds the rights to the Marks, including the trademarks and service marks listed in the tables below, which are registered in Canada.

### HAMPTON INN

<table>
<thead>
<tr>
<th>Mark</th>
<th>Registration Number</th>
<th>Registration Date</th>
<th>Franchisor’s Rights to Use Mark</th>
</tr>
</thead>
<tbody>
<tr>
<td>HAMPTON INN</td>
<td>TMA305393</td>
<td>1985-08-02</td>
<td>License</td>
</tr>
<tr>
<td>HAMPTON INN</td>
<td>TMA362355</td>
<td>1989-11-03</td>
<td>License</td>
</tr>
<tr>
<td>HAMPTON INN &amp; DESIGN</td>
<td>TMA396932</td>
<td>1992-04-10</td>
<td>License</td>
</tr>
<tr>
<td>1-800-HAMPTON</td>
<td>TMA503764</td>
<td>1998-11-06</td>
<td>License</td>
</tr>
<tr>
<td>HAMPTON INN BY HILTON</td>
<td>TMA741319</td>
<td>2009-06-02</td>
<td>License</td>
</tr>
<tr>
<td>HAMPTON INN BY HILTON (design)</td>
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<td>2009-12-02</td>
<td>License</td>
</tr>
<tr>
<td>NOUS AIMONS QUE VOUS RENDIEZ VISITE</td>
<td>TMA767141</td>
<td>2010-05-18</td>
<td>License</td>
</tr>
<tr>
<td>NOUS SOMMES RAVIS DE VOUS RECEVOIR (block)</td>
<td>TMA795870</td>
<td>2011-04-18</td>
<td>License</td>
</tr>
<tr>
<td>WE LOVE HAVING YOU HERE</td>
<td>TMA757984</td>
<td>2010-01-27</td>
<td>License</td>
</tr>
<tr>
<td>CLEAN AND FRESH HAMPTON BED</td>
<td>TMA798241</td>
<td>2011-05-24</td>
<td>License</td>
</tr>
<tr>
<td>STAY CONNECTED @ HAMPTON</td>
<td>TMA862928</td>
<td>2013-10-13</td>
<td>License</td>
</tr>
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</table>

### HAMPTON INN & SUITES

<table>
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<th>Registration Number</th>
<th>Registration Date</th>
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</tr>
</thead>
<tbody>
<tr>
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<tr>
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<td>License</td>
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<tr>
<td>HAMPTON INN &amp; SUITES BY HILTON</td>
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</tr>
<tr>
<td>WE LOVE HAVING YOU HERE</td>
<td>TMA757984</td>
<td>2010-01-27</td>
<td>License</td>
</tr>
<tr>
<td>NOUS AIMONS QUE VOUS RENDIEZ VISITE</td>
<td>TMA767141</td>
<td>2010-05-18</td>
<td>License</td>
</tr>
</tbody>
</table>
Trademark Owner also owns the following Marks listed in the tables below, and has applied for registration of these Marks in Canada:

<table>
<thead>
<tr>
<th>Mark</th>
<th>Application Number</th>
<th>Application Date</th>
<th>Franchisor’s Rights To Use Mark</th>
</tr>
</thead>
<tbody>
<tr>
<td>NOUS SOMMES RAVIS DE VOUS RECEVOIR (block)</td>
<td>TMA795870</td>
<td>2011-04-18</td>
<td>License</td>
</tr>
<tr>
<td>CLEAN AND FRESH HAMPTON BED</td>
<td>TMA798241</td>
<td>2011-05-24</td>
<td>Licensee</td>
</tr>
</tbody>
</table>

Currently, there are no pending infringement, opposition or cancellation proceedings, nor any pending litigation involving the Marks that is material to their use by you in Canada. There are no infringing uses actually known to us that can materially affect your use of the Marks.

We entered into a license agreement with Trademark Owner which grants us the right to use the Marks and other intellectual property in connection with the System in Canada. The term of the agreement between us and Trademark Owner continues indefinitely so long as each party continues to be an affiliate of HWI. Trademark Owner has certain enforcement rights in the event we default under the 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 Trademark Owner 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. The Marks may be transferred to another affiliate for administrative purposes periodically, and we will continue to have a license to use the Marks in connection with our franchise business.

### 16.3 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 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 the Trademark Owner.
ARTICLE 17
LICENSES, PERMITS AND AUTHORIZATIONS

Below is a description of every license, registration, authorization or other permission that you are required to obtain, under any applicable federal or provincial law or municipal by-law, to operate the hotel in Ontario, New Brunswick and Manitoba. The franchisee will be required to obtain any licences, registrations, authorisations or permissions required under national or provincial law or municipal by-law or other local authority to operate the franchised hotel before operating the franchised hotel. Accordingly, you should make inquiries to determine whether such licences, registrations, authorizations or other permissions are required.

Federal Government Business Number:

The Business Number is a single number for businesses to deal with the federal government, and can encompass one or more of the following accounts: goods and services or harmonized taxes, payroll deductions, import/export duties and corporate income tax. There is no fee for a Business Number. Contact the Canada Revenue Agency ("CRA") for more information.

Harmonized Sales Tax:

The federal government of Canada and the provincial government of Ontario and New Brunswick have harmonized the federal goods and services tax ("GST") and their respective provincial sales taxes ("PST") to create a combined federal and provincial harmonized sales tax ("HST"). Businesses in Ontario and New Brunswick must obtain a Business Number in order to register with the CRA for HST. There is no fee for either registration. You may obtain more information from the CRA, or provincial retail sales tax offices, which are listed in the blue pages of the telephone directory. More information on transitional tax issues in Ontario is available at: http://www.rev.gov.on.ca/en/taxchange/. More information on HST and GST is available at http://www.cra-arc.gc.ca/tx/bsnss/tpcs/gst-tps/menu-eng.html.

Retail Sales Tax (Manitoba):

Under the Manitoba Retail Sales Tax Act, retail sales tax is collected on most goods and certain services sold for the purpose of consumption or use and not for resale, calculated on the selling price before GST is applied. Currently, the general tax rate is 7%, charged at the point of sale. You may contact the General Office of the Manitoba Department of Finance – Taxation Division at 1-800-564-9789 to register for the RST.

Municipal Permits and Licenses:

Each municipal government in the provinces of Ontario, New Brunswick and Manitoba has the authority to issue its own business licenses within its jurisdiction. Since there is no uniformity throughout the province regarding municipal licenses for businesses, you should consult with the appropriate local officials to determine whether the hotel will be affected by local regulations and licensing requirements. By way of example, you may be required to obtain permits relating to building codes, boarding and occupancy permits, heating, ventilation and air conditioning ("HVAC"), signage, innkeepers licenses, elevator licenses, electrical, mechanical and plumbing. Businesses must also meet the zoning by-laws that control property uses in their municipality. Contacts for local governments are in the blue pages of the telephone directory under municipal government.
Register with Workplace Safety & Insurance Board (WSIB):

Most industries in Ontario are covered by the Workplace Safety & Insurance Act. Employers must pay into the insurance fund of the WSIB through payroll assessments. You can obtain a registration kit, which includes information on assessments, coverage, accident reporting requirements and appeals procedures, by contacting the nearest WSIB office. You must contact the WSIB within 10 days of hiring your first worker.

Employer Health Tax (EHT):

The Ontario Ministry of Health administers a comprehensive government plan of health insurance for Ontario residents. Unless exempted, all employers with a permanent establishment in Ontario must register for the EHT. Employers with an annual payroll of less than $400,000 are exempted from the EHT. Employers operating a business in Ontario, with annual payrolls in excess of $400,000, must pay the EHT either monthly or annually based on total calendar year of gross payroll. Call the Ontario Ministry of Finance Information Centre at 1-800-263-7965 for more information.

Health and Post-Secondary Education Tax Levy (Manitoba):

The Manitoba Department of Finance administers the collection of a Health and Post-Secondary Education Tax Levy (“HE Levy”). Employers with a permanent establishment in Manitoba that pay remuneration to employees in Manitoba are subject to the HE Levy. Employers may register at https://taxcess.gov.mb.ca/. Contact the Manitoba Department of Finance – Taxation Division at 1-800-564-9789 for more information.

Waste Diversion:

Legislation in Ontario has been enacted to provide for the development, funding and operation of waste diversion programs. The Ontario government has created a body called Stewardship Ontario that will ensure that certain companies that introduce packaging and printed materials into the Ontario consumer marketplace share in the funding of blue box recycling programs. Under the Stewardship Ontario program, you may be obligated to register and/or pay as “stewards” for all of the residential blue box waste distributed into the marketplace depending on certain mandated criteria, such as sales thresholds, and waste threshold exemptions. You may contact Stewardship Ontario at www.stewardshipontario.com for more information.

Liquor Licence (Ontario):

If you operate a facility that serves alcohol, you must obtain a liquor licence from the Alcohol and Gaming Commission of Ontario. In order to receive a liquor licence, you must ensure that the licensed premises are supervised by someone with 3-months experience in the food and beverage industry. Applicants will also require a Vendor’s Permit from the Ministry of Finance to operate the establishment which can be acquired by contacting the Retail Sales Tax Office. A liquor licence generally will take 6 to 8 weeks to obtain, but the granting of a liquor licence is at the discretion of the Liquor Licence Board of Ontario. The Licensing Board conducts a background check on each applicant, and its owners. To obtain an application guide for a new liquor licence, contact the Alcohol and Gaming Commission’s Liquor Sales Licensing office at (416) 326-0450 or http://www.agco.on.ca/en/b.alcohol/b.alcohol.html.
**Liquor Licence (New Brunswick):**

If you operate a facility that serves alcohol, you must obtain a liquor licence from the Department of Public Safety, pursuant to New Brunswick’s Liquor Control Act. There are different types of liquor licences available, depending on the nature of the business. You can find more information about the different types of liquor licences, associated fees and application forms, online at http://www.gnb.ca/0276/liquor/index-e.asp.

**Liquor Licence (Manitoba):**

If you operate a facility that serves alcohol, you must obtain a liquor licence from the Manitoba Liquor Control Commission. There are different types of liquor licences available, depending on the nature of the business. On average, it takes 6 to 8 weeks to get a liquor licence in Manitoba. Before obtaining a liquor licence, the property must be properly zoned and community approval must be given for the intended use. A liquor licence cannot be issued without the prior approval of all government departments, including zoning, building code, health and fire. To obtain an application guide, contact the Manitoba Liquor Control Commission Licensing Department at 204-474-5630 or http://www.mlcc.mb.ca/e/home-en.

**WorkSafeNB (New Brunswick):**

Employers having 3 or more workers are required to register for coverage with WorkSafeNB, which administers no-fault workplace accident and disability insurance for employers and their workers, funded through employer assessments. You may complete an application online at http://www.worksafenb.ca/index_e.asp or by calling 1-800-222-9775.

**Workers Compensation Board (Manitoba):**

Employers having employees in Manitoba may be required to register for coverage with the Worker’s Compensation Board of Manitoba (“WCB”) pursuant to the Workers Compensation Act. To determine eligibility and/or to register for coverage, contact the WCB at 1-800-362-3340 or visit http://www.wcb.mb.ca/purchase-wcb-coverage.

Individual municipalities may have additional licensing requirements which you must satisfy. Due to the large number of municipalities in Manitoba, Ontario, New Brunswick, and Prince Edward Island, we do not provide specific information for each municipality. You must identify and obtain the licences required by the municipality in which the franchised hotel will be located.

**ARTICLE 18**

**PERSONAL PARTICIPATION IN THE FRANCHISED BUSINESS, INCLUDING SECURITY INTERESTS AND PERSONAL GUARANTIES**

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 (i) qualified and experienced management satisfactory to us, which may be a third party management company (the “Management Company”), and (ii) a general manager (the “General Manager”), satisfactory to us (collectively, the “Management”), which we have approved in writing at least 6 months before your hotel opens. 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,
any proposed Management Company and any proposed General Manager to be qualified to manage the hotel. We may refuse to approve you, any proposed Management Company or any proposed General Manager 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 or General Manager becomes unsuitable to manage your hotel, you will have 90 days to retain a qualified substitute Management Company or General Manager that we approve.

A "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 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 System Hotel or Network Hotel.

Any Management Company or General Manager must have the authority to perform all of your obligations under the Franchise Agreement, including all indemnity and insurance obligations. After we approve the Management Company, we must then approve the individual who will serve as your General Manager. We require the General Manager and other personnel, such as your Director of Sales, to attend our training programs. (See Article 11)

We may determine that you are not qualified to operate the hotel, and if so, we will require you to retain a Management Company to operate the hotel. Your Management Company must be approved by us.

We do not require you or your manager 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. You must not copy or disclose any confidential or proprietary materials.

After a review of the financial information submitted with your Application and the proposed ownership of the hotel and real property, we determine guaranty requirements. Each required guarantor, who may include the spouse of a participant in the franchise, must sign a Guaranty, by which the guarantor assumes and agrees to discharge certain of the Franchisee’s obligations under the Franchise Agreement. In addition, we may require you to provide a Guaranty if you or any Equity Owner (as defined in the Franchise Agreement) pledge or mortgage the hotel or an Equity Interest (as defined in the Franchise Agreement) for a loan that is made to other borrowers, cross-defaulted to other loans, secured by any other hotel(s) or real estate, and/or is not for the direct benefit of the hotel. If we send you a written notice of default, we may also require you to provide a Guaranty from a third party acceptable to us covering all of your obligations under the Franchise Agreement. If the guarantor is a resident of Alberta, a certificate
under the Guarantees Acknowledgement Act will need to be completed. A sample certificate is attached to our current form of Guaranty, which is attached as Exhibit D.

We do not generally require that franchisees grant us a security interest in its assets; however, if we offer you an Incentive as described in Article 10, we may require a security interest in certain of your assets as a condition of the Incentive.

We do not require that your manager have an equity interest in your business.

**ARTICLE 19
TERRITORY**

We grant you a non-exclusive license to operate a Brand hotel during the term of the Franchise Agreement at a specified location. There are no provisions in the standard Franchise Agreement granting franchisees a protected area or territory. You may face competition from other licenses, from hotels that we or our affiliates own, manage or franchise, or from other channels of distribution or competitive brands that we or our affiliates control. The standard Franchise Agreement permits us or the Entities, to own, license or operate any other business of any nature ("Other Businesses"), whether in the lodging or hospitality industry or not and whether under the Brand, or a competitive brand, or otherwise. We and the Entities have the right to engage in any Other Businesses, even if they compete with your 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, the Other Businesses. We may also: (a) modify the System by adding, altering or deleting elements of the System; (b) use or license to others all or part of the System; (c) use the facilities, programs, services and/or personnel used in connection with the System in Other Businesses; and (d) use the System, the Brand, and the Marks, in the Other Businesses. You acknowledge and agree that you have no rights other than the non-exclusive right to use the System in operating a Brand hotel at the site licensed and subject to the terms under the Franchise Agreement and that you will not make any claims, demands or damages arising from or related to any of these activities, which will not give rise to any liability on our part, including but not limited to liability for claims for unfair competition, breach of contract, breach of any applicable implied covenant of good faith and fair dealing, or divided loyalty. The Entities means our present or future Affiliates and direct or indirect owners. “Other Businesses” means any business activity we or the Entities engage in other than the licensing of your hotel.

We may, however, agree to give you certain specific territorial restrictions ("Restricted Area Provision") for an area surrounding the franchised hotel and encompassing the immediate competitive market for the hotel as may be agreed on by the parties ("Restricted Area"). If we agree to give you a Restricted Area Provision 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 a Restricted Area Provision for a Change of Ownership or Re-licensing, although we will occasionally do so under certain unique circumstances. The following discussion applies where we have agreed to give you a Restricted Area Provision in your Franchise Agreement:

1. **Restricted Area.** The boundaries of the Restricted Area will normally depend on the relevant market in the immediate area and competitive circumstances in the relevant market at the time you sign the Franchise Agreement. The boundaries will vary in size and shape from hotel to hotel. Boundaries will not be delineated according to any standard formula, but may be delineated in various ways, including references to cities, metropolitan areas, counties or other
political subdivisions, references to streets or highways, or references to an area encompassed within a radius of specified distance from the front door of the hotel.

2. **Restricted Area Provision.** The Restricted Area Provision will typically restrict us, and the Entities from operating, or authorizing someone else to operate, another System Hotel under the Brand during the Restrictive Period and within the Restricted Area (except as described in Paragraph 3 below). These restrictions as to entities other than us may lapse if your brand is no longer affiliated with HWI.

3. **Exclusions from the Restricted Area Provision.** The Restricted Area Provision will generally not apply to any products, services or businesses (other than a hotel or motel under the Brand within the Restricted Area during the specified period), whether now or later constructed, owned, operated, managed, leased, franchised or licensed by us or an Entity, or any successors to such entities (by purchase, merger, acquisition or otherwise), including, but not limited to, the following: (a) any non-System-branded hotels, motels or inns of any kind, including without limitation, any that contain “Hilton” or “by Hilton” in the name; (b) except as expressly provided for in any Restricted Area Provision, any other hotel under the “Hampton Inn” brand name, including any Hampton Inn hotel or other limited-service hotels, any Hampton Inn & Suites hotel or other partial-suites or all-suites hotels, any full service hotels or any extended-stay hotels; (c) if we are licensing a Hampton Inn hotel to you, any Hampton Inn & Suites hotel or any other successor product under the “Hampton Inn” or any other brand name; (d) if we are licensing a Hampton Inn & Suites hotel to you, any Hampton Inn hotels or any other successor product under the “Hampton Inn” or any other brand name; (e) any shared ownership properties commonly known as "vacation ownership" or "time-share ownership" or similar real estate properties; (f) any gaming-oriented hotels or facilities; and (g) any hotel or hotels which are members of a chain or group of hotels (provided that such chain or group has or contains a minimum of four or more hotels in operation), all or substantially all (but in no event less than four hotels) of which are (in a single transaction with a single seller or transferor) after the date of this Disclosure Document, owned, operated, acquired, leased, managed, franchised or licensed by, or merged with, any entity acquired by, or merged with, or joined through a marketing agreement with, us, HWI or any of our affiliates (or the operation of which is transferred to us or an Entity, including any other Network hotels).

4. **Restrictive Period.** The Restrictive Period will normally be for an agreed time period. Generally, this period will be shorter than the term of the Franchise Agreement, usually tied to a specified number of years from the date of your Application was approved. In some cases, the Restrictive Period may reduce in geographic scope after an agreed time period. The continuation of the Restrictive Period will not depend on your achieving any particular sales volume or market penetration. An increase in population in the Restrictive Area will not affect it and there are no other circumstances when your Restrictive Area may be altered. Historically, we have extended the Restrictive Period for the full term of the Franchise Agreement; however we do not intend to do so in the future.

**IMPORTANT NOTES:** A Restricted Area Provision will not give you protection from previously existing hotels owned, managed or licensed us or an Entity or their predecessors, or any hotel site for which we or one of our affiliates or its predecessor have approved a franchise application and/or signed a Franchise Agreement. In addition, a Restricted Area Provision will not give you protection from any replacement hotel that replaces or will replace another such existing hotel or hotel site.
There may currently be franchised or company-owned or managed hotels operating under one or more of the Hilton Worldwide Brands situated in or near your area. We and HWI may establish new franchised, company-owned or company-managed hotels operating under one or more of these brands in or near your area.

Guest lodging properties operating through us, our affiliates and affiliates of Blackstone may currently or in the future be located in the market area of HWI’s affiliates. Some of our business activities in the lodging industry and related businesses, and those of our affiliates and of Blackstone and its affiliates, may be competitive with your hotel and the System. We and/or our affiliates and/or Blackstone and/or its affiliates may own, operate, franchise, license, acquire or establish, or serve as franchisee for, competitive guest lodging facilities or networks anywhere, including but not limited to use of a Hilton Worldwide Brand name coupled with the designation “by Hilton”). We and/or our affiliates and/or Blackstone’s affiliates and/or funds may also furnish services, products, advice and support to guest lodging facilities, networks, properties or concepts located anywhere, in any manner we, Blackstone or our respective affiliates determine. If your Franchise Agreement includes a Restricted Area Provision, it will only limit us or our affiliates from establishing a hotel under the “Hilton” brand name, standing alone, within the Restrictive Area. We and/or any of our affiliates may be sold to or otherwise acquired by an existing competitor or newly formed entity which itself has established or may establish competitive guest lodging facilities located anywhere. We and/or our affiliates may render services to hotels owned, managed, operated, franchised and/or licensed by Blackstone and/or its affiliates or funds. Further, we and/or our affiliates and/or Blackstone and/or its affiliates may purchase, merge, acquire, or affiliate in any other way with any franchised or non-franchised network or chain of guest lodging facilities or any other business operating guest lodging facilities regardless of the location of that network, chain or other business’s facilities and that following such activity we may operate, franchise or license those other facilities under any names or marks anywhere regardless of the location of those businesses and/or facilities.

5. **Proximity Policies.** Except as otherwise noted in this Article 19 and elsewhere in this Disclosure Document, we do not have any policies which related to the proximity of your System Hotel to such things as: (a) another System Hotel; (b) any other distributor or licensee using our Marks; (c) a business or franchise owned or operated by us or our associate or affiliate that distributes similar goods or services under a different trademark, service mark, trade name, logo or advertising or other commercial symbol; (d) a franchise granted by us or our associate or affiliate that distributes similar goods or services to those under a different trademark, service mark, trade name, logo or advertising or other commercial symbol; (e) our outlet which may be established to distribute similar products or service under a different trademark, service mark, trade name or logo; or (f) our rights to conduct internet sales, telephone sales, catalogue sales or other forms of distance sales.

We do not permit the relocation of franchised hotels.

**ARTICLE 20**

**INFORMATION ON OTHER FRANCHISEES**

20.1 **Existing Franchisees**

All of the franchisees currently operating a Hampton Inn or Hampton Inn and Suites in Canada are listed in Exhibit E. Included in this list are all of the franchisees currently operating in Ontario, Alberta, Prince Edward Island, Manitoba, New Brunswick and Nova Scotia.
20.2 Franchise Closures – Last Fiscal Year

Exhibit F is a list of the names, last known address and telephone numbers of each franchisee in Canada (including any franchisees in Ontario, Alberta, Prince Edward Island, New Brunswick and Nova Scotia) who operated a franchise of the type being offered that has been terminated, cancelled, not renewed, reacquired or otherwise left the system during 2013.

20.3 Franchise Closures – Last Three Fiscal Years

The following chart lists information on franchisees in the US and Canada which have been terminated, cancelled, not renewed, reacquired by the franchisor or have otherwise left the system in fiscal years 2011 through 2013.

Table No. 1-A
Status of Franchised Outlets
For Years 2011 to 2013
Hampton Inn Hotels

<table>
<thead>
<tr>
<th>Location</th>
<th>Year</th>
<th>Outlets at Start of Year</th>
<th>Outlets Opened</th>
<th>Terminations</th>
<th>Non-Renewals</th>
<th>Reacquired by Franchisor</th>
<th>Ceased Operations Other Reasons</th>
<th>Outlets at End of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>2011</td>
<td>1188</td>
<td>19</td>
<td>6</td>
<td>9</td>
<td>0</td>
<td>0</td>
<td>1192</td>
</tr>
<tr>
<td></td>
<td>2012</td>
<td>1192</td>
<td>29</td>
<td>11</td>
<td>14</td>
<td>0</td>
<td>0</td>
<td>1196</td>
</tr>
<tr>
<td></td>
<td>2013</td>
<td>1196</td>
<td>31</td>
<td>14</td>
<td>19</td>
<td>0</td>
<td>0</td>
<td>1194</td>
</tr>
<tr>
<td>Canada</td>
<td>2011</td>
<td>15</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>2012</td>
<td>15</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>17</td>
</tr>
<tr>
<td></td>
<td>2013</td>
<td>17</td>
<td>3</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>19</td>
</tr>
<tr>
<td>Total</td>
<td>2011</td>
<td>1203</td>
<td>19</td>
<td>6</td>
<td>9</td>
<td>0</td>
<td>0</td>
<td>1207</td>
</tr>
<tr>
<td></td>
<td>2012</td>
<td>1207</td>
<td>31</td>
<td>11</td>
<td>14</td>
<td>0</td>
<td>0</td>
<td>1213</td>
</tr>
<tr>
<td></td>
<td>2013</td>
<td>1213</td>
<td>34</td>
<td>14</td>
<td>20</td>
<td>0</td>
<td>0</td>
<td>1213</td>
</tr>
</tbody>
</table>

Table No. 2-A
Status of Company-Owned Outlets
For Years 2011 to 2013
Hampton Inn Hotels

<table>
<thead>
<tr>
<th>Location</th>
<th>Year</th>
<th>Outlets at Start of Year</th>
<th>Outlets Opened</th>
<th>Outlets Reacquired from Franchisee</th>
<th>Outlets Closed</th>
<th>Outlets Sold to Franchisee</th>
<th>Outlets at End of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>2011</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>2012</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>2013</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Canada</td>
<td>2011</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>2012</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>2013</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>2011</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>2012</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>2013</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
Table No. 1-B
Status of Franchised Outlets
For Years 2011 to 2013
Hampton Inn & Suites Hotels

<table>
<thead>
<tr>
<th>Location</th>
<th>Year</th>
<th>Outlets at Start of Year</th>
<th>Outlets Opened</th>
<th>Terminations</th>
<th>Non-Renewals</th>
<th>Reacquired by Franchisor</th>
<th>Ceased Operations Other Reasons</th>
<th>Outlets at End of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>2011</td>
<td>568</td>
<td>29</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>594</td>
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<tr>
<td></td>
<td>2012</td>
<td>594</td>
<td>30</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>621</td>
</tr>
<tr>
<td></td>
<td>2013</td>
<td>621</td>
<td>41</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>660</td>
</tr>
<tr>
<td>Canada</td>
<td>2011</td>
<td>19</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>19</td>
</tr>
<tr>
<td></td>
<td>2012</td>
<td>19</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>19</td>
</tr>
<tr>
<td></td>
<td>2013</td>
<td>19</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>20</td>
</tr>
<tr>
<td>Total</td>
<td>2011</td>
<td>587</td>
<td>29</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>613</td>
</tr>
<tr>
<td></td>
<td>2012</td>
<td>613</td>
<td>30</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>640</td>
</tr>
<tr>
<td></td>
<td>2013</td>
<td>640</td>
<td>42</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>680</td>
</tr>
</tbody>
</table>

Table No. 2-B
Status of Company-Owned Outlets
For Years 2011 to 2013
Hampton Inn & Suites Hotels

<table>
<thead>
<tr>
<th>Location</th>
<th>Year</th>
<th>Outlets at Start of Year</th>
<th>Outlets Opened</th>
<th>Outlets Reacquired from Franchisee</th>
<th>Outlets Closed</th>
<th>Outlets Sold to Franchisee</th>
<th>Outlets at End of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>2011</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>2012</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>2013</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Canada</td>
<td>2011</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>2012</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>2013</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>2011</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>2012</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>2013</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
</tbody>
</table>

NOTES

All numbers are as of December 31 of the stated year. Table 2 includes all hotels in which HWI or one of its affiliates has an ownership interest. Table 2 does not include hotels that HWI or its affiliates manage but which others own.

ARTICLE 21
AGREEMENTS RELATING TO THE FRANCHISE

The following contracts are attached and made a part of this Disclosure Document:

Exhibit A    Franchise Agreement with Addendum
Exhibit B    Hilton Information Technology System (HITS) Agreement
Exhibit B-1  Hilton Information Technology System (HITS) Agreement for Quebec
Exhibit C    Franchise Application
ARTICLE 22
TERMINATION

The following chart summarizes the provisions in the Franchise Agreement and related agreements dealing with the termination of the franchise. These summaries are presented in plain language and do not affect, replace or supersede the cited provisions in the relevant agreement. Where indicated in the Franchise Agreement, we may unilaterally amend certain terms or conditions of the Franchise Agreement.

### 22.1 Termination

<table>
<thead>
<tr>
<th>Document</th>
<th>Section</th>
<th>Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Franchise</td>
<td>11.1</td>
<td>You must immediately inform us of any proposed taking of any portion of the hotel by eminent domain, and we may terminate the Franchise Agreement on notice to you, and will release you from the obligation to pay Liquidated Damages.</td>
</tr>
<tr>
<td>Franchise</td>
<td>11.2</td>
<td>You must notify us if the hotel is damaged by fire or other casualty. If the casualty requires closing of the hotel, you may choose to repair or rebuild according to Standards, not later than 18 months after the closing. If you elect not to repair or rebuild the hotel after a condemnation or casualty to the hotel, we may terminate the franchise agreement on notice to you. We will release you from the obligation to pay Liquidated Damages as long as you and your Affiliates do not operate a hotel at the site within 3 years after the termination.</td>
</tr>
<tr>
<td>Franchise</td>
<td>14.1</td>
<td>We may terminate the Franchise Agreement by written notice to you at any time before its expiration on any of the following grounds: (1) you fail to pay us any sums due and owing to us or the Entities within the cure period in the notice (at least 10 days); (2) you fail to comply with any provision of this Agreement, the Manual or any System Standard and do not cure that default within the cure period (at least 30 days); or (3) you do not purchase or maintain required insurance or do not reimburse us for our purchase of insurance on your behalf within the cure period (at least 10 days).</td>
</tr>
</tbody>
</table>
| Franchise       | 14.2    | We may terminate the Franchise Agreement immediately on notice to you, without give you any opportunity to cure the default if: (1) after curing any material breach, you engage in the same non-compliance within any consecutive 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; (2) we send you 3 notices of material default in any 12-month period, regardless of whether the defaults have been cured; (3) you or any Guarantor 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; (4) 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
<table>
<thead>
<tr>
<th>Document</th>
<th>Section</th>
<th>Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Franchise Agreement</td>
<td>14.3</td>
<td>If you fail to cure within the specified cure period, we may delay termination but suspend the hotel from the Reservation Service and any reservation and/or website services provided through or by us, and divert reservations for your hotel to any System or Network hotels; remove the listing of the hotel from any directories or advertising we publish; disable all or any part of the software provided to you and/or suspend any one or more of the information technology and/or network services that we provide or support; and 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 administrative fees.</td>
</tr>
<tr>
<td>Franchise Agreement</td>
<td>14.4</td>
<td>If the franchise agreement terminates before the expiration date set forth in the Agreement you will pay us Liquidated Damages.</td>
</tr>
<tr>
<td>Document</td>
<td>Section</td>
<td>Summary</td>
</tr>
<tr>
<td>------------------</td>
<td>----------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Franchise Agreement</td>
<td>14.4.1.3, 14.4.1.4, and 14.4.1.5</td>
<td>Liquidated damages for post-opening premature termination are $3,600 for each authorized guest room if we terminate the Franchise Agreement before the 2nd anniversary of the Opening Date. If we terminate the Franchise Agreement after the 2nd anniversary of the Opening Date but before the last 5 calendar years of the Term, you will owe us an 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. If we terminate the Franchise Agreement within 60 months of the Expiration Date of the Term, you will owe us an 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.</td>
</tr>
<tr>
<td>Franchise Agreement</td>
<td>6.4.4.1</td>
<td>Liquidated damages for unauthorized opening are $5,000 per day that your hotel is open without our written authorization to open, plus our costs, including attorneys’ fees.</td>
</tr>
<tr>
<td>Franchise Agreement</td>
<td>14.4.1.1 and 14.4.1.2</td>
<td>Liquidated damages for pre-opening premature termination is $3,600 for each authorized guest room if we terminate the Franchise Agreement after you begin Hotel Work but before you open, or if we terminate the Franchise Agreement before you begin Hotel Work and you or any Guarantor enter into an agreement for or begin construction of a Competitor Brand within 1 year after termination.</td>
</tr>
<tr>
<td>Franchise Agreement</td>
<td>14.5</td>
<td>You are not authorized to terminate the Franchise Agreement before expiration of the Term. If you unilaterally terminate the Franchise Agreement without cause, it is a material breach of the Franchise Agreement, and you must pay to us, on demand, Liquidated Damages, or we may seek to recover actual damages in certain circumstances.</td>
</tr>
<tr>
<td>Franchise Agreement</td>
<td>14.6</td>
<td>On termination or expiration of the Agreement you must immediately: (1) pay all sums due and owing to us or any of the Entities, including liquidated damages and any expenses incurred by us in obtaining injunctive relief for the enforcement of this Agreement; (2) cease operating the hotel as a System hotel and cease using the System; (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; deliver all goods and materials containing the Marks to us; 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. (4) cease representing yourself as then or formerly a System hotel or affiliated with the Licensed Brand or the Network; (5) return all copies of the Manual and any other Proprietary Information to us; (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 (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 Licensed 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 Licensed 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; delete all references to our</td>
</tr>
</tbody>
</table>

(000011-003929 00214212.DOCX; 1) 61 2014 Canada Hampton
### 22.2 Renewal

The following chart summarizes the provisions in the Franchise Agreement and the Other Agreements dealing with the renewal of the franchise. These summaries are presented in plain language and do not affect, replace or supersede the cited provisions in the relevant agreement.

<table>
<thead>
<tr>
<th>Document</th>
<th>Section</th>
<th>Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Franchise Agreement</td>
<td>3</td>
<td>The Franchise Agreement is non-renewable.</td>
</tr>
<tr>
<td>HITS Agreement</td>
<td>8(f)</td>
<td>The HITS Agreement automatically renews after the initial 3 year term for additional 3 year terms unless we notify you otherwise.</td>
</tr>
</tbody>
</table>

### 22.3 Transfer

The following chart summarizes the provisions in the Franchise Agreement and the Other Agreements dealing with the transfer of the franchise. These summaries are presented in plain language and do not affect, replace or supersede the cited provisions in the relevant agreement.

<table>
<thead>
<tr>
<th>Document</th>
<th>Section</th>
<th>Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Franchise Agreement</td>
<td>13.1</td>
<td>There are no restrictions on our right to assign or transfer.</td>
</tr>
<tr>
<td>Franchise Agreement</td>
<td>13.2.1</td>
<td>Any sale, lease, assignment, spin-off, transfer, or other conveyance of a direct or indirect legal or beneficial interest, including a transfer of an interest the hotel, the Franchise Agreement, the site on which the hotel is located or any direct or indirect Equity Interest (as defined in the Franchise Agreement). You must give written notice and obtain our consent for all transfers unless the transfer does not result in a change of control of you, the hotel or the hotel site and (1) the interests are privately-held, and immediately after the transaction, the transferee will own less than 25% of</td>
</tr>
<tr>
<td>Document</td>
<td>Section</td>
<td>Summary</td>
</tr>
<tr>
<td>----------</td>
<td>---------</td>
<td>---------</td>
</tr>
<tr>
<td>Franchise Agreement</td>
<td>13.2.2</td>
<td>Permitted Transfers. You must give 60 days’ written notice, obtain our consent, follow our then-current procedure for processing Permitted Transfers; sign documents required by us, and pay a processing fee for all Transfers to Affiliates, family member or trust; on death, and privately-held equity interests if more than 25% of equity interests changes hands.</td>
</tr>
<tr>
<td>Franchise Agreement</td>
<td>13.2.3</td>
<td>Change of Control. You must give 60 days’ written notice and provide any information we may require in order consent to the Transfer; not be in default; pay all amount due to us and the Entities through Closing; execute our then-current form of voluntary termination agreement, including a general release; conclude any suit, action or proceeding that is pending or threatened against you, us or any Entity with respect to the Hotel, or provide adequate security; proposed transferee meets our then-current business requirements for new franchisees, including credit, background investigation, operations experience, prior business dealings, and other relevant factors; proposed transferee submits a Change of Ownership Application, pays our then-current franchise application fee, signs our then-current form of franchise agreement and agrees to our request for upgrades to the hotel (which may include payment of a PIP fee); and the transferee’s guarantors sign our then-current form of guaranty of Franchise Agreement.</td>
</tr>
<tr>
<td>Franchise Agreement</td>
<td>13.2.4</td>
<td>Public Offering/Private Placement. You must give 60 days’ advance notice; pay a processing fee when you submit the request, pay any additional costs we may incur; follow our instructions about the use of the Marks and disclosure; and indemnify us from any claims related to the offer or sale of your securities.</td>
</tr>
<tr>
<td>Franchise Agreement</td>
<td>13.2.5</td>
<td>Mortgages and Pledges to Lending Institutions. 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, if (i) you or the applicable Equity Owner are the sole borrower, and (ii) the loan is not secured by any other hotels or other collateral. You must notify us of any other proposed mortgage or pledge, including any collateral assignment of this Agreement, and obtain our consent, which we may withhold in our business judgment. We will evaluate the proposed mortgage or pledge according to our then-current procedure and standards for processing such requests. As a condition to our consent, we may require that you (and/or the Equity Owner) and the lender execute a “lender comfort letter” agreement in a form satisfactory to us that describes our requirements on foreclosure, and may include an estoppel and general release of claims that you or the Equity Owner may have against us, the Entities, and related persons. We may charge a fee for our review of a proposed mortgage or pledge and for the processing of a lender comfort letter.</td>
</tr>
<tr>
<td>Franchise Agreement</td>
<td>13.2.6</td>
<td>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.</td>
</tr>
<tr>
<td>HITS Agreement</td>
<td>22</td>
<td>We have the right to assign or transfer the HITS Agreement and any of our obligations to our parent, subsidiary, or affiliated entity if the assignee agrees to assume our obligations.</td>
</tr>
</tbody>
</table>
You cannot assign or transfer the HITS Agreement without our written consent.

Guaranty 1  The guarantor’s liability under the Guaranty will continue until all of the guarantor’s obligations have been satisfied, and will not be affected by a transfer of the hotel.

ARTICLE 23
ALTERNATIVE DISPUTE RESOLUTION
(APPLICABLE ONLY IN THE PROVINCE OF ONTARIO)

The following statement is required by the Arthur Wishart Act to be included in this Disclosure Document:

“Mediation is a voluntary process to resolve disputes with the assistance of an independent third party. Any party may propose mediation or other dispute resolution process in regard to a dispute under the Franchise Agreement, and the process may be used to resolve the dispute if agreed to by all parties.”

ARTICLE 24
NOTICE OF RESCISSION AND EFFECT OF CANCELLATION IN ALBERTA
(APPLICABLE ONLY IN THE PROVINCE OF ALBERTA)

Notice of Rescission and Effect of Cancellation

Sections 13 and 14 of the Alberta Franchises Act are set forth below:

Sec. 13. Failure to Give Disclosure Document.

If a franchisor fails to give a prospective franchisee the Disclosure Document by the time referred to in section 4 of the Alberta Franchises Act, the prospective franchisee may rescind all the franchise agreements by giving a notice of cancellation to the franchisor or its associate, as the case may be,

(a) no later than 60 days after receiving the Disclosure Document,
Or

(b) no later than 2 years after the franchisee is granted the franchise,

whichever occurs first.

1 Section 4(1) of the Alberta Franchises Act provides: A franchisor must give every prospective franchisee a copy of the franchisor’s Disclosure Document. Section 4(2) of the Alberta Franchises Act provides: The Disclosure Document must be received by the prospective franchisee at least fourteen (14) days before (a) the signing by the prospective franchisee of any agreement relating to the franchise, or (b) the payment of any consideration by the prospective franchisee relating to the franchise, whichever is earlier.

(1) A notice of cancellation given under section 13 operates

(a) to cancel the franchise agreements, or

(b) in the case of an agreement that is an offer to purchase, to withdraw the offer to purchase.

The franchisor, or its associate, as the case may be, must, within 30 days of receiving a notice of cancellation under section 13, compensate the franchisee for any net losses that the franchisee has incurred in acquiring, setting up and operating the franchised business.

ARTICLE 25
RIGHT OF ACTION FOR DAMAGES IN ALBERTA
(APPLICABLE ONLY IN THE PROVINCE OF ALBERTA)

Section 9 of the Alberta Franchises Act is as follows:

Sec. 9. Misrepresentation in Disclosure Document.

(1) If a franchisee suffers a loss because of a misrepresentation contained in a Disclosure Document, the franchisee has a right of action for damages against any or all of the following:

(a) the franchisor;

(b) every person who signed the Disclosure Document.

If a Disclosure Document contains a misrepresentation, a franchisee who purchases a franchise to which the Disclosure Document relates is deemed to have relied on the misrepresentation.

ARTICLE 26
ADDITIONAL DISCLOSURE APPLICABLE IN NEW BRUNSWICK PROVINCE ONLY

Dispute Resolution

Section 8 of the New Brunswick Franchises Act (the “Act”) describes a procedure for mediation of certain disputes between franchisors and franchisees. If either we or our franchisee delivers the other a notice of dispute pursuant to subsection 8(1) of the Act, which is optional, we will follow the procedure outlined in Section 8 of the Act and the regulations related to Section 8. Where any step in the procedure is optional, we reserve the right to decline to take that step.
ARTICLE 27
ADDITIONAL DISCLOSURE APPLICABLE IN MANITOBA PROVINCE ONLY

Dispute Resolution

The Franchises Act (the “Act”) requires the following statement to be included in this Disclosure Document:

“Mediation is a voluntary process to resolve disputes with the assistance of an independent third party. Any party may propose mediation or other dispute resolution process in regard to a dispute under the franchise agreement, and the process may be used to resolve the dispute if agreed to by all parties.”

The franchise agreement does not contain any provisions related to arbitration, mediation or any other alternative dispute resolution process.

ARTICLE 28
ADDITIONAL DISCLOSURE APPLICABLE IN QUEBEC PROVINCE ONLY

If the Hotel is located in Quebec, you are required to obtain, install and use the Hilton Worldwide Standard Property Management System (“HSPMS”), as our required business software and hardware system, in the operation of a hotel. HSPMS is different from OnQ, the required business software and hardware that must be used by our hotels elsewhere in Canada.

All provisions of this Disclosure Document apply to Hotels located in Quebec except as specifically modified in this Article 28.

Article 6.1 is amended as follows only for Hotels located in Quebec:

<table>
<thead>
<tr>
<th>Type of Fee</th>
<th>Amount</th>
<th>Due Date</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>HSPMS Up-Front Hardware &amp; Software Installation</td>
<td>$40,000 to $95,000, based on size of hotel and number of workstations</td>
<td>About 45 days before Opening.</td>
<td>In addition to the portion of your Monthly Program Fee that pays for the standard hardware required for HSPMS, you must pay HWI or HSS and third-party suppliers the related up-front software and hardware and software installation fees and charges. The up-front computer costs are not refundable. You must also pay the reasonable travel related and other expenses of HWI’s employee(s) and third-party resources.</td>
</tr>
<tr>
<td>Miscellaneous HSPMS Start-up Costs – Additional Guest Rooms</td>
<td>Currently, $120 per additional guest room/suite.</td>
<td>As incurred</td>
<td>If you add or construct additional guest rooms at the hotel at any time after you sign the Franchise Agreement, you must pay HWI or HSS an additional software fee, based on the then current per guest room/suite software fee charged to System Hotels multiplied by the number of additional guest rooms/suites.</td>
</tr>
<tr>
<td>Miscellaneous HSPMS Start-up Costs – Delays in Hotel Opening Date</td>
<td>$1,100 per representative per day for each additional day a representative remains at the hotel, plus the representative’s additional travel expenses. $2,000 re-scheduling fee plus the representative’s additional travel expenses, if the delay</td>
<td>As incurred</td>
<td>Under the HITS Agreement, HWI and third-party representatives must be on-site for your hotel’s opening. You must pay HWI or HSS and third-party supplier for services they provide in connection with the start up of HSPMS. HWI determines the number of Systems Implementation Consultants and number of days on site based on size and type of hotel. Once the representative is on-</td>
</tr>
<tr>
<td>Type of Fee</td>
<td>Amount</td>
<td>Due Date</td>
<td>Remarks</td>
</tr>
<tr>
<td>------------</td>
<td>--------</td>
<td>----------</td>
<td>---------</td>
</tr>
<tr>
<td>results in the departure and re-scheduling of the representative’s on-site service.</td>
<td>site, any delays in your hotel's opening will result in additional expense to you.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Miscellaneous HSPMS Start-Up Costs – HSPMS connection</td>
<td>$590 to $1,260 per month for frame relay network services. Rescheduling and cancellation fees typically range from $500 to $2,000 per incident depending on circumstances and vendors.</td>
<td>When the circuit is installed, about 45 days before opening.</td>
<td>You must provide the communications vehicles necessary for the support and operation of HSPMS, currently including wide area network connections to the Reservations Service, electronic mail and Internet via HSPMS and/or dial-up connection and routers. The cost for the HSPMS connectivity will be billed to the hotel by HWI or HSS, and is subject to annual increase and are non-refundable.</td>
</tr>
<tr>
<td>Miscellaneous HSPMS Start-Up Costs – electronic mail service</td>
<td>Currently, $120 initial one time set-up fee per account.</td>
<td>As incurred.</td>
<td>HWI currently utilizes Microsoft Exchange for electronic mail service. Currently, we pay the cost of 3 email accounts per month per hotel. You pay for all additional email accounts which are billed to the hotel. These fees are subject to annual increase, and are non-refundable.</td>
</tr>
<tr>
<td>Miscellaneous HSPMS Start-Up Costs – hardware maintenance contract</td>
<td>Currently, $600 to $1,200 per month</td>
<td>Within 30 days after shipment of the computer equipment.</td>
<td>We encourage (and may require) you to sign a hardware maintenance contract for HSPMS. The fees are subject to annual increase, and are non-refundable.</td>
</tr>
<tr>
<td>Fee to Evaluate Conforming Hardware &amp; Software</td>
<td>$5,000 to $10,000</td>
<td>As incurred</td>
<td>For a portion of your Monthly Program Fee, HWI provides you with designated hardware, software components (the Monthly Program Fee does not include the proprietary hotel operations management system software), hardware maintenance, software maintenance and technical support for both hardware and software under the HSPMS fee based pricing program. This hardware will be provided by third parties, installed by HWI, and maintained by HWI or its agents. You may only acquire the required software and hardware for HSPMS through our fee based pricing program. Under the HSPMS program you do not need to purchase the software (except the proprietary property management component software), hardware or maintenance. You may choose to purchase the hardware from a third party vendor, but if you do you must pay the vendor the cost of the equipment in addition to the Monthly Program you pay HWI, and you must pay HWI or HSS for all its reasonable expenses in determining that the hardware meets the exact specifications provided by its Implementation Department, plus configuration costs; installation costs; reasonable travel and other expenses of HWI's or HSS's employees and vendors who perform installation services; necessary communication vehicles (phone lines, network connections); and installation fees for connection to communication vehicles.</td>
</tr>
</tbody>
</table>
Note 2: Computer Costs. You must obtain, install and use HSPMS, which is linked to a communications network which connects System hotels to our reservation offices and travel planners worldwide. We may periodically change the software and hardware components that comprise and the requirements for HSPMS. Currently, HSPMS is comprised of software components that include property management, reservations, revenue management, rate & inventory, learning management and other components we consider necessary to support the following activities: reservations, hotel operations, distribution, sales, customer relationship management, and business intelligence gathering and analysis. Designated online training courses will be made available to you through the learning management component. HSPMS also requires specific hardware to operate its software components. Some of the components are proprietary to us or our affiliates. Because of the proprietary nature of some components, we are the only supplier of HSPMS. We have defined specific third-party components that must be integrated into HSPMS. We are not able to determine and disclose a separate market price because there is no third-party market for HSPMS in its entirety.

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 HITS Agreement. The current form of HITS Agreement is attached to this disclosure document as Exhibit B-1. 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, HWI, HSS or our designated third-party suppliers for services provided by Systems Implementation Consultants (each, an “SIC”) in connection with the start up of HSPMS, including up-front fees and travel costs associated with configuration, installation and opening live support. The up-front installation fees and charges vary based on the number of workstations, size of the hotel and complexity of its operation. Our SICs must be on-site for your hotel’s opening. We determine the number of SICs and number of days on site necessary based on size and type of hotel. Once the SIC is on-site, if a delay in your hotel’s opening results in the departure and re-scheduling of the SIC’s on-site service period, you will pay a re-scheduling fee plus the SIC’s additional travel expenses.

You must purchase all IT hardware necessary for the proper operation of the hotel and must strictly adhere to the specifications and standards that are established and agreed to by HWI and respective third-party suppliers. You must provide (at your cost) the communications vehicles necessary for the support and proper operation of HSPMS. Currently, these include wide area network connections to the Reservations Service, electronic mail and Internet connectivity and/or on-line connections, routers, and CSU/DSU equipment. This service is currently offered to hotels through one or more approved suppliers but may be billed through Hilton Affiliate accounts. You are responsible for any fees that are assessed, including rescheduling or cancellation fees, up-front fees and per month charges. If a hotel is unable to proceed once a quote has been accepted, you will pay a rescheduling fee plus any differences in any subsequent quote. You must also include certain maintenance agreements such as 24*7 support for application servers in the original purchase and extend that support for the duration of any equipment’s life cycle in the hotel. We require hardware renewal every three years. The cost of the hardware maintenance will be determined between you and the third-party vendor and is dependent on a number of factors. You must also purchase certain software licenses, such as Windows Server operating systems and related client access licenses (CALs), database applications and malware and virus detection and removal tools. Where applicable, these licenses must be purchased through existing Enterprise agreements HWI has in place with vendors such as Microsoft, and HWI will invoice you for the purchases. You may purchase software not covered by HWI Enterprise agreements from other third-party vendors. 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.

Article 6.2 is amended as follows only for Hotels located in Quebec:

<table>
<thead>
<tr>
<th>TYPE OF FEE</th>
<th>AMOUNT</th>
<th>DUE DATE</th>
<th>REMARKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maintenance Fees</td>
<td>$600 to $1,200 per month for maintenance support.</td>
<td>HSPMS maintenance</td>
<td>Fee is determined by the number of workstations and other HSPMS equipment at your hotel. We currently pay for the cost of three email accounts per month per hotel. You pay for all additional email accounts which are billed to the hotel. The monthly fees are subject to increase by</td>
</tr>
<tr>
<td>for HSPMS, HSPMS Connectivity, and E-mail</td>
<td>$590 to $1,260 per month for HSPMS connectivity.</td>
<td>Payable Monthly by the 15th day of the following month. HSPMS connectivity billed</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$9.20 per user, per month, for e-mail for all users. $22 per month for delivery to</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TYPE OF FEE</td>
<td>AMOUNT</td>
<td>DUE DATE</td>
<td>REMARKS</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>---------------------------------------------</td>
<td>---------------------------</td>
<td>--------------------------------------------------------------------------</td>
</tr>
<tr>
<td>approved mobile devices.</td>
<td>monthly. E-mail billed quarterly.</td>
<td></td>
<td>HWI or HSS on an annual basis. These fees are non-refundable. See Article 6.1.</td>
</tr>
<tr>
<td>Additional HSPMS Fees</td>
<td>Currently, $120 per guest room/suite.</td>
<td>When the additional guest room/suites are completed.</td>
<td>If you add or construct additional guest rooms at the hotel at any time after you sign the Franchise Agreement, you must pay or HSS or HWI an additional fee, based on the then-current per guest room/suite fee multiplied by the number of additional guest rooms.</td>
</tr>
</tbody>
</table>

**Frequent Customer, Affiliation and Distribution Programs**

| Unlimited Budget Travel Planner Incentive and Loyalty Program | Weekday stay (Monday - Thursday nights) = $0.71; Weekend stay (with 1 Fri/Sat/Sun night) = $1.42; Weekend stay (with 2 Fri/Sat/Sun nights) = $2.13. The costs will increase to $1.42, $2.63, and $3.63, respectively, for Double Points payouts. | If invoiced, within 15 days. If through ACH, the 12th 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). The booking fees are subject to change without advance notice. |

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Article 7 is amended as follows only for Hotels located in Quebec:

### 51 ROOM HAMPTON INN PROTOTYPE

<table>
<thead>
<tr>
<th>Type of Expenditure</th>
<th>Amount</th>
<th>Method Of Payment</th>
<th>When Due</th>
<th>To Whom Payment Is To Be Made</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer Software</td>
<td>$40,000 to $95,000</td>
<td>Cash, Check or Wire Transfer</td>
<td>45 days before opening</td>
<td>Third Party Supplier</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$3,962,200 to $7,061,150</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**THESE FIGURES DO NOT INCLUDE REAL ESTATE COSTS, MARKET STUDIES, INSURANCE, INTEREST OR THE COST OF IMPROVEMENTS UNDER A CONVERSION, RE-LICENSING OR CHANGE OF OWNERSHIP LICENSE.**

### 80 ROOM HAMPTON INN

<table>
<thead>
<tr>
<th>Type of Expenditure</th>
<th>Amount</th>
<th>Method Of Payment</th>
<th>When Due</th>
<th>To Whom Payment Is To Be Made</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer Software</td>
<td>$40,000 to $95,000</td>
<td>Cash, Check or Wire Transfer</td>
<td>45 days before opening</td>
<td>Third Party Supplier</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$6,144,200 to $10,672,150</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**THESE FIGURES DO NOT INCLUDE REAL ESTATE COSTS, MARKET STUDIES, INSURANCE, INTEREST OR THE COST OF IMPROVEMENTS UNDER A CONVERSION, RE-LICENSING OR CHANGE OF OWNERSHIP LICENSE.**

### 101 ROOM HAMPTON INN & SUITES

<table>
<thead>
<tr>
<th>Type of Expenditure</th>
<th>Amount</th>
<th>Method Of Payment</th>
<th>When Due</th>
<th>To Whom Payment is to be Made</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer Software</td>
<td>$40,000 - $95,000</td>
<td>Cash, Check or Wire Transfer</td>
<td>45 days before opening</td>
<td>Third Party Supplier</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Type of Expenditure</td>
<td>Amount</td>
<td>Method Of Payment</td>
<td>When Due</td>
<td>To Whom Payment is to be Made</td>
</tr>
<tr>
<td>---------------------</td>
<td>-----------------------</td>
<td>-------------------</td>
<td>----------</td>
<td>-------------------------------</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$8,420,200 to $14,680,150</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

THESE FIGURES DO NOT INCLUDE REAL ESTATE COSTS, MARKET STUDIES, INSURANCE, INTEREST OR THE COST OF IMPROVEMENTS UNDER A CONVERSION, RE-LICENSEING OR CHANGE OF OWNERSHIP LICENSE.

NOTES

10. The “up-front” software costs for the HSPMS program are based on the size of the hotel and number of workstations at your hotel. The up-front computer costs are not refundable. Under the HSPMS the cost of the hardware is paid for from a portion of your Monthly Program Fee. (See Article 6)

In addition to the computer hardware and software requirements and costs described in Article 6 (the required HSPMS program), we require you to provide high-speed internet access for all guest rooms and meeting rooms at your hotel in accordance with brand standards. You must purchase and install additional hardware and software to meet this high-speed internet access requirement in addition to the hardware and software for HSPMS. The additional hardware, software, and support must meet HSS’s requirements and specifications. This hardware will be provided by third parties chosen by HWI, installed by HSS or its agents, and maintained by HSS or its agents.

11. A portion of your Monthly Program Fee pays for the standard hardware required for HSPMS (see Article 6). Under the HSPMS program you do not need to purchase the standard Network Authorized Equipment. However if you choose to, you may purchase the hardware required for the HSPMS program from a third party vendor. We are unable to estimate the costs of purchasing the hardware required for the HSPMS program from a third-party vendor because the range of costs would be so wide. If you purchase from a third-party vendor, you still pay HWI or HSS the portion of the Monthly Program Fee, and you must pay HWI for all its reasonable expenses in determining that the equipment conforms to its specifications; configuration costs; installation costs; reasonable travel and other expenses of HWI or HSS employees and vendors who perform installation services; necessary communication vehicles (phone lines, network connections); and installation, rescheduling and cancellation fees for connection to communication vehicles. In 2011, costs for work to ensure that hardware from third party vendors met the technical criteria ranged from $5,000 to $10,000 depending on a franchisee’s location, local connection charges and the number of workstations at the hotel. Computer system fees are not refundable.

Article 11 is amended only for Hotels located in Quebec to change references to “OnQ” to “HSPMS”.

Article 14.1, Purchases through HWI and its Affiliates, is amended only for Hotels located in Quebec to change references to “OnQ” to “HSPMS”.

ARTICLE 29
RECEIPT BY FRANCHISEE

Receipt by Franchisee

Exhibit K is a detachable receipt.
CERTIFICATE OF FRANCHISOR
(ALBERTA)

The information provided in this disclosure document, or in any changes made in respect of this disclosure document,

(a) contains no untrue information of a material fact;
(b) does not omit to state a material fact that is required to be stated; and
(c) does not omit to state a material fact that needs to be stated in order for the information not to be misleading.

DATED at Watford, Hertfordshire, UK, this 10th day of June, 2014.

HILTON WORLDWIDE FRANCHISING LP.
a United Kingdom limited partnership

By: HILTON WORLDWIDE MANAGE LIMITED,
   Its General Partner

By: _____________________________

Name: Mark Way

Title: Director

By: _____________________________

Name: Brian Wilson

Title: Director

(000011-003929 00214391.DOCX, 1) 2014 Canada FDD Certification
CERTIFICATE OF FRANCHISOR
(PRINCE EDWARD ISLAND)

The information provided in this disclosure document, or in any changes made in respect of this disclosure document,

(a) contains no untrue information, representation or statement of a material fact or otherwise;

(b) does not omit a material fact that is required to be contained by the Act and the regulations made under it; and

(c) does not omit a material fact that needs to be contained in order for this Disclosure Document not to be misleading.

DATED at Watford, Hertfordshire, UK, this 10<sup>th</sup> day of June, 2014.

HILTON WORLDWIDE FRANCHISING LP.
a United Kingdom limited partnership

By:  HILTON WORLDWIDE MANAGE LIMITED,
Its General Partner

By:  
Name:  Mark Way
Title:  Director

By:  
Name:  Brian Wilson
Title:  Director
CERTIFICATE OF FRANCHISOR
(ONTARIO)

This disclosure document:

(a) contains no untrue information, representations or statements; and

(b) includes every material fact, financial statement, statement and other information required by the Arthur Wishart Act (Franchise Disclosure), 2000 and the Regulations thereunder.

DATED at Watford, Hertfordshire, UK, this 10th day of June, 2014.

HILTON WORLDWIDE FRANCHISING LP.
a United Kingdom limited partnership

By: HILTON WORLDWIDE MANAGE LIMITED,
Its General Partner

By: ____________________________
Name: Mark Way
Title: Director

By: ____________________________
Name: Brian Wilson
Title: Director
CERTIFICATE OF FRANCHISOR
(MANITOBA)
(Disclosure Document Regulation – The Franchises Act, ss. 2(3) and 2(4))

This Disclosure Document:
(a) contains no untrue information, representation or statement, whether of a material fact or otherwise; and
(b) contains every material fact, document and other information that is required under The Franchises Act and the Franchises Regulation.

DATED at Watford, Hertfordshire, UK, this 10th day of June, 2014.

HILTON WORLDWIDE FRANCHISING LP.
a United Kingdom limited partnership

By: HILTON WORLDWIDE MANAGE LIMITED,
Its General Partner

By: ____________________________
Name: Mark Way
Title: Director

By: ____________________________
Name: Brian Wilson
Title: Director
CERTIFICATE OF FRANCHISOR
(NEW BRUNSWICK)
(Disclosure Document Regulation – Franchises Act, ss. 6, 8(2))

This Disclosure Document of which this Certificate forms part:

(a) contains no untrue information, representation or statement, whether of a material fact or otherwise;

(b) contains all the statements, documents and information required by subsection 5(4) of the Franchises Act;

(c) states, in addition, any material fact required by subsection 5(5) of the Franchises Act.

DATED at Watford, Hertfordshire, UK, this 10TH day of June, 2014.

HILTON WORLDWIDE FRANCHISING LP.
a United Kingdom limited partnership

By: HILTON WORLDWIDE MANAGE LIMITED,
    Its General Partner

By: _______________________

Name: Mark Way

Title: Director

By: _______________________

Name: Brian Wilson

Title: Director
EXHIBIT A
FRANCHISE AGREEMENT

ENTER HOTEL NAME AND PROVINCE HERE
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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, licence, lease, operate, manage and provide various services for the Network. We are authorized to grant licences 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 licence 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.


“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, licenced 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, licences 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).

“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, and all banquet, reception and meeting room rentals, including all restaurants (unless leased from third-party
operators), dining, bar, lounge, spa 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.


“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, by-laws, orders, rules, regulations, permits, licences, 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.

“Licence” 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 loose-leaf 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 copyrights, trademarks, trade dress, logos, insignia, emblems, symbols and designs (whether registered or unregistered), slogans, distinguishing characteristics, business names, domain names and trade names used in the System.

“Monthly Fees” means, collectively, the Monthly Food and Beverage Fee, the Monthly Program Fee and the Monthly Royalty Fee, each of which is set forth in the Addendum.

“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 centres, time-share properties and other operations that Hilton Worldwide and its subsidiaries own, licence, lease, operate or manage now or in the future.

“Network Hotel” means any hotel, inn, conference center, time-share 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 of its 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 the date set out in the Addendum, if applicable, 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.

“Restricted Area Provision” has the meaning set forth in the Addendum. [INCLUDE ONLY IF RESTRICTED AREA PROVISION INCLUDED]
“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.

“Sanctioned Person” means any person or entity (including financial institutions) who is, or is owned or controlled by, or acting on behalf of any of the foregoing: (a) 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.

“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, and assessments of whatsoever nature, including but not limited to goods and services taxes.

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

“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 LICENCE

2.1 Non-Exclusive Licence. We grant to you and you accept a limited, non-exclusive Licence 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, licence 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 or amalgamate 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 licence 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 dealing, breach of contract, breach of any applicable implied covenant or duty of good faith or fair dealing.

[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 licence 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, 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.

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. The Manual shall at all times remain our exclusive property and shall be returned to us promptly on request and, in any event, on termination or expiration of this Agreement. You may not at any time copy, duplicate, record or otherwise reproduce or transcribe the Manual without our prior written consent.

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 honour 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 honour 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 [SELECT FOR CI/WC] luxury [SELECT FOR ES/HFS] upper upscale [SELECT FOR DT/HGI/HW] upscale [SELECT FOR HAM/H2] 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 on or affect in any manner, any gaming licences 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 time-shares, 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 time-share, 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 honour 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, 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 participation syndication or Transfer of any co-ownership 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, licences, permits, equipment, furniture, furnishings and supplies. You are solely responsible for obtaining all necessary licences, 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 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.

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 Revenues and Gross Food and Beverage Revenues were 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 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 revenues between Gross Rooms Revenue and Gross Food and Beverage Revenue, consistent with the Uniform System of Accounts for the Lodging Industry.

8.2.5 In the event of fire or other insured casualty that results in a reduction of Gross Rooms Revenue 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 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.

8.3 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 you 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 Withholdings) 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 will 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 as 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 licences 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 licencee of, with the right to sub-licence) 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.

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, Brand or the System. You will not apply for or obtain any trademark 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, trademarks, trade dress, logos, designs, insignia, emblems, symbols, slogans, distinguishing characteristics, trade names, domain names or other marks or characteristics owned by us or licenced 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 business names, 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 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 and will assign to us any claims you may have related to these matters. Our decisions as to the prosecution, defence or settlement of the dispute will be final. All recoveries made as a result of disputes 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 licence 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 interlocutory 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 issuance of such interim, interlocutory and permanent injunctions. You must pay all costs and expenses, including legal fees) on a substantial indemnity or solicitor and its own client basis), 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.

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 an independent chartered 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 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, licence 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.

12.0 NOTICE OF INTENT TO MARKET

Except in the case of a Transfer governed by Subsection 13.2.1 or 13.2.2 of this Agreement, if you or a Controlling Affiliate wants 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 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 Privately Held Equity Interests: Less than 25% Change/No Change of Control. An 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.

13.2.1.2 Publicly Traded Equity Interests. A Publicly Traded Equity Interest may be Transferred.

13.2.1.3 Passive Investors. [IF APPLICABLE TO FRANCHISEE ENTITY] 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.

13.2.2 Permitted Transfers That Require Notice and 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. If a Permitted Transfer listed in Subsection 13.2.2 otherwise qualifies as a Permitted Transfer without notice or consent under Subsection 13.2.1, the provisions of Subsection 13.2.1 will control.

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/No Change of Control. 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 your 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 execute our then-current form of voluntary termination agreement, which may include a general release, covering termination of this Agreement;

13.2.3.5 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;

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

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

13.2.4 Public Offering or Private Placement.

13.2.4.1 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.

13.2.4.2 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 legal 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.

13.2.4.3 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.

13.2.4.4 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, projections or other financial information contained in any prospectus, offering memorandum or similar written or oral communication.

13.2.4.5 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.

13.2.5 Mortgages and Pledges to Lending Institutions.

13.2.5.1 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.

13.2.5.2 You must notify us, in writing, before incurring other proposed indebtedness that involves a mortgage or pledge of the Hotel or an Equity Interest, or a collateral
assignment of this Agreement, so that we can evaluate the structure to determine whether any special agreements and/or assurances from the lender, the Franchisee and/or its Equity Owners will be required including a “lender comfort letter” or a loan related guaranty, in a form satisfactory to us. We may charge a fee for our review of a proposed mortgage or pledge and for the processing of a lender comfort letter.

13.2.6 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 severally as they become due;

14.2.4 you (a) make or are deemed to make a general assignment for the benefit of creditors under the Bankruptcy and Insolvency Act or if a petition is filed against you; or (b) are declared or adjudicated bankrupt, or if an application is made against you or any of your creditors under the Companies’ Creditors Arrangement Act, or if a liquidator, trustee in bankruptcy, custodian, receiver, receiver and manager, moderator or any other officer with similar powers is appointed of or for you or any of your creditors; or (c) commit any act of bankruptcy or insolvency or institute proceedings to be adjudged bankrupt or insolvent or consent to the institution of such appointment or proceedings;

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, 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 an indictable offense 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 licences 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, licence, 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 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, and 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/ES/HFS/CI/WAC] two (2) [SELECT FOR HGI/H2/HW] five (5) [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 either to a (i) Competitor or (ii) 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.

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 legal fees (on a substantial indemnity or solicitor and its own client basis), 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 any patent, Mark, industrial design or copyright 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 or we may elect to assume (but under no circumstance will we be obligated to undertake) the defence 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 legal fees (on a substantial indemnity or solicitor and its own client basis), 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. This Agreement shall be governed by and construed in accordance with the laws of the province in which the Hotel is located and the laws of Canada applicable therein.

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 Licence) 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 defence 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 Maple Court, Central Park, Reeds Crescent, Watford, Hertfordshire, UK WD24 4QQ, Attention: Legal Department. 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 by overnight commercial delivery service, overnight United States Mail or overnight Canadian Post; or 3) three (3) days after placement in the United States mail or Canadian Post 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 Defence. Neither general economic downturn or conditions nor your own financial inability to perform the terms of this Agreement will be a defence 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 jurisdiction in which you are organized, and are and will be authorized to do business in the jurisdiction 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 United States, 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;
17.13.6 except as otherwise disclosed in writing to us, neither you, nor any of your direct or indirect shareholders (including legal or beneficial shareholders), officers, directors, employees, agents or other Persons designated by you to act on your behalf or receive any benefit under this Agreement, is a Government Official. Furthermore, no Government Official has or will have any existing or inchoate legal or beneficial interest in this Agreement or any payments to be made under this Agreement. You will shall notify us immediately in writing in the event of a change in the Government Official status of any such Persons;

17.13.7 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;

17.13.8 you will make reasonable efforts to assure that your respective appointed agents in relation to this Agreement comply in all material respects with the representations, warranties, and covenants described in this Subsection 17.13; and

17.1.2 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.

17.14 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 legal and expert fees, 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, licence, 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. All references to money amounts in this Agreement, unless otherwise specified, shall be in U.S. dollars. Furthermore, all amounts payable hereunder will be paid in U.S. dollars, or such other currency as we direct.

17.19 Not Withhold Payment. You agree that you shall not on the grounds of the alleged non-performance by us of any of our obligations under this Agreement or under any other agreement between us, withhold payment of any amounts due to us or any of our affiliates.

17.20 Quebec Rider. The parties hereto confirm that it is their wish that this Agreement, as well as all other documents relating hereto, including all notices, have been and shall be drawn up in the
English language only. Les parties aux présentes confirment leur volonté que cette convention, de même que tous les documents, y compris tout avis, qui s'y rattachent, soient rédigés en langue anglaise.

17.21 Privacy. You expressly permit us to disclose in our disclosure document (whether required by law or made available on a voluntary basis) and other documents required by law, personal information related to you and the Hotel, including your name, any address, telephone number and facsimile number, and sales, revenues, expenses, costs, results of operations, and similar information regarding the Hotel, and any information regarding the non-renewal, closure, expiry or termination of this Agreement. Any such disclosure shall be for the purpose of soliciting prospective franchisees.

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.
EXHIBIT A

ADDENDUM TO FRANCHISE AGREEMENT

Effective Date:

Facility Number:

Franchisor Name: Hilton Worldwide Franchising LP

Brand:

Initial Approved Hotel Name (Trade Name):

Principal Mark in Brand:

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

Address of Hotel:

Initial Number of Approved Guest Rooms:

Plans Submission Dates:

  Preliminary Plans: Due four (4) months from the Effective Date
  Design Development (50%) Plans and Specifications: Due eight (8) months from the Effective Date
  Final (100%) Plans and Specifications: Due twelve (12) months from the Effective Date

Construction Commencement Date: Fifteen (15)/Sixteen (16) months from the Effective Date

Construction Work Completion Date: Twenty-seven (27)/Thirty (30)/Thirty-six (36) months from the Effective Date

Renovation Commencement Date:

Renovation Work Completion Date:

Expiration Date:

Monthly Fees:

  Monthly Program Fee:

  Monthly Food and Beverage Fee: Only for Conrad/Hilton/Waldorf

  Monthly Royalty 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__ [NOTE: DATE SHOULD BE CONSTRUCTION OR RENOVATION WORK COMPLETION DEADLINE DATE PLUS # OF YEARS IN THE RESTRICTIVE PERIOD]] (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 Restrictive 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, licence, 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 Licence 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 Licence 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 Licence Agreement, you acknowledge and agree that you are directly responsible, jointly and severally, for all such obligations under the Original Licence Agreement existing at or accruing after the execution of this Agreement.

**FOR COO OR RE-LICENSING IF HOTEL IS ALREADY OPERATING UNDER THE BRAND:**

All references in this Agreement to the "Opening Date" will mean the "Effective Date."

**FOR CHANGE OF OWNERSHIP TRANSACTIONS ONLY:**

**Obligations of Prior 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 prior 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

Ownership Structure of Affiliate Fee Owner or Lessor/Sublessor of the Hotel or Hotel Site:
ADDED IF FRANCHISEE’S AFFILIATE IS THE FEE TITLE OWNER, LESSOR OR SUBLESSOR OF THE HOTEL OR THE 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 [jurisdiction] [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: ______________________________
Executed on: ________________________

SCHEDULE 1

Your Ownership Structure:

<table>
<thead>
<tr>
<th>Name (Shareholder, Partner, Member and Manager)</th>
<th>Nature of Ownership Interest</th>
<th>% Interest</th>
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SCHEDULE 2

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

<table>
<thead>
<tr>
<th>Name (Shareholder, Partner, Member and Manager)</th>
<th>Nature of Ownership Interest</th>
<th>% Interest</th>
</tr>
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[INSERT PIP OR OTHER ADDITIONAL TEXT HERE]
EXHIBIT A-1
DEVELOPMENT INCENTIVE NOTE

$_________________  WATFORD, HERTFORDSHIRE, UK  Date: ____________________

FOR VALUE RECEIVED, [INSERT NAME] ("Maker") promises to pay to the order of HILTON WORLDWIDE FRANCHISING LP ("Holder"), the principal sum of [INSERT AMOUNT] ($______________) which amount shall bear no interest unless Maker defaults or this Note is accelerated.

This Note is issued pursuant to the Franchise Agreement between Holder and Maker for the operation of a [INSERT BRAND] hotel to be located at [INSERT ADDRESS] ("Hotel"). All capitalized terms not defined in this Note shall have the same meaning as in the Franchise Agreement.

The principal amount of this Note will be disbursed by Holder to Maker, and Maker will become subject to the obligation to repay or discharge this Note, when and if Maker opens the Hotel in accordance with the Franchise Agreement. If the Franchise Agreement terminates before the Hotel opens and Holder does not disburse the principal amount of this Note to Maker, then this Note will be deemed discharged and neither party will have any further obligation to the other under this instrument. On each anniversary of the Hotel's Opening Date, one-twentieth (1/20th) of the original principal amount will be forgiven without payment. Maker's obligation to repay the principal of this Note will cease and this Note will be canceled and discharged when and if the principal is completely forgiven.

The outstanding principal balance of this Note shall be payable in lawful money of the United States of America at Maples Court, Central Park, Reeds Crescent, Watford, Hertfordshire WD24 4QQ UK, or at such other place as Holder may periodically direct by written notice to Maker, if: (1) a Termination of the Franchise Agreement occurs for any reason; or (2) a Transfer occurs and the transferee does not assume Maker's obligation under this Note in a writing acceptable to Holder before the closing of the Transfer. If a Termination or Transfer occurs, the outstanding, unamortized principal balance of this Note shall be immediately due and payable without further notice, demand or presentment. If this Note is accelerated and is not paid within ten (10) days after it is due, the outstanding principal balance shall bear simple interest at a rate equal to the lesser of eighteen percent (18%) per annum or the highest rate allowed by applicable law from its due date until paid. Any payments shall be first applied to any accrued interest and then to principal. Maker has the right to prepay this Note, in whole or in part, at any time, without premium or penalty. Prepayments of principal will be applied without notation on this Note. Maker’s obligation to pay this Note shall be absolute and unconditional, and all payments shall be made without setoff, deduction, offset, recoupment or counterclaim.

If this Note is collected by or through an attorney at law, the Holder shall be entitled to collect reasonable attorney’s fees and all costs of collection, which shall be added to the amount due and payable to Holder under this Note. This Note is issued in and shall be governed by and construed in accordance with the laws of the Province in which the Hotel is located and the laws of Canada applicable therein. Each maker, endorser, guarantor or accommodation party liable for this Note waives presentment, demand, notice of demand, protest, notice of non-payment, notice of protest, notice of dishonor and diligence in collection. Holder reserves the right to modify the terms of this instrument, grant extensions, renewals, releases, discharges, compositions and compromises with any party liable on this Note, with or without notice to or the consent of, and without discharging or affecting the obligations of any other party liable under this instrument. The terms “Holder” and “Maker” shall be deemed to include their respective heirs, successors, legal representatives and assigns, whether by voluntary action of the parties or by operation of law. All references to “Maker” shall mean and include the named Maker and all co-makers, guarantors, sureties and accommodation parties signing or endorsing this Note.

IN WITNESS WHEREOF, the undersigned have executed this instrument effective on the date indicated above.

Maker        Witness

________________________________________  _____________________________

Co-Maker        Witness

________________________________________  _____________________________

{000011-999987 00214693.DOCX; 1}  2014 CANADA DEVELOPMENT INCENTIVE NOTE
EXHIBIT B
Canada

HILTON SYSTEMS SOLUTIONS, LLC
HILTON INFORMATION TECHNOLOGY SYSTEM AGREEMENT

Address For Notices to Customer
Customer Name:%LegalEntity%
Attention:%PrimaryContactName%
Address:%PrimaryContactAddress1%
%PrimaryContactAddress2%
%PrimaryContactCity%, %PrimaryContactState% %PrimaryContactZip%

Address Of Customer’s Site
Site Name:%PropertyName%
Attention:%GMName%
Address:%PropertyAddress1%
%PropertyAddress2%, %GMSuite%
%PropertyCity%, %PropertyState% %PropertyZip%

Address For Notices to Hilton Systems Solutions, LLC
Division: %BrandCodeDesc%
Attention: Dir. OnQ® Deployment Planning – Randy Kanaya
Address 755 Crossover Lane
Memphis, TN 38117

On the terms and conditions set forth herein, Hilton Systems Solutions, LLC, a Delaware limited liability company (“HSS”) and %LegalEntity% (the “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” or the “HITS 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 certain equipment (“Authorized Equipment”) as described herein that is leased, licensed or purchased by Customer for the operation of HSS’s OnQ® technology. Such software and equipment needed for the operation of HSS’s OnQ® technology are collectively referred to herein as the “Information System”. The Customer agrees that such licenses or sublicenses of software and any such equipment transferred to Customer is subject to the terms and conditions of the Agreement and the additional terms, conditions, and additional programs contained in the schedules (the “Schedules”) attached hereto:

Schedule A: Information System Software Licensed / Services Provided
Schedule B: System Cost and Payment Terms
Schedule C: Software Maintenance / Cost and Payment Terms
Schedule D: Authorized Equipment Description / Purchase Terms and Conditions
Schedule E: Authorized Equipment Maintenance / Cost and Payment Terms
Schedule F: Microsoft Participation Agreement
Schedule G: Certified Third Party Software / Additional Terms and Conditions
Schedule H: Subsequent Purchase of Additional Equipment, Software and Services
Schedule I: Joinder to Preferred Retailer
Schedule J: Intentionally Omitted
Schedule K: Joinder to Preferred Services Provider
Schedule L: Total Solution Program Agreement
Schedule M: Hilton Brand Fee Based Pricing Program Agreement – .75%
Schedule N: Hilton Brand Fee Based Pricing Program Agreement – 1%
Schedule O: Hilton Brand Fee Based Pricing Program Agreement – REIT Hotel
Schedule P: Doubletree Authorized Equipment Refresh
Schedule Q: Hilton Garden Inn Refresh Program Agreement
Schedule R: Intentionally Omitted
Schedule S: Intentionally Omitted
Schedule T: Intentionally Omitted
Schedule U: Intentionally Omitted
Schedule V: Conrad or Waldorf Astoria Hotel Fee Based Pricing Program Agreement – .75%
Schedule W: Conrad or Waldorf Astoria Hotel Fee Based Pricing Program Agreement – .45%

For the purposes of this Agreement, the “Authorized Equipment” shall mean any equipment listed on Schedule D.
Effective Date: The effective date ("Effective Date") shall be the date signed by HSS.

CUSTOMER: %LegalEntity%

By: %HotelApproverSignature% By: %HiltonApproverSignature%

Print Name: %HotelApproverName% Print Name: Randy Kanaya

Title: %HotelApproverTitle% Title: Director – OnQ™ Deployment Planning

Date: %HotelApprovedDate% Date: %HiltonApprovedDate%
TERMS AND CONDITIONS

1. System Cost. The System Cost (the “System Cost”) includes the proprietary software licensed from HSS (the “Proprietary Software”) and the license or sublicense (“license”) of certain third party software tested to work on the Information System with Authorized Equipment and installed by HSS’s Preferred Services Provider (the “Certified Third Party Software”), any related fees for equipment and software installation and any training services to be provided. 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 all software provided by HSS hereunder, all transportation, handling, rigging and insurance charges from the shipping point to destination shall be borne by Customer. 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 purchase agreement or a master software license agreement (the “Master Agreements”) and provide certain purchase opportunities for Customer to purchase Authorized Equipment from a preferred retailer (the “Preferred Retailer”), to lease Authorized Equipment from a preferred lessor (the “Preferred Lessor”), to engage providers of computer software and systems services, such as site survey, implementation, installation and maintenance support (the “Preferred Services Provider” or “PSP”) or to license software pursuant to the terms of the Master Agreements, Customer may be required to execute a joinder to these Master Agreements (Schedules I and K) and in such event Customer shall have direct privity of contract with such vendor, shall be bound by the terms thereof as they apply to Customer and its purchases, leases or licenses thereunder, and Customer shall be directly and solely responsible for such purchases, leases and licenses.

HSS DOES NOT MAKE ANY REPRESENTATIONS OR WARRANTIES IN REGARD TO THE PREFERRED RETAILERS, THE PREFERRED LESSORS OR THE PREFERRED SERVICES PROVIDERS, 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, OR INSTALLED, ANY SERVICES PERFORMED, ANY USE OF ANY SOFTWARE, OR ANY SOFTWARE LICENSED OR SUBLICENSED PURSUANT THERETO.

3. Customer Cooperation. Customer shall provide HSS and its affiliates, subsidiaries and third party vendors with such cooperation relating to HSS’s performance of its obligations under this Agreement as HSS 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 U.S. 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 U. S. 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.

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 the applicable subsidiary of Hilton Worldwide, Inc. (“HWI”) 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 subsidiaries pursuant to the terms of a written management agreement (the “Management Agreement”) between Customer and HWI or any of HWI’s subsidiaries. The License Agreement and the Management 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.” 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 pay all or any portion of any amounts due and payable hereunder or shall breach 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.

(c) Upon any termination of this Agreement, Customer shall immediately cease all use of the Information System and promptly return any and all copies of Proprietary Software, Certified Third Party Software and any related documentation to HSS. Within five (5) business days following such termination, an officer of Customer shall certify in writing to HSS that all such copies and documentation have been returned to HSS. In the event of a termination before the expiration of twelve (12) full calendar months, Customer shall pay HSS’s 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 this 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 Information System available to Customer and/or suspend any one or more of the services provided or supported under this Agreement, or any Schedule hereto.

(ii) Charge Customer for the cost relating to any equipment, equipment maintenance, software, software maintenance, information technology, network and/or other services which were previously provided under this Agreement to Customer 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; and charge Customer for any equipment, equipment maintenance, 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’s 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 or abandonment 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’s satisfaction the subject default, then HSS may either elect to terminate this Agreement despite Customer’s untimely cure, or, at HSS’s 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.


(a) All Authorized Equipment and Certified Third Party Software to be purchased, leased, or sublicensed is contingent upon availability, and the price is subject to change by the manufacturer, the licensor or the Preferred Retailer.

(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 the Agreement, all fees, costs, charges and any other amounts payable by Customer to HSS or to any Preferred Retailer, Preferred Lessor or Preferred Services Provider pursuant to the terms of this Agreement shall be exclusive of any and all withholding, sales, use, property, excise, gross receipts, consumption, GST, QST, 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, the license of Proprietary Software or Certified Third Party Software, or the provision of 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 Preferred Retailer, Preferred Lessor or Preferred Services Provider under this Agreement, Customer shall, together with such payment, pay such additional amount as will ensure that HSS or any of such other 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 HSS or any such other entities would otherwise have received if no such Taxes or other deductions or withholdings had been required. HSS or the appropriate Preferred Retailer, Preferred Lessor or Preferred Services Provider may, where appropriate, provide an invoice to Customer for Taxes, deductions or withholdings that were deducted or withheld from any payment made to HSS or any other entities 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, or at such other address that HSS may designate to Customer.

(d) Unless otherwise specified by HSS in writing, Customer shall make all payments in United States dollars to HSS or any other entity designated by HSS.

7. Precedence. The terms and conditions of Customer’s use of the Information System shall be governed exclusively by this Agreement, notwithstanding the terms of any product order that may be submitted by Customer to HSS. In the event of any inconsistency between this Agreement and any product order or similar document submitted by or on behalf of Customer to HSS, or in the event of any additional terms contained in any such product order or similar document submitted by or on behalf of Customer to HSS, 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 govern.

8. Software. HSS shall provide Customer with copies of certain Proprietary Software listed on Schedule A attached hereto and, in HSS’s sole discretion, license certain Certified Third Party Software described in this Agreement (collectively, the “Software”) and install the Software on the Authorized Equipment described in Schedule D. Installation shall be deemed complete upon certification by the installer that the Software has been properly installed. With respect to the Certified Third Party Software licensed hereunder, Customer’s rights shall be governed by any terms and conditions attached to or specified on Schedule G and by any such third party software vendor’s standard license agreement.

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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 Microsoft software, Customer’s license shall also be governed by the Microsoft Participation Agreement attached hereto as Schedule F. With respect to the Proprietary Software licensed hereunder to Customer and with respect to any Certified Third Party Software licensed hereunder, for which there is no standard or separate third party vendor software license agreement attached to or specified herein, the terms of Customer’s software license (the “Software License”) shall be as follows:

(a) The Software License shall be personal, non-exclusive and non-transferable.

(b) The Proprietary Software and the Certified Third Party 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 of Certified Third Party Software which may be maintained by Customer solely for archival back-up purposes, Customer shall not reproduce the Proprietary Software, the Certified Third Party Software or any related documentation. Customer shall not reverse assemble, reverse compile or otherwise attempt to reverse engineer any of the Proprietary Software or any of the Certified Third Party Software.

(c) Customer shall not permit any of the Proprietary Software or Certified Third Party Software to be accessed by or used on any equipment other than the Authorized Equipment.

(d) Recognizing the confidential and proprietary nature of the Proprietary Software and the Certified Third Party Software, Customer agrees to maintain such software in confidence and not to disclose any of such software or related documentation to any third party nor permit such software and related documentation to be used or accessed by anyone other than Customer’s employees. Customer shall not be provided machine readable object code or source code.

(e) No legal or equitable title to or ownership of any of the Proprietary Software or any of the Certified Third Party 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 the Software License granted to Customer with respect to any of the Proprietary Software or the Certified Third Party Software shall be three (3) years from the Effective Date of this Agreement. Thereafter, this Software License shall be automatically extended by HSS for additional three (3) year terms, unless HSS notifies Customer to the contrary.

9. No Warranties/Limited Warranties.

(a) HSS MAKES NO WARRANTIES AS TO ANY CERTIFIED THIRD PARTY SOFTWARE, ANY AUTHORIZED EQUIPMENT OR TO ANY SERVICES PROVIDED BY THE PREFERRED SERVICES PROVIDERS. THE SOLE WARRANTIES PROVIDED TO CUSTOMER, IF ANY, WITH RESPECT TO THE CERTIFIED THIRD PARTY SOFTWARE, AUTHORIZED EQUIPMENT OR SERVICES PROVIDED BY THE PREFERRED SERVICES PROVIDERS ARE PROVIDED BY THE APPLICABLE THIRD PARTY VENDOR 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 A THIRD PARTY VENDOR, 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 CORRECT 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’s 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’s 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 STANDARD HSS PROCEDURES; (vi) FORCES OR SUPPLIES EXTERNAL TO THE 
INFORMATION SYSTEM, 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 CORRECTIONS PERFORMED BY HSS FOR ANY SUCH ERRORS, 
DIFFiculties, OR DEFECTS SHALL BE FIXED, IN HSS's SOLE DISCRETION, AT HSS's THEN CURRENT 
TIME AND MATERIAL CHARGES. 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, HSS DISCLAIMS ALL EXPRESS OR 
IMPLIED WARRANTIES WITH RESPECT TO THE INFORMATION SYSTEM, 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 CORRECTED, 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 Software.

11. Infringement Claims.

(a) HSS shall not 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 Proprietary Software or the Certified Third Party Software, 
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, 
HSS shall have no 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 the Information System beyond the scope 
permitted under this Agreement.

(b) Pursuant to Title 17, United States Code, Section 512(c)(2), 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: Barbara L. Arnold
Full Address of Designated Agent to Which Notification Should be Sent:
Hilton Worldwide, Inc., Legal Department, 755 Crossover Lane, Memphis, Tennessee 38117
Telephone Number of Designated Agent: (901) 374-5099
Email Address of Designated Agent: Barbara.Arnold@Hilton.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 HSS 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’s 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): 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. 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. The Released Parties, as defined in Section 16, 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 any 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 Released Parties 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 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. Estoppel and Release. Customer hereby (i) certifies to HSS and its subsidiaries and affiliates that this Agreement, the Master Agreements and all other agreements relating to Customer's Site listed on page 1, (collectively, the "Agreements") are each in full force and effect, and no default, claim, breach, offset, defense to full and strict enforcement, waiver or estoppel (collectively, a "Claim"), or condition that could with the passage of time, giving of notice or otherwise become a Claim, currently exists or has existed against HSS or its subsidiaries or affiliates under the Agreements; (ii) fully and forever releases, discharges, and agrees to indemnify, defend, and hold harmless HSS and its 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 (collectively, the "Released Parties"), from any and all Claims, demands, liens, actions, suits, causes of action, obligations, controversies, debts, costs, attorneys' fees, expenses, damages, judgments, orders, and liabilities of whatever kind or nature in law, equity, or otherwise, whether now known or suspected which have existed or may have existed, or which do exist or which hereafter can, shall or may exist, based on any facts, events, or omissions occurring from any time on or prior to the execution of this Agreement which arise out of, concern, pertain, or relate in any way to the Agreements (the "Released Claims"). Customer acknowledges that there is a possibility that subsequent to the execution of this Agreement, Customer will discover facts or incur or suffer claims which were unknown or unsuspected at the time this Agreement was executed, and which if known by Customer at that time may have materially affected Customer's decision to execute this Agreement. Customer hereby acknowledges and agrees that by reason of this Agreement and the release contained in this Agreement, it is assuming any risk of such unknown facts and such unknown and unsuspected claims. Customer has been advised of the existence of Section 1542 of the California Civil Code ("Section 1542"), which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

Notwithstanding such provision, this release shall constitute a full release in accordance with its terms. Customer knowingly and voluntarily waives the provisions of Section 1542, as well as any other statute, law, or rule of similar effect (or in any state having similar statutes governing releases). In connection with such waiver and relinquishment, Customer hereby acknowledges it is aware that it may hereafter discover claims presently unknown or unsuspected, or facts in addition to or different from those which it now knows or believes to be true with respect to the matters released herein. Nevertheless, it is the intention of Customer, through this Agreement, and with the advice of its counsel, to fully and finally settle and release all such matters, and all claims relative thereto, which do now exist, may exist or have existed between and among the parties hereto. Customer hereby acknowledges that it has been advised by its legal counsel and
understands and acknowledges the significance and consequences of this release and of this specific waiver of Section 1542 and other such laws.

17. **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 HMS, HPMS1, HPMS2, System 21® and Hilton Information Technology System Agreements. Nothing in this Section 17 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.

18. **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.

19. **Force Majeure.** Neither HSS, the Preferred Retailer, the Preferred Lessor nor the Preferred Services Provider 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.

20. **Severability.** 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. 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.

21. **No Joint Venture.** Nothing contained herein shall be deemed or construed as creating a joint venture or partnership between HSS and Customer. Neither party is, by virtue of this Agreement, authorized as an agent or legal representative of the other.

22. **Assignment.** This Agreement shall be binding upon and inure to the benefit of the parties’ respective successors and assigns permitted hereunder. 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’s 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’s prior written consent, which consent may be withheld in the sole and absolute exercise of HSS’s discretion.

23. **Counterparts.** This Agreement may be executed in one or more counterparts each of which shall constitute one and the same instrument.

24. **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 State of New York,
except for Section 16 which shall be governed by California Law. This Agreement will be enforced in accordance with the following:

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 exclusively 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. Each party: (i) waives any objection which it may have that such court is not a convenient forum for any such adjudication; (ii) agrees and consents to the personal jurisdiction of such court; and (iii) agrees that process issued out of such court or in accordance with the rules of practice of such court shall be properly served if served personally or served by certified mail or other form of substituted service as provided under the rules of practice of such court.

The parties hereto acknowledge and agree that any party’s remedy at law for any breach or threatened breach of this Agreement which relates to requiring that the breaching party 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 party. 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 party 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 party.

Should venue be rejected by the U.S. District Court for the Eastern District of Virginia, in Alexandria, Virginia or a court of competent jurisdiction in Fairfax County, Virginia, 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 submitted to and resolved exclusively by a court of competent jurisdiction located in the City and State of New York, New York. Customer agrees and consents to such personal jurisdiction and venue in this substitute jurisdiction and waives and agrees never to assert, move or otherwise claim that this substitute venue is 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. 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 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.

25. 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.

26. No Reproduction. Customer acknowledges that the Proprietary Software (excluding any third party software used in operating the Information System) comprising the Information 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 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. This prohibition against reproduction also applies to the duplication and/or transmission of any related materials supplied by HSS.

27. 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 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, including any other Hilton hotel (other than a Hilton 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 Proprietary Software and the Certified Third Party 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’s and/or its affiliates’ and subsidiaries’ proprietary and confidential information. All revenues related thereto will be HSS’s and/or its affiliates’ and subsidiaries’ property. However, Customer may at any time during or after the term of this Agreement use to the extent lawful, and at its sole risk and responsibility, any information that Customer acquires from third parties in operating Customer’s Site, such as guest data. The information will become HSS’s and/or its affiliates’ and subsidiaries’ confidential and proprietary information which HSS and/or its affiliates and subsidiaries may use for any reason as it deems necessary or appropriate, in its sole discretion. Customer agrees not to provide or otherwise make available any of the information to any person or entity other than Customer's employees at Customer’s Site.

28. **Surviving Obligations.** All representations, promises, warranties, and obligations of 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 Item:

Proprietary Software

OnQ® Interface Software:
- %Sys21InterfaceSW%
Call Accounting
- %CallAccounting%
PBX
- %PBX%
Voice Messaging
- %VoiceMail%
Point Of Sale
- %POS%
Movie Only Billing
- %MovieSystem%
TV Services (Express Checkout, Movies, etc.)
- %VideoCheckOut%
Mini-Bar Posting
- %MiniBarPosting%
Credit Card Authorization & Settlement
- %CreditCard%
Guest Internet Access
- %INetCallAccounting%
PPIC
- %PPIC%
Electronic Key
- %ElectronicKey%
Energy Management
- %EnergyMgmt%

“X” – Denotes requested interfaces

Documentation Item:

Implementation
- Site Survey Recap
- OnQ® Proposal
- OnQ® Implementation Guide
- OnQ® Installation Guide

Training Manuals
- Pre-Conversion Training Material
- Proprietary Software CBT
- Proprietary Software On-line Coach

Training Item:

As described below, Customer’s personnel must demonstrate an acceptable level of proficiency in the operation of the Information System before Customer will be permitted to implement or use the Information System. 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 subject to change by HSS from time to time as set forth in the License Agreement and such Manuals.

Information System Planning Workshop

In order to assist Customer with acquiring necessary planning information regarding implementation of the Information System, HSS periodically conducts implementation training either by telephone or during sessions conducted in Memphis. This implementation training is designed to equip the Hotel’s personnel with the skills necessary to operate, train employees and plan for implementation of the Information System. Customer’s general manager (or HSS approved designee) is required to participate in this training along with other management staff (designated by HSS) to begin execution of the plan for implementation of the Information System.
Hotel Employee Training

The Information System currently contains a complete self-paced computer based training ("CBT") function which each employee of the Hotel will use to become proficient in the Information System’s functionality. The management of the Hotel is responsible for ensuring that all employees who have responsibilities related to the front desk will be certified in the appropriate CBT modules prior to the implementation of the Information System, or within ten (10) days of employment, as the case may be.

Proficiency to be Demonstrated

Customer’s General Manager (“GM”) shall be certified in the Information System’s operations procedures, or a new GM shall become certified within sixty (60) days of assuming the general manager’s position, as the case may be. All Hotel staff must successfully complete certification training as a prerequisite to receiving permission from HSS’s installation team to complete the implementation of the Information System. A minimum passing score for the General Manager or General Manager designee (for hotels over 300 rooms) is eighty percent (80%) with eighty percent (80%) for the combined average of the management team and eighty percent (80%) for the combined average of the team members who are principal users of the Information System.

Installation Services Item:

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 the 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. At the present time, HSS has entered into an agreement in such capacity to use the Preferred Retailer, Preferred Lessor and/or the Preferred Services Provider whose joiner(s) is (are) attached to the Agreement and made a part hereof.

Implementation:

As set forth in this Schedule A below, HSS (or its designee) will 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 will provide the services (the “On-Site Services”) of Systems Implementation consultants. The number of consultants is to be determined by HSS based upon size and type of the Hotel. The number of consultants on-site at the Hotel and the person-days on-site for these consultants are listed on Schedule B – Cost of the Installation Services. The number of days will 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.

Installation

Whether Customer elects to purchase the Authorized Equipment listed on Schedule D from the Preferred Retailer or lease such Authorized Equipment from the Preferred Lessor, HSS (or its designee as the case may be) will coordinate the installation of such Authorized Equipment at the Hotel.

(i) Customer or HSS, in HSS’s discretion, will obtain and maintain throughout the term hereof, at Customer’s cost, the necessary communication vehicles (e.g., two dedicated telephone lines, one for direct communication between HSS and the Hotel for the purpose of dialing up Customer’s Authorized Equipment to diagnose Information System problems and the other to diagnose wide area network trouble), together with such other equipment as is reasonably necessary for the operation of the Authorized Equipment, including without limitation, network access including wide area network connections to the Central Reservation System and Internet via frame relay and/or dial-up connections, routers, and CSU/DSU equipment. Customer shall maintain for the term of this Agreement, at Customer’s cost, all necessary communication links, including a modem and dial-up telephone line and a facsimile machine or other electronic communications capability mutually acceptable to Customer and HSS.

(ii) Customer shall make available, at its own expense, prior to the agreed upon installation date a location that, in HSS’s opinion, is suitable for installation of such Authorized Equipment. Customer shall furnish any electrical connections and dedicated phone lines which may be required by HSS and shall perform and pay for all work, including alterations, which in the sole discretion of HSS is necessary to prepare the Hotel for the installation and proper operation of the Authorized Equipment.

(iii) Any delay in shipment and installation of such Authorized Equipment or Certified Third Party Software, including delays by communications vendors, Preferred Retailers, Preferred Lessors, Preferred Services Providers or any other retailers or lessors, will, for the duration of such delay, excuse any failure of HSS to install the Authorized Equipment on or before the agreed upon installation date. However, HSS shall use commercially reasonable efforts to require such approved vendors to comply with their service level agreements as to installation and shipment timing for Customer’s installation, in accordance with such approved vendor agreements.

(iv) If Customer elects to purchase such Authorized Equipment from another retailer or lessor, it shall be installed at the Hotel on a date mutually agreed to by HSS and Customer following HSS’s (or its designee’s) determination that it conforms to HSS’s specifications and testing procedures and can be configured with the Software.

Software Installation

If Customer purchases the Authorized Equipment listed on Schedule D from HSS or the Preferred Retailer, the Preferred Retailer or HSS will install the Software and any related software as described in this Agreement on the Authorized Equipment and HSS (or its designees) will complete the installation at the Hotel, as applicable, on the agreed upon installation date. If Customer does not purchase such Authorized Equipment from the Preferred Retailer, HSS or its designee will install the Software and any related software at such time as HSS designates in writing to Customer. The Software may be installed in phases such that one or more Software Modules may be installed and/or operational prior to other Software Modules. The Software Modules to be installed shall be as set out above and in this Agreement, and Customer hereby agrees to permit the Preferred Retailer or HSS (or their designees) to install any and all other Software Modules on the Authorized Equipment in or at the Hotel, as provided for herein.

If Customer purchases such Authorized Equipment from a retailer other than the Preferred Retailer, Customer shall pay for configuring the Authorized Equipment purchased from such retailer, with the Software. The additional cost for such configuration shall be as shown on Schedule B. Customer shall also be responsible for shipping and shipping related costs to and from HSS or its designee for such configuration.
Cost of On-Site Services/Travel Expenses

The cost of all On-Site Services (including the cost of the Systems Implementation Consultants) are shown on Schedule B. In addition to paying the cost of all On-Site Services, Customer shall reimburse HSS for any travel expenses incurred by HSS (or its designee), including without limitation, those shown on Schedule B.

Third Party Interface Testing and Connectivity

If Customer requires the implementation of any OnQ® Interface software for connectivity to third party systems, Customer shall be responsible for any fees assessed by the third party vendors to test and implement the necessary connectivity. In addition, Customer will be required to make arrangements with any such third 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 third party vendor can perform all necessary tasks (as defined by HSS) through a remote connection to the Customer’s third party system.
Cost of the Software License Fees

Customer shall pay HSS, Preferred Retailer, Preferred Services Provider or another retailer approved by HSS, a fee for the license of each copy of the Proprietary Software and the Certified Third Party Software, licensed to Customer by third parties or installed on the Authorized Equipment listed on Schedule D at the Hotel (the “License Fee”). The License Fee may be prorated to reflect the installation of some, but not all of the Proprietary Software Modules; however, Customer agrees to pay for the License Fees according to the schedule set forth below.

Proprietary OnQ® Software License $%System21SWFee%
Proprietary OnQ® Interface Software Licenses $%System21LicenseFee%
OnQ® Virus and CAL Licenses $%System21VirusSW%

If additional Hotel guest rooms (or suites) are added or constructed by Customer for Customer's Hotel at any time after the Effective Date of the Agreement, Customer will pay the cost of additional License Fees based upon the increase in such rooms. Currently, the cost of the License Fees per additional room is $120.00.

Cost of the Authorized Equipment, Certified Third Party Software and Other Fees

The cost of the Authorized Equipment, Certified Third Party Software and other fees are shown below. The costs will be invoiced to Customer by HSS or by the Preferred Retailer.

Authorized Equipment (as described in Schedule D) and Certified Third Party Software (as listed in Schedule D and described in Schedule G, as applicable) $%System21HWFee%
Standard Upgrade Fee $%StandardUpgradeFee%
Standard Plus Software License Fees $%StandardPlusSoftwareFee%

*Note: The cost to configure equipment obtained by Customer from a non-preferred retailer, to be included here, when applicable.

Cost of Training and Training Manual

The cost of the Training is shown below. This cost will be invoiced to Customer by HSS or the Preferred Services Provider at the same time as it renders its invoice to Customer for the License Fees. Additional costs for training replacement general managers or other hotel personnel will be invoiced to Customer prior to such training dates.

Customer will be responsible for charges incurred for use of Virtual Private Network (“VPN”) to access the OnQ® training hotel. These costs include fees from HSS’s current VPN access provider, for up to 5,000 minutes of network access as well as HSS internal costs for configuration services. VPN access will be terminated for each property at the time of hotel opening or live utilization of the Information System.

Training System Access Fee $%TrainSysAccessFee%

There is currently no additional charge for the CBT training modules which are included within the software.

Information System Planning Workshop $%System21PlanningWS%

Sales Skills Training: For the Hampton and Homewood brands (N/A for other brands), attendance is required by general manager, assistant general manager, or full-time sales manager within ninety (90) days of employment.

$%SalesTrainingFee%

General Manager Leadership Program: $%GMTrainingFee%
For ES/HH/HIS/HW/DT/DC (N/A for other brands):

Pre-Opening Materials
For ES/HH/HIS/HW/DT/DC (N/A for other brands): $PreOpeningFee%

Cost of the Installation Services

The cost of the Services (including the cost of the Systems Implementation Specialists but excluding the cost of any services described in any other schedules) is shown below. This cost will be invoiced to Customer by HSS or the Preferred Services Provider at the same time as it renders its invoice to Customer for the Proprietary Software.

Preferred Service Provider Fee:
(Training Room Network Installation, as applicable) $ServicesPreferred%
(Includes travel expenses)
Project Management, Contracting and Sales fee (“PMCS Fee”) $ServicesPMCS%
Site Survey (includes travel expenses) $HHCSiteSurvey%
Installation Support Fee $InstallSupport%
Implementation on-site services: (inclusive of travel for US and PR - Travel expenses to be billed at actual per guidelines below for others) $ImplementationFee%
Delphi Project Management Fee $DELPHIPM%
Delphi Implementation Fee $DELPHIIMP%
Executive Briefing and Change Management $DevRecovery%
Email Setup Fee: $Email%
Hi Tech Fee: $HiTechFee1%
Firewall Equipment and Configuration and/or Converged Network Install $Firewall%

Cost of Travel Expenses/Per Diem/Rescheduling

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’s representatives' stay at the Hotel);
- tips;
- taxes; and
- miscellaneous expenses (including phone, internet, laundry, etc.).

Promptly following HSS’s providing of the Services, an invoice will be submitted to Customer for HSS’s representatives’ out-of-pocket expenses, any additional per diem charges for its representatives (as described in the Notes below), any re-scheduling fee, and any additional travel expenses as set forth above, which invoice shall be payable within fifteen days of Customer’s receipt of same.
Notes: HSS requires that its representatives be on-site for the Hotel’s implementation of the Information System. Once HSS’s representatives are on-site, any delays in the Hotel’s implementation will result in additional expense to Customer. If HSS’s 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’s representatives, in addition to the fee set forth above, Customer will be required to pay a re-scheduling fee, currently $2000.00, 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’s representatives.

If Customer attaches or uses third party equipment and/or interfaces with the Authorized Equipment listed on Schedule D which have not been certified or approved by HSS as meeting HSS’s specifications or install other third party non-HSS proprietary software which has not been certified or approved by HSS as meeting HSS’s specifications on the equipment, the Information System may need to be reconfigured, and the entire cost of the reconfiguration shall be borne by Customer.

Promptly following HSS’s providing of the Services, if applicable, due to implementation delays or requested incremental days on-site, an invoice will be submitted to Customer for HSS’s representatives’ out-of-pocket expenses, any additional per diem charges for its representatives, any re-scheduling fee, and any additional travel expenses as set forth above, which invoice shall be payable within fifteen days of Customer’s receipt of same.

Notes: All fees indicated are exclusive of applicable taxes (see Agreement section entitled “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.

Customer shall pay according to the terms of any invoice(s) submitted to Customer, 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 and such other operating supplies as shall be required for the operation of the Authorized Equipment.
SCHEDULE C
SOFTWARE MAINTENANCE / COST AND PAYMENT TERMS

1. **General.** HSS shall provide Customer with maintenance and support for a term of one (1) year (with annual renewals at the option of HSS) commencing upon execution hereof, for the Proprietary Software, specifically excluding any maintenance and support of any Certified Third Party Software (as described in the Agreement section designated “Software”).

2. **Certified Third Party Software Only.** Customer understands that the use of any software other than that provided by HSS pursuant to this Agreement, unless such additional third party software has been approved in writing by the HSS Information Technology Department (collectively “Certified Software”), is not warranted for use on the Authorized Equipment, as set forth in Schedule D. 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.

3. **Software Maintenance.**

   (a) Customer acknowledges and understands that HSS is unable to modify the Certified Third Party Software. With respect to the Certified Third Party Software, HSS does not provide support. 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, 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 correct such condition.

   (b) With respect to the Proprietary Software, provided Customer has paid all software maintenance and other fees and satisfied all other obligations under this Agreement and under the License Agreement with HWI or its affiliate or subsidiary, HSS shall supply Customer with access to 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. Such enhancements, improvements, updates, additions, and/or modifications which are supplied by HSS to Customer, and all Intellectual Property Rights therein, shall be HSS's 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 Customer may be required to purchase some enhancements, improvements, updates, and/or modifications to the Proprietary Software which Customer will be 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 reproduce 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's 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 the 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’s 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 Proprietary Software or Certified Third Party 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 Information System 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) the failure of Customer to schedule regular preventive maintenance in accordance with standard HSS procedures; (v) forces or supplies external to the Authorized Equipment, including, without limitation, the reasons set forth in the Force Majeure section of the HITS Agreement; and/or (vi) the negligence of Customer or any other third person or entity. Any corrections performed by HSS for any such errors, difficulties, or defects shall be fixed, in HSS’s sole discretion, at HSS’s then current time and material charges. 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 which are licensed by HSS to Customer, and all proprietary rights therein, including without limitation, all Intellectual Property Rights, shall be HSS’s 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 Site for the purpose of providing maintenance services hereunder at HSS’s 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 use of 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 duplicate or back-up copies nor for any costs or expenses of reconstructing any such 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, nor 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 Software Maintenance $%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. 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).

    Travel expenses, per diem fees and related costs for any on-site maintenance will be billed separately.

HSS reserves the right to increase or decrease the Software Maintenance cost on an annual basis to reflect increases or decreases in such cost internally and from the Preferred Retailers of such services and to reflect the addition or construction of additional guest rooms (or suites) by Customer for Customer’s Hotel.
SCHEDULE D

AUTHORIZED EQUIPMENT DESCRIPTION / PURCHASE TERMS AND CONDITIONS

The term Authorized Equipment includes (i) the equipment needed by Customer at Customer’s hotel, as determined solely by HSS, for the Customer’s use of the Proprietary Software (the “Network Authorized Equipment”); and (ii) any additional equipment authorized by HSS for use at Customer’s hotel, over and above the Network Authorized Equipment (the “Standard Plus Equipment”). All Authorized Equipment is listed on this Schedule D.

Authorized Equipment Purchase

Except as provided otherwise in this Schedule D, Customer may purchase the Authorized Equipment listed on this Schedule D from the Preferred Retailer who may provide a joinder agreement with Customer (Schedule I) or from another retailer; however, if such Authorized Equipment is obtained from another retailer, it must conform to HSS’s specifications. Furthermore, if Customer elects to purchase such Authorized Equipment from a third party other than the Preferred Retailer, the file server and work stations must be shipped to HSS or its designee for certification that these components comply with HSS’s specifications and testing procedures. The additional cost for such certification will be shown on Schedule B. Customer shall also be responsible for the shipping and shipping related costs to and from HSS or its designee for such certifications, including without limitation those shown on Schedule B.

Authorized Equipment As Personal Property/Insurance Requirements

In addition to any other specific purchase terms required by the Preferred Retailer, the following purchase terms and conditions shall apply to any Authorized Equipment obtained from a Preferred Retailer or HSS. The Authorized 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 Authorized Equipment as required hereunder, the Authorized 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 Authorized Equipment in an amount not less than the purchase price of the Authorized 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 shipment of the Authorized Equipment from the Preferred Retailer’s or Preferred Lessor’s Configuration Center, title to the Authorized 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 Authorized Equipment will become the sole property of Customer. Customer assumes the expense of delivery and in-transit insurance for the Authorized Equipment.

AUTHORIZED EQUIPMENT

NETWORK AUTHORIZED (PROGRAM FUNDED) EQUIPMENT:

%NetAuthEquip1%

STANDARD PLUS (HOTEL FUNDED) EQUIPMENT:

%StdPlusEquip1%

PURCHASE TERMS AND CONDITIONS

For Purchase Terms and Conditions, see Schedule I, Preferred Retailer Joinder Agreement, and any attachments to Schedule I, all of which are incorporated herein by reference.
1. Maintenance for the Authorized Equipment. Customer must take all steps necessary to provide all necessary maintenance services for the Authorized Equipment listed on Schedule D so that it will receive such maintenance services for all such Authorized Equipment throughout the term of this Agreement. Customer may elect to use the maintenance company (the Preferred Services Provider or the PSP) with whom HSS has arranged to provide maintenance services ("Equipment Maintenance") for the Authorized Equipment listed on Schedule D provided that such Authorized Equipment, if not purchased from the Preferred Retailer, is first certified as being suitable for Equipment Maintenance, at the expense of Customer, by either HSS (or its designee) or the PSP. For such services, the Customer shall pay as set forth in this Schedule E (the "Maintenance Fees") and according to the terms of any invoice(s) submitted to Customer therefor, including any provision for late charges. If Customer elects to use the PSP and Equipment Maintenance is necessary, Customer will notify HSS, which in turn will notify the PSP to dispatch a PSP representative. Notwithstanding the foregoing, Customer may elect, subject to HSS’s approval in advance in writing, to not provide maintenance services through this Agreement for certain pieces of such Authorized Equipment allowed to be used in conjunction with the Information System ("Non-maintained Equipment"). Neither HSS nor the Preferred Services Provider shall be responsible for any maintenance or support of Non-maintained Equipment.

The following Authorized Equipment shall be designated Non-maintained Equipment:

%OptOutMaint%

2. Maintenance Fees. The Maintenance Fees are subject to increase or decrease by HSS, in its sole discretion, on January 1 of each year during the term of this Agreement or any extension thereof; however, HSS shall not charge Customer any Maintenance Fees that are greater than the Maintenance Fees charged to any similarly situated Customer (based upon factors determined by HSS in its sole judgment) utilizing equipment substantially similar to the Authorized Equipment and pursuant to an agreement which has terms and conditions substantially similar to this Agreement. No maintenance fees shall be charged to Customer for any Non-maintained Equipment as described in Section 1 above.

3. Refresh of Authorized Equipment. Under HSS’s Refreshment Program (the “Refreshment Program”), Customer will be responsible for and will pay for all fees and costs for the replacement or refreshment of the Authorized Equipment listed on Schedule D in HSS’s sole discretion (“Refresh”) on an approximate three (3) year cycle, starting approximately three (3) years after the initial shipment of such Authorized Equipment and for the provision of maintenance services by the PSP on such refreshed equipment. The terms and conditions of the Authorized Equipment maintenance services for such equipment (included in such initial Refresh and included in any additional Refresh or Refreshes of Customer’s Authorized Equipment) shall be the same as the terms and conditions of this Schedule E, including, but not limited to, the imposition of termination fees as described hereinafter. Customer's Refresh will be timed to occur prior to the end of the three (3) year cycle. If Customer fails to meet HSS's timeline for such Refresh, including order dates for equipment and software, Customer will be responsible for all fees and costs incident to such delay, including, but not limited to, any rent extension costs on Network Authorized Equipment and higher fees and costs for equipment maintenance and software maintenance.

4. Termination. If this Agreement is terminated (or if Customer’s use of the PSP is terminated) prior to the third anniversary of the Start Date, which shall be the shipment date of the Authorized Equipment listed on Schedule D to Customer’s Hotel, Customer shall pay to HSS a termination fee which is designed to reimburse the PSP and/or HSS in part for any one or more of the following: reconfiguration costs, the unamortized fees and costs in the start up and provision of maintenance services by the PSP under this Agreement. If such termination occurs during the first year following the Start Date, the termination fee shall be in the amount of $3600.00. If such termination occurs during subsequent years following such Start Date, the termination fee shall be as follows:

<table>
<thead>
<tr>
<th>Period</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>During second year</td>
<td>$2,600</td>
</tr>
<tr>
<td>During third year</td>
<td>$1,300</td>
</tr>
<tr>
<td>Thereafter</td>
<td>$1,200</td>
</tr>
</tbody>
</table>
Provided, however, if this Agreement is terminated, or if the Customer’s use of the PSP is terminated after a Customer Refresh of Authorized Equipment listed on Schedule D, the termination fee shall depend upon the period elapsed after the Start Date applicable to shipment of such Authorized Equipment for each successive Customer Refresh as follows:

- During first year: $3,800
- During second year: $2,800
- During third year: $1,400
- Thereafter: $1,200

5. Use of Certified Software Only. Customer understands that use of any software other than the Proprietary Software and Certified Third Party Software provided by HSS pursuant to this Agreement, unless such additional third party software has been approved in writing by the HSS Information Technology Department, is not warranted for use on the Authorized Equipment. In the event Customer uses or installs any third party software other than Certified Third Party Software or such approved software on the Authorized Equipment, HSS shall have no further obligations to provide any equipment maintenance services to Customer hereunder.

6. Equipment Maintenance will be provided for Customer’s Hotel located at %PropertyAddress1%, %PropertyAddress2%, %PropertyCity%, %PropertyState%, %PropertyZip%.

7. Cost and Payment Terms. Annual Cost of Equipment Maintenance for Authorized Equipment listed on Schedule D $%AnnualHWMaint%. Payable in monthly installments of $ %MonthlyHWMaint% per month. Payments will be calculated from the Start Date. The monthly payment amount will be due in advance and will be billed by HSS or its designee. The first invoice will be issued upon the Start Date. 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).

Travel expenses, per diem fees and related costs for any on-site maintenance will be billed separately.

HSS reserves the right to increase or decrease the Equipment Maintenance cost on an annual basis as provided in Section 2 above. When certain Authorized Equipment or parts for certain Authorized Equipment are no longer being manufactured or reasonably obtainable, HSS or the PSP shall notify Customer of such circumstance and maintenance on such Authorized Equipment will no longer be available. After such notice, Customer will no longer be charged for maintenance on such Authorized Equipment.

8. Customer Responsibilities as to Equipment Maintenance. Customer shall maintain on its staff at all times sufficient personnel that have been trained in and are knowledgeable about the use of 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 and Certified Third Party Software. Neither HSS nor PSP shall have any 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. Neither HSS nor PSP has any obligation to maintain or repair any equipment other than the Authorized Equipment listed on Schedule D, nor to repair or replace any cables, cords, expendable or consumable components such as ribbons, paper, toner cartridges, print wheels, drums, batteries, or diskettes, whether or not defined as Authorized Equipment. Customer shall not move or perform maintenance services on any of such Authorized Equipment without HSS’s or PSP’s prior written consent.

9. Cooperation. Customer shall provide HSS or PSP with all information, data and other required materials necessary to reproduce 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 the ability to perform the Equipment Maintenance services remotely.

In some instances, Equipment Maintenance will be provided using a depot program, where Customer ships failed Authorized Equipment listed on Schedule D to the depot when Customer receives replacement of such Authorized Equipment. If Customer does not ship such failed equipment, Customer will be responsible for any unreturned equipment charges billed by HSS, the PSP or the depot program provider.
10. **Expenses.** If Equipment Maintenance personnel incur travel, lodging, meal, or any other out of pocket expenses in furnishing the 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. Typical travel expenses include, without limitation, the following:

- round-trip airfare (due to frequent scheduling changes HSS may not be able to purchase airfare 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 PSP’s representatives' stay at the Hotel);
- tips;
- taxes; and
- miscellaneous expenses (including phone, laundry, etc.).

11. **Exclusions.** The obligation of HSS or the PSP to provide Equipment Maintenance hereunder 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 Proprietary Software or Certified Third Party Software by Customer or any third person or entity other than HSS or its designee; (ii) any software program, hardware, cables, cords, firmware, peripheral or communication device used in connection with the Information System 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 access to or any use of the Information System; (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, the reasons set forth in the Force Majeure section of the HITS Agreement; and/or (vi) the negligence of Customer or any other third person or entity. Any corrections performed by HSS for any such errors, difficulties, or defects shall be fixed, in HSS’s or PSP’s discretion, at the then applicable current time and material charges. Neither HSS nor the PSP shall be under any obligation, however, to fix any such Customer or externally caused errors, defects or problems.
SCHEDULE E TO SYSTEM 21® AGREEMENT
(REVISED FOR USE WITH TOTAL SOLUTION PROGRAM)

%TodaysDate%
%LegalEntity%..%PrimaryContactCompany%
%PrimaryContact%
%PropertyAddress1%
%PropertyAddress2%
%PropertyCity%, %PropertyState%  %PropertyZip%

Re: %HotelCompanyName%, %BrandCodeDesc%, %InnCode%

Dear: %PrimaryContact%

This letter Agreement ("Letter Agreement") confirms your request to purchase the following (collectively called “the Additions”):

1) additional equipment ("Standard Plus Equipment") authorized by Hilton Systems Solutions, LLC ("HSS") for use at applicable hotel properties ("Hotels") which is over and above the authorized equipment needed for the network operation of System 21 ® ("Network Authorized Equipment") and such Network Authorized Equipment being made available to and licensed to Licensee or customer ("Customer") under the Total Solution Program License Addendum to System 21 ® Agreement ("TSP Agreement") previously or contemporaneously executed by Customer and HSS or Hilton Hotels Corporation;

2) equipment maintenance relating to Standard Plus Equipment and/or Network Authorized Equipment ("Maintenance");

3) additional proprietary software or certified third party software ("Software")

This Letter Agreement shall constitute an amendment to the existing System 21 ® Agreement or such other named information technology license agreement ("Agreement") previously entered into between %LegalEntity% and HSS or Hilton (or Promus Hotels, Inc. ("Promus"), a wholly owned subsidiary of Hilton or Promus or a related company). It is agreed that you will purchase and/or lease the Additions and that you will be billed by the applicable vendor for the Additions as listed below. The effective date of billing on the new items shall be the date the new items are shipped.

%StdPlusEquip5%

Total: %StdPlusTotal%
Total Maintenance: %StdPlusMaintTotal%

The prices shown above exclude taxes and shipping.

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 terms of this Letter Agreement. Customer agrees that Customer’s delivery by executed facsimile transmission of this Letter Agreement shall be deemed to be as effective for all purposes as 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 or Hilton. This Letter Agreement shall be effective as of the date inserted by Customer below.

NEITHER THE STANDARD PLUS EQUIPMENT, THE PROPRIETARY SOFTWARE NOR THE CERTIFIED THIRD PARTY SOFTWARE WILL BE SHIPPED UNTIL HSS RECEIVES A COPY OF THIS LETTER AGREEMENT SIGNED BY CUSTOMER.

Licensee may be required to sign additional license agreements with the vendors or Licensors of Certified Third Party Software.
Certain Standard Plus 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 the a retailer of the Additions, the following purchase terms and conditions shall apply to any Standard Plus Equipment obtained from a Preferred Retailer (as that term is defined in the Agreement). The Standard Plus 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 Standard Plus Equipment as required hereunder, the Standard Plus 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 Standard Plus 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 Standard Plus 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 Standard Plus Equipment will become the sole property of 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 %PSAConsultantPhone%

Sincerely,

By: %PSAConsultantName%

Hilton Systems Solutions, LLC

Accepted and Agreed:

Customer Name: %LegalEntity%

By: %HiltonApproverSignature%

Authorized Signature

By: %HotelApproverSignature%

Signature

Print Name: Randy Kanaya

Print Name and Title: %HotelApproverName%, %HotelApproverTitle%

%HotelApprovedDay%, %HotelApprovedMonth%, %HotelApprovedYear%

Effective Date: %HotelApprovedDay%, %HotelApprovedMonth%, %HotelApprovedYear%
ATTACHMENT A
TO
TOTAL SOLUTION PROGRAM LICENSE
ADDENDUM TO SYSTEM 21® AGREEMENT

The following equipment is requested by Customer to be designated as Network Authorized Equipment and licensed to Customer under the terms and conditions of the above described addendum:

%NetAuthEquip3%

Total: %NetAuthTotal%
Total Maintenance: %NetAuthMaintTotal%

Hilton Systems Solutions, LLC and the undersigned Customer agree that this Attachment A forms a part of and may be attached to the above described Addendum heretofore entered into between these parties.

CUSTOMER:  %LegalEntity%

By:  %HotelApproverSignature%  
Authorized Signature

Print Name:  %HotelApproverName%

Title:  %HotelApproverTitle%

Date:  %HotelApprovedDate%

HILTON SYSTEMS SOLUTIONS, LLC

By:  %HiltonApproverSignature%  
Authorized Signature

Print Name:  Randy Kanaya

Title:  Director – OnQ™ Deployment Planning

Date:  %HiltonApprovedDate%
SCHEDULE E TO SYSTEM 21® AGREEMENT
(REVISED FOR USE WITH TOTAL SOLUTION PROGRAM)

%TodaysDate%
%LegalEntity%..%PrimaryContactCompany%
%PrimaryContact%
%PropertyAddress1%
%PropertyAddress2%
%PropertyCity%, %PropertyState%  %PropertyZip%

Re: %HotelCompanyName%, %BrandCodeDesc%, %InnCode%

Dear %PrimaryContact%

This letter Agreement ("Letter Agreement") confirms your request to purchase the following (collectively called “the Additions”):

1) additional equipment (“Standard Plus Equipment”) authorized by Hilton Systems Solutions, LLC (“HSS”) for use at applicable hotel properties ("Hotels") which is over and above the authorized equipment needed for the network operation of System 21 ® (“Network Authorized Equipment”) and such Network Authorized Equipment being made available to and licensed to Licensee or customer (“Customer”) under the Total Solution Program License Addendum to System 21 ® Agreement ("TSP Agreement") previously or contemporaneously executed by Customer and HSS or Hilton Hotels Corporation;

2) equipment maintenance relating to Standard Plus Equipment and/or Network Authorized Equipment (“Maintenance”);

3) additional proprietary software or certified third party software (“Software”).

This Letter Agreement shall constitute an amendment to the existing System 21 ® Agreement or such other named information technology license agreement ("Agreement") previously entered into between %LegalEntity% and HSS or Hilton (or Promus Hotels, Inc. ("Promus"), a wholly owned subsidiary of Hilton or Promus or a related company).

It is agreed that you will purchase and/or lease the Additions and that you will be billed by the applicable vendor for the Additions as listed below. The effective date of billing on the new items shall be the date the new items are shipped.

%StdPlusEquip5%

Total: %StdPlusTotal%
Total Maintenance: %StdPlusMaintTotal%

The prices shown above exclude taxes and shipping.

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 terms of this Letter Agreement. Customer agrees that Customer’s delivery by executed facsimile transmission of this Letter Agreement shall be deemed to be as effectice for all purposes as 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 or Hilton. This Letter Agreement shall be effective as of the date inserted by Customer below.

NEITHER THE STANDARD PLUS EQUIPMENT, THE PROPRIETARY SOFTWARE NOR THE CERTIFIED THIRD PARTY SOFTWARE WILL BE SHIPPED UNTIL HSS RECEIVES A COPY OF THIS LETTER AGREEMENT SIGNED BY CUSTOMER.

Licensee may be required to sign additional license agreements with the vendors or Licensors of Certified Third Party Software.
Certain Standard Plus 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 the a retailer of the Additions, the following purchase terms and conditions shall apply to any Standard Plus Equipment obtained from a Preferred Retailer (as that term is defined in the Agreement. The Standard Plus 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 Standard Plus Equipment as required hereunder, the Standard Plus 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 Standard Plus 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 Standard Plus 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 Standard Plus Equipment will become the sole property of 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 %PSAConsultantPhone%

Sincerely,

By: %PSAConsultantName%

Hilton Systems Solutions, LLC

Accepted and Agreed:

Customer Name: %LegalEntity%

By: %HiltonApproverSignature%  By: %HotelApproverSignature%

Authorized Signature  Signature

Print Name: Randy Kanaya  Print Name and Title: %HotelApproverName%,  %HotelApproverTitle%

%HotelApprovedDay%,  %HotelApprovedMonth%,  %HotelApprovedYear%

Effective Date:  


ATTACHMENT A
TO
TOTAL SOLUTION PROGRAM LICENSE
ADDENDUM TO SYSTEM 21 ® AGREEMENT

The following equipment is requested by Customer to be designated as Network Authorized Equipment and licensed to Customer under the terms and conditions of the above described addendum:

%NetAuthEquip3%
Total: %NetAuthTotal%
Total Maintenance: %NetAuthMaintTotal%

Hilton Systems Solutions, LLC and the undersigned Customer agree that this Attachment A forms a part of and may be attached to the above described Addendum heretofore entered into between these parties.

CUSTOMER: %LegalEntity%
By: %HotelApproverSignature% Authorized Signature
Print Name: %HotelApproverName%
Title: %HotelApproverTitle%
Date: %HotelApprovedDate%

HILTON SYSTEMS SOLUTIONS, LLC
By: %HiltonApproverSignature% Authorized Signature
Print Name: Randy Kanaya
Title: Director – OnQ™ Deployment Planning
Date: %HiltonApprovedDate%
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 %LegalEntity% ("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
CERTIFIED THIRD PARTY SOFTWARE / ADDITIONAL TERMS AND CONDITIONS

Attached to this Schedule, when applicable, are License or Sublicense Agreements from providers of certain Certified Third Party Software. The terms and conditions of those agreements are incorporated herein by reference. Some of these agreements are required to be signed by Customer.

Separate License or Sublicense Agreements for Certified Third Party Software (attached)*:
___________________________________________________________________
___________________________________________________________________
___________________________________________________________________
___________________________________________________________________

* Those to be signed by Customer are marked (“Please Sign”).
SCHEDULE H

SUBSEQUENT PURCHASE, LEASE, USE, LICENSE OR SUBLICENSE OF EQUIPMENT, SOFTWARE AND/OR SERVICE

Date: %CreationDate%

INNCODE: %InnCode%

Name of Customer: %PrimaryContactCompany%
Address of Customer: %PrimaryContactContractAddress1%, %PrimaryContactCity%, %PrimaryContactState%, %PrimaryContactZip%

Dear: %Salutation%

This Letter Agreement ("Letter Agreement") confirms your request to purchase, lease, use license or sublicense additional equipment, 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 %LegalEntity% ("Customer") and Hilton Systems Solutions, LLC ("HSS") dated %ExecuteDayName%, %ExecuteMonthName%, %ExecuteYearName% (the "Agreement").

It is agreed that you will purchase and/or lease the Additions and that you will be billed by the applicable vendor for the Additions as listed below. The effective date of billing on the new items shall be the date the new equipment is shipped, the date upon which you obtain use of the software, and/or the date upon which you request additional services, whichever is earliest.

Total: %StdPlusTotal%
Total Maintenance: %StdPlusMaintTotal%

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’s 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’s 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’s 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’s 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.

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’s 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.

Licensee 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’s 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 %PSAConsultantPhone%.

Sincerely,

%PSAConsultantName%

Hilton Systems Solutions, LLC

Accepted and Agreed:

Customer Name: %LegalEntity%

By: %HiltonApproverSignature% Authorized Signature

By: %HotelApproverSignature% Signature

Print Name: Randy Kanaya

Print Name and Title: %HotelApproverName%, %HotelApproverTitle%

Effective Date: %HotelApprovedDay%, %HotelApprovedMonth%, %HotelApprovedYear%

[000011-002419 00215056.DOCX; 1] Inn Code/Project: %InnCodeProj% Version: %Version%
ATTACHMENT A  
TO  
SCHEDULE H

The following equipment is requested by Customer to be designated as Program Funded Equipment and licensed to Customer under the terms and conditions of the above described addendum:

%NetAuthEquip2%
Total: %NetAuthTotal%
Total Maintenance: %NetAuthMaintTotal%

Hilton Systems Solutions, LLC and the undersigned Customer agree that this Attachment A forms a part of and may be attached to the above described Addendum heretofore entered into between these parties.

CUSTOMER:  %LegalEntity%

By:  %HotelApproverSignature%

Authorized Signature

Print Name:  %HotelApproverName%

Title:  %HotelApproverTitle%

Date:  %HotelApprovedDate%

HILTON SYSTEMS SOLUTIONS, LLC

By:  %HiltonApproverSignature%

Authorized Signature

Print Name:  Randy Kanaya

Title:  Director – OnQ™ Deployment Planning

Date:  %HiltonApprovedDate%
INNCODE:  
Name of Customer: 
Address of Customer:  

Dear:  

This Letter Agreement ("Letter Agreement") confirms your request to purchase, lease, use license or sublicense additional equipment, 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 purchase and/or lease the Additions and that you will be billed by the applicable vendor for the Additions as listed below.  The effective date of billing on the new items shall be the date the new equipment is shipped, the date upon which you obtain use of the software, and/or the date upon which you request additional services, whichever is earliest.  

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’s 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’s 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’s 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’s 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.
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’s 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.

Licensee 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’s 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:

Customer Name::

By: _____________________________

Authorized Signature

By: _____________________________

Signature

Print Name: Randy Kanaya

Print Name and Title: _____________________________

Effective Date: _____________________________
ATTACHMENT A
TO
SCHEDULE H

The following equipment is requested by Customer to be designated as Program Funded Equipment and licensed to Customer under the terms and conditions of the above described addendum:

Total:
Total Maintenance:

Hilton Systems Solutions, LLC and the undersigned Customer agree that this Attachment A forms a part of and may be attached to the above described Addendum heretofore entered into between these parties.

CUSTOMER:

By: ____________________________
Authorized Signature
Print Name: _______________________
Title: ____________________________
Date: ____________________________

HILTON SYSTEMS SOLUTIONS, LLC

By: ____________________________
Authorized Signature
Print Name: Randy Kanaya
Title: Director – OnQ™ Deployment Planning
Date: ____________________________
SCHEDULE I

JOINDER TO PREFERRED RETAILER

The undersigned HSS Customer is acting as an HSS Affiliate (“HSS Affiliate”) to acquire products under the terms of the HSS OnQ® Technology Deployment Program Statement of Work, including the Master Products and Services Agreement (the “Agreement”) between HWI and International Business Machines Corporation (“Preferred Retailer”). As such HSS Affiliate, the undersigned joins in the Agreement for the limited purpose of acknowledging and agreeing to be bound by and receive the benefits of the terms of the Agreement to the extent of the rights, duties and responsibilities of an HSS Affiliate provided therein.

IN WITNESS WHEREOF, the HSS Affiliate, acting through its duly authorized officer or representative, has executed this joinder, this %HotelApprovedDay% day of %HotelApprovedMonth%, %HotelApprovedYear%.

HSS AFFILIATE:

By: %HiltonApprovedName%

Its: %HiltonApprovedTitle%

Address for Notices to HSS Affiliate under the Agreement

%PropertyAddress1%
%PropertyAddress2%
%PropertyCity%, %PropertyState%  %PropertyZip%
ATTACHMENT I (1)

PREFERRED RETAILER’S ADDITIONAL TERMS AND CONDITIONS

(INTENTIONALLY LEFT BLANK)
SCHEDULE J

INTENTIONALLY OMITTED
The undersigned HSS Customer is acting as an HSS Affiliate ("HSS Affiliate") to acquire services under the terms of the HSS OnQ® Technology Deployment Program Statement of Work, including the Master Products and Services Agreement (the "Agreement") between HWI and International Business Machines Corporation (the "Preferred Services Provider"). As such HSS Affiliate, the undersigned joins in the Agreement for the limited purpose of acknowledging and agreeing to be bound by and receive the benefits of the terms of the Agreement to the extent of the rights, duties and responsibilities of the HSS Affiliate as provided therein.

IN WITNESS WHEREOF, the HSS Affiliate, acting through its duly authorized officer or representative, has executed this Joinder, this %HotelApprovedDay% day of %HotelApprovedMonth%, %HotelApprovedYear%.

HSS AFFILIATE:

%LegalEntity%

By: %HotelApproverName%

Its: %HotelApproverTitle%

Address for Notices to HSS Affiliate under the Agreement:

%PropertyAddress1%
%PropertyAddress2%
%PropertyCity%, %PropertyState%  %PropertyZip%
This Total Solution Program Agreement (this “TSP Agreement”) is entered into as of the %HotelApprovedDay% day of %HotelApprovedMonth%, %HotelApprovedYear% between Hilton Systems Solutions, LLC a Delaware limited liability company (“HSS”) and %LegalEntity%, (the “Customer”) for Customer’s Hotel (the “Hotel”) known as %HotelName% (%InnCode%) and located at %PropertyAddress1%, %PropertyCity%, %PropertyState%.

In connection with the new Hilton Information Technology Systems Agreement (the “HITS Agreement”) entered into between HSS and Customer (and if applicable, in anticipation of the Hotel’s conversion and rebranding as a HWI Brand division hotel), HSS is willing to make certain benefits available to Customer for the above Hotel under HSS’s Total Solution Program (“TSP”) on the terms, conditions and limitations hereinafter set forth.

For good, valuable and sufficient consideration, Customer hereby enters into this TSP Agreement, and HSS and Customer agree as follows:


(a) Equipment Transferred to Customer. HSS shall transfer to Customer at Customer’s Hotel that portion of the Authorized Equipment (as described in Schedule D of the HITS Agreement) needed, as determined solely by HSS, for the network operation of the Proprietary Software, such equipment more specifically described on Attachment (1) attached to and forming part of this TSP Agreement being hereinafter called the “Network Authorized Equipment,” together with shipping and transportation costs on such equipment. HSS hereby transfers to Customer such Network Authorized Equipment subject to the terms, conditions and limitations set forth in this TSP Agreement. The Network Authorized Equipment and any installation fees (for which HSS is responsible under 1(b)) are provided in consideration of Customer’s performance of the HITS Agreement and the other obligations of the Customer pursuant to this TSP Agreement, without additional fees except as may be provided herein.

(b) Equipment Installation. Customer will be responsible for the fees and costs for installation services relative to Network Authorized Equipment as well as any Standard Plus Equipment (as described in Schedule D of the HITS Agreement). Under the terms and conditions of the Total Solution Program’s Refreshment Program (the “Refreshment Program”) of Network Authorized Equipment, HSS anticipates that Network Authorized Equipment will be replaced or refreshed in HSS’s sole discretion (the “Refresh”), on an approximate three (3) year cycle, starting approximately three (3) years after the initial shipment of Network Authorized Equipment. HSS will be responsible for the fees and costs for installation services of Network Authorized Equipment on the date that such equipment is refreshed under the Refreshment Program. Customer’s Refresh will be timed to occur prior to the end of the three (3) year cycle. If Customer fails to meet HSS’s timeline for such Refresh, including order dates for equipment and software, Customer will be responsible for all fees and costs incident to such delay, including, but not limited to, rent extension costs on Network Authorized Equipment and higher fees and costs for equipment maintenance and software maintenance.

2. Customer’s Obligations. Customer shall:

(a) Perform all of its obligations under the HITS Agreement, including, but not limited to, the maintenance of the Network Authorized Equipment using the designated Preferred Services Provider for HSS’s TSP.

(b) Obtain and keep current insurance on the Network Authorized Equipment against all risks for the approximate value of the Network Authorized Equipment.

(c) Pay any and all withholding, sales, use, excise, gross receipts, consumption, GST, QST, VAT and other similar country, federal, state, municipal or local taxes or duties, levies, fees and assessments incident to the payments under this TSP Agreement. Customer agrees to pay all personal property taxes associated with software licensed and equipment provided under the TSP Agreement.
(d) Prevent any liens from attaching to the Network Authorized Equipment.

(e) Pay for any and all transportation and disposal costs of any Network Authorized Equipment currently being used by Customer's Hotel on its Network at the time of installation by HSS or HSS's designee of the Network Authorized Equipment under the Refreshment program. HSS or HSS’s designee, at HSS’s expense, will provide for de-installation of any such Network Authorized Equipment then being used by Customer’s Hotel at the time of the installation of Network Authorized Equipment under the Refreshment Program, but it is Customer’s responsibility to handle the return to Customer's lessor of all such de-installed equipment in accordance with Customer’s current lease terms. Customer shall be solely responsible for any missing, bad or damaged equipment.

(f) Preserve and protect the Network Authorized Equipment from loss, damage or theft.

(g) Not use any unauthorized backup unit tape cartridge in connection with the Information System.

(h) Make no unapproved repairs nor perform any unauthorized service to the Network Authorized Equipment.

(i) Not allow any other equipment or software to be added to the Information System without prior specific written permission of HSS.

3. Customer's Conditions. All benefits provided Customer herein and all obligations of HSS under this TSP 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 HWI, HSS or any of their affiliates and subsidiaries, or any Brand division, including but not limited to this TSP Agreement, the HITS Agreement and Customer’s License Agreement with HWI or its affiliate or subsidiary.

(b) Customer continues to make all other payments to HSS’s Preferred Lessors, Preferred Retailers or Preferred Services Providers under any applicable agreements and does not become in default under such agreements.

(c) Customer’s Hotel remains (after conversion and rebranding if applicable) one of the following HWI Brand divisions: Hampton Inn, Hampton Inn & Suites, Embassy Suites and Homewood Suites by Hilton.

(d) Customer executes the HITS Agreement contemporaneously with this TSP Agreement.

(e) Customer’s participation and continued cooperation with HSS in HSS’s Total Solution Program, including, but not limited to, the refreshment of Network Authorized Equipment.

(f) Customer allows the removal and future replacement or refreshment of Network Authorized Equipment at such time and in such manner as may be determined by HSS in its sole discretion.

(g) If applicable, Customer must complete the Hotel's conversion and rebranding as a HWI Brand division hotel.

4. Termination. HSS may terminate all of its obligations under this TSP Agreement at HSS’s option: (a) Immediately without notice in the 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 TSP 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 TSP Agreement. Termination of the HITS Agreement will result in termination of this TSP Agreement. HSS may terminate this TSP Agreement without terminating the HITS Agreement, whereupon the HITS Agreement shall be construed and enforced as if this TSP Agreement had never been entered into (subject to accrued rights and obligations).

Upon termination of this TSP Agreement, Customer will be required to pay HSS for the unpaid cost of any Network Authorized Equipment transferred to Customer and/or to pay for any termination penalties or removal costs relative to the Network Authorized Equipment that is transferred to Customer pursuant to this TSP Agreement. The costs (which will vary depending upon the equipment involved and the timing of the termination) and the various options available will be sent to Customer at the time of the notification of the upcoming termination. Upon termination of this TSP Agreement/Project: %InnCodeProj% Version: %Version%
Agreement, HSS shall pass on to Customer and Customer shall be responsible for, all subsequent fees and costs of Equipment Maintenance and Software Maintenance. If a termination occurs before the expiration of three (3) years since HSS incurred installation and/or service fees and costs in performing an installation of Network Authorized Equipment (“Refresh Costs”) then Customer shall also reimburse HSS for the unamortized value (on a monthly basis over a thirty-six (36) month period) as to such Refresh costs.

In addition, Customer shall pay to HSS a termination fee which is designed to reimburse HSS in part for unamortized or otherwise unrecovered costs of the Certified Third Party Software and the Preferred Services Provider’s Equipment Maintenance Fees under this TSP Agreement. If such termination or if Customer’s use of the Preferred Services Provider occurs following the shipment date of the Network Authorized Equipment to Customer’s Hotel (“Start Date”) and prior to the first Refresh of Network Authorized Equipment, the termination fee shall be as follows:

0.45% of the average of monthly Gross Room Revenue (as defined in Customer’s Franchise License Agreement) over the last three (3) calendar months of operation prior to Customer’s termination for each calendar month remaining of Customer’s initial thirty-six (36) month period.

Provided, however, if this TSP Agreement is terminated, or if the Customer’s use of the Preferred Services Provider is terminated after a Customer Refresh of Network Authorized Equipment, the termination fee shall depend upon the period elapsed after the Start Date applicable to shipment of the Network Authorized Equipment for each successive Customer Refresh as follows:

0.45% of the average of monthly Gross Room Revenue (as defined in Customer’s Franchise License Agreement) over the last three (3) calendar months of operation prior to Customer’s termination for each calendar month remaining after Customer’s Refresh but prior to the lapsing of thirty-six (36) months following such Refresh.

5. **Property of Customer.** The Network Authorized Equipment shall become the property of Customer, subject to the terms and conditions set forth in this TSP Agreement, upon shipment of the Network Authorized Equipment from the Preferred Retailer’s or Preferred Lessor’s Configuration Center.

6. **Additional Equipment/Software.** Any and all additional Authorized Equipment (“Standard Plus Equipment”) may be purchased by Customer from a Preferred Retailer or leased from a Preferred Lessor under the Standard Plus Leasing Program Lease (the “Standard Plus Lease”). Any and all additional Certified Third Party Software authorized by HSS but not included in the Brand standard applicable to Customer (“Standard Plus Software”) may be licensed at Customer’s cost from HSS or a Preferred Services Provider.

7. **Defined Terms.** All capitalized terms used in this TSP Agreement which are not specially defined in this TSP Agreement shall have the meaning ascribed to such terms in the HITS Agreement.

8. **Other Important Provisions.** The parties mutually acknowledge and agree that the Network Authorized Equipment is part of the Authorized Equipment referred to in the HITS Agreement, that this TSP Agreement is a schedule to the HITS Agreement and that this TSP Agreement and its performance by the parties are a part of the transactions contemplated by the HITS Agreement. Upon HSS’s Refresh of Network Authorized Equipment, the terms and conditions applicable to any equipment transferred to Customer or, software or services provided for or pursuant to the Refresh shall be the same as the terms and conditions of this TSP Agreement; and, except for such termination fees (if any, as specified above), all terms and provisions hereof (including those incorporated by reference below) shall apply as if this TSP Agreement was executed on the Start Date for each such Refresh. In the event of conflict between the provisions of this TSP Agreement and the provisions of the HITS Agreement, the provisions of this TSP Agreement shall prevail. Except as modified herein, all provisions of the HITS Agreement applicable to the Authorized Equipment, to Proprietary Software or Certified Third Party Software and to Services shall be 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 Authorized Equipment, the Software and the Services. Where HSS is providing equipment instead of such items being provided by a Preferred Retailer, Preferred Lessor, Preferred Services Provider, or other third party vendor, HSS shall be entitled to all of the protections and the limitations of warranties, liabilities and damages as if HSS were such Preferred Retailer, Preferred Lessor, Preferred Services Provider or other third party vendor. The following additional Sections of the HITS Agreement are hereby made applicable to this TSP 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 (Estoppel and Release); 17 (Entire Agreement/Prior Agreements); 18 (Cumulative Remedies);
19 (Force Majeure); 20 (Severability); 21 (No Joint Venture); 22 (Assignment); 23 (Counterparts); 24 (Applicable Law, Consent to Jurisdiction and Equitable Relief); 25 (Attorneys’ Fees); 26 (No Reproduction); 27 (Confidentiality); and 28 (Surviving Obligations). Except as the context may otherwise require, all references in these incorporated provisions to “this Agreement” shall, for purposes of this TSP Agreement, be construed to include this TSP Agreement, and where applicable, such provisions are hereby reasserted, re-applied and re-acknowledged as of the effective date hereof.

9. Notices. The provisions of Section 4 of the HITS Agreement shall apply to all notices, requests, demands and other communications under this TSP Agreement.

10. Counterparts. This TSP 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:  Randy Kanaya

Title: %HotelApproverTitle%  Title:  Director – OnQ® Deployment Planning

Date: %HotelApprovedDate%  Date: %HiltonApprovedDate%
ATTACHMENT L (1)

NETWORK AUTHORIZED (PROGRAM FUNDED) EQUIPMENT

%NetAuthEquip1%
SCHEDULE L

TOTAL SOLUTION PROGRAM AGREEMENT

[INTENTIONALLY LEFT BLANK]
EXHIBIT B-1
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: %PrimaryContactAddress1%
%PrimaryContactAddress2%
%PrimaryContactCity%
%PrimaryContactState%
%PrimaryContactZip%

Address Of Customer’s Site
Site Name: %PropertyName%
Attention: %GMName%
Address: %PropertyAddress1%
%PropertyAddress2%
%PropertyCity%
%PropertyState%
%PropertyZip%

Address For Notices to Hilton Systems Solutions, LLC
Division: %BrandCodeDesc%
Attention: Dir. OnQ® Deployment Planning – Randy Kanaya
Address: 755 Crossover Lane
Memphis, TN 38117

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/Purchase Terms and Conditions
Schedule E: Authorized Equipment Maintenance
Schedule F: Microsoft Participation Agreement
Schedule G: Symantec Rewards Affiliate Addendum
Schedule H: Subsequent License, Sublicense or Purchase of Additional Equipment, Software and Services
Schedule I: Joinder by Preferred Retailer
Schedule J: Joinder by Preferred Lessor
Schedule K: Joinder by Preferred Services Provider
Schedule L: Total Solution Program Agreement
Schedule M: Hilton Brand Fee Based Pricing Program Agreement – .75%
Schedule N: Intentionally Omitted
Schedule O: Hilton Brand Fee Based Pricing Program Agreement – REIT Hotel
Schedule P: Doubletree Authorized Equipment Refresh
Schedule Q: Hilton Garden Inn Refresh Program Agreement
Schedule R: Intentionally Omitted
Schedule S: Intentionally Omitted
Schedule T: Independent Brand Fee Based Pricing Program Agreement – .75%
Schedule U: Intentionally Omitted
Schedule V: Conrad or Waldorf Astoria Hotel Fee Based Pricing Program Agreement – .75%
Schedule W: Conrad or Waldorf Astoria Hotel Fee Based Pricing Program Agreement – .45%
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.

The Effective Date: The effective date shall be the date signed by HSS.

CUSTOMER: %LegalEntity%

By: %HotelApproverSignature% Authorized Signature

Print Name: %HotelApproverName%

Title: %HotelApproverTitle%

Date: %HotelApprovedDate%

HILTON SYSTEMS SOLUTIONS, LLC

By: %HiltonApproverSignature% Authorized Signature

Print Name: Randy Kanaya

Title: Director – OnQ® Deployment Planning

Date: %HiltonApprovedDate%
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 pursuant to the terms of the Master Agreements, Customer may be required to execute a joinder to these Master Agreements (Schedules I, J, K and U) and in such event 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 thereto.

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 thereto, 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.


(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, GST and QST 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, and HSS or any ITP may, where appropriate, provide GST and QST invoices to Customer, which invoices 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 on Schedule D. 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 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 CORRECT 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 CORRECTIONS PERFORMED BY HSS FOR ANY SUCH ERRORS, DIFFICULTIES, OR DEFECTS SHALL BE FIXED, IN HSS’ SOLE DISCRETION, AT HSS’ THEN CURRENT TIME AND MATERIAL CHARGES. 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 CORRECTED, 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 with a carbon copy email to 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
14. **Limitations on Actions.** Subject to applicable laws, 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.** The Released Parties, as defined in Section 16, 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 Released Parties 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. Customer shall be responsible for, and Customer agrees to indemnify the Released Parties, 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. Customer hereby (i) certifies to HSS and its subsidiaries and affiliates that this Agreement, the Master Agreements and all other agreements relating to Customer’s Site listed on page 1, (collectively, the “Agreements”) are each in full force and effect, and no default, claim, breach, offset, defense to full and strict enforcement, waiver or estoppel (collectively, a “Claim”), or condition that could with the passage of time, giving of notice or otherwise become a Claim, currently exists or has existed against HSS or any ITP or their subsidiaries or affiliates under the Agreements; (ii) fully and forever releases, discharges, and agrees to indemnify, defend, and hold harmless 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 (collectively, the “Released Parties”), from any and all Claims, demands, liens, actions, suits, causes of action, obligations, controversies, debts, costs, attorneys’ fees, expenses, damages, judgments, orders, and liabilities of whatever kind or nature in law, equity, or otherwise, whether now known or suspected which have existed or may have existed, or which do exist or which hereafter can, shall or may exist, based on any facts, events, or omissions occurring from any time on or prior to the execution of this Agreement which arise out of, concern, pertain, or relate in any way to the Agreements (the “Released Claims”). Customer acknowledges that there is a possibility that subsequent to the execution of this Agreement, Customer will discover facts or incur or suffer claims which were unknown or unsuspected at the time this Agreement was executed, and which if known by Customer at that time may have materially affected Customer’s decision to execute this Agreement. Customer hereby acknowledges and agrees that by reason of this Agreement and the release contained in this Agreement, it is assuming any risk of such unknown facts and such unknown and unsuspected claims. Customer has been advised of the existence of Section 1542 of the California Civil Code (“Section 1542”), which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

Notwithstanding such provision, this release shall constitute a full release in accordance with its terms. Customer knowingly and voluntarily waives the provisions of Section 1542, as well as any other statute, law, or rule of similar effect (or in any state having similar statutes governing releases). In connection with such waiver and relinquishment, Customer hereby acknowledges it is aware that it may hereafter discover claims presently unknown or unsuspected, or facts in addition to or different from those which it now knows or believes to be true with respect to the matters released herein. Nevertheless, it is the intention of Customer, through this Agreement, and with the advice of its counsel, to fully and finally settle and release all such matters, and all claims relative thereto, which do now exist, may exist or have existed between and among the parties hereto. Customer hereby acknowledges that it has been advised by its legal counsel and understands and acknowledges the significance and consequences of this release and of this specific waiver of Section 1542 and other such laws.

17. **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 HMS, HPMS1, HPMS2, System 21® and Hilton Information Technology System Agreements. Nothing in this Section 17 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.

18. **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.

19. **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.

20. **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 limiting the foregoing, it is expressly understood and agreed that each and every provision of this Agreement and the reasonable control.

21. **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.

22. **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 22. 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.

23. **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.

24. **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
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.

25. **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.

26. **No Reproduction.** Customer acknowledges that the Proprietary Software comprising the Information 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.
27. **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 27, 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.

28. **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® 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® Insider
- OnQ® Rate and Inventory

**Certified Third Party Software:**

%INTLSoftwareListwithQTY%

**Revenue Management System:**

Unless provided under the terms of a Schedule (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 a Schedule (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®. 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 – 3rd 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 3rd 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 3rd 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 3rd party vendors, outline application & network requirements.
- Ensure compliance to HWI approved 3rd 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.

**3rd 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.
1. **Cost of the Software License Fees.**

   Unless provided otherwise under the terms of a Schedule (if applicable), Customer shall pay HSS, Preferred Retailer, Preferred Services Provider or another retailer approved by HSS, a fee for the license of each copy of the Proprietary Software installed on the Authorized Equipment described on Schedule D at the hotel (the “License Fee”). The License Fee may be prorated to reflect the installation of some, but not all, of the Proprietary Software Modules.

   Unless provided under the terms of a Schedule (if applicable), the costs of Third Party PMS will be billed directly to Customer by the Third Party PMS supplier pursuant to Customer’s PMS Agreement.

   HSS may require the use of certain additional Certified Third Party Software, such as malware anti-virus software or Microsoft Windows, SQL, or Exchange, that may be purchased through a master agreement such as an Enterprise Agreement (“Additional Certified Third Party Software”). Unless provided under the terms of a Schedule (if applicable), the fee for the license of each copy of such Additional Certified Third Party Software will be billed to and payable by Customer.

   **Additional Certified Third Party Software Licenses** $\%\text{INTLOnQOSandDBSoftware}\%

   *(Price excludes taxes, configuration, imaging and installation related costs)*

   **Cost of the Authorized Equipment, Certified Third Party Software and Other Fees**

   The cost of the Authorized Equipment, certain Certified Third Party Software and other fees are shown below. The costs may be billed directly to Customer by HSS or by a Preferred Retailer.

   **Authorized Equipment and Certified Third Party Software (as listed in Schedule D and described in Schedule G, as applicable)** $\%\text{System21HWFee}\%

   **Standard Upgrade Fee** $\%\text{StandardUpgradeFee}\%

   **Standard Plus Software License Fees** $\%\text{StandardPlusSoftwareFee}\%

   *Note: The cost to configure equipment obtained by Customer from a non-preferred retailer, to be included here, when applicable.

2. **Third Party PMS Training and Hilton Business Process Training Fees:**

   Customer’s employees who have responsibilities related to the use of the Proprietary Software Modules described above will need on-site training for the use by Customer or Customer’s Hotel of Third Party PMS and for Hilton Business Process Training.

   Neither this Agreement nor any of its Schedules cover Customer’s costs for training as to the use by Customer or Customer’s Hotel of Third Party PMS. Such training and costs regarding the use of the Third Party PMS will be covered by Customer’s PMS Agreement and Customer is responsible for payment of any fees and expenses associated with on-site training directly with the provider of such services.

   In addition, HSS will charge Customer a fee related to Hilton Business Process Training as further set forth below.

**Project Management Fees.**

HSS will exercise full Project Management for the preparation, installation and/or implementation of the Third Party PMS as part of OnQ®. HSS in its sole discretion may require additional HSS or Preferred Services Provider presence at the Customer’s Site during the installation.
The Customer is responsible for payment of Hilton Project Management Fees to HSS as detailed below:

**Cost of IT Project Services:**

<table>
<thead>
<tr>
<th>Service</th>
<th>Fee Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>IT Opening Project Manager</td>
<td>$%$INTLITOPENPM%</td>
</tr>
<tr>
<td>IT Manager or Consultant</td>
<td>$%$INTLITOPENMC%</td>
</tr>
<tr>
<td>Technical Installer – New Opening/Brand Conversion</td>
<td>$%$INTLINSTFEE%</td>
</tr>
<tr>
<td>Infrastructure Change Coordination</td>
<td>$%$INTLINFCHGCO%</td>
</tr>
</tbody>
</table>

**Cost of Installation Management, Implementation and Training Services:**

<table>
<thead>
<tr>
<th>Service</th>
<th>Fee Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Management and Contracting Fee</td>
<td>$%$INTLDEPLPM%</td>
</tr>
<tr>
<td>Hilton Onsite Change Management Fee</td>
<td>$%$INTLCHANGEMGMTFEE%</td>
</tr>
<tr>
<td>Hilton Business Process Training Materials</td>
<td>$%$INTLBUSINESSTRAIN%</td>
</tr>
<tr>
<td>Hilton Implementation Fee</td>
<td>$%$INTLIMPFEE%</td>
</tr>
<tr>
<td>Micros Fidelio / Hilton Worldwide Integration</td>
<td>$%$IntlMfHwIntegration%</td>
</tr>
<tr>
<td>Hilton Onsite Revenue Conversion Preparation</td>
<td>$%$INTLREVPREP%</td>
</tr>
<tr>
<td>Brand Training Materials</td>
<td>$%$INTLPreOpenMat%</td>
</tr>
<tr>
<td>Delphi Implementation Specialist</td>
<td>$%$INTLDELPHIIMP%</td>
</tr>
<tr>
<td>Delphi Project Management Fee</td>
<td>$%$INTLDELPHIPM%</td>
</tr>
<tr>
<td>IdeaS Implementation Fee</td>
<td>$%$INTLIDEAS%</td>
</tr>
</tbody>
</table>

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 correct 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 reproduce 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 corrections performed by HSS for any such errors, difficulties, or defects shall be fixed, in HSS’ sole discretion, at HSS’ then current time and material charges. 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 $ (not applicable) payable in monthly installments of $ (not applicable) per month.

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 a Schedule (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 a Schedule (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 (i) the equipment needed (including its specifications and quantity) to operate the software provided Customer at Customer’s hotel, as determined solely by HSS, for the Customer’s use with the Third Party PMS and the Software (including without limitation equipment that may be provided by HSS from time to time, the “Program Funded Equipment”), (ii) and any additional equipment authorized or required by HSS for use at Customer’s hotel, over and above the Program Funded Equipment (the “Other Equipment”). Such Authorized Equipment is listed on this Schedule D.

Authorized Equipment Purchase

Except as provided otherwise in this Schedule D, Customer may purchase the Authorized Equipment listed on this Schedule D from the Preferred Retailer who may provide a joinder agreement with Customer or from another retailer; however, if such Authorized Equipment is obtained from another retailer, it must conform to HSS specifications. Furthermore, if Customer elects to purchase such Authorized Equipment from a third party other than the Preferred Retailer, the file server and work stations must be shipped to HSS or its designee for certification that these components comply with HSS’ specifications and testing procedures. The additional cost for such certification will be shown on Schedule B. Customer shall also be responsible for the shipping and shipping related costs to and from HSS or its designee for such certifications, including without limitation those shown on Schedule B.

Authorized Equipment As Personal Property/Insurance Requirements

In addition to any other specific purchase terms required by the Preferred Retailer, the following purchase terms and conditions shall apply to any Authorized Equipment obtained from a Preferred Retailer or HSS. The Authorized 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 Authorized Equipment as required hereunder, the Authorized 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 Authorized Equipment in an amount not less than the purchase price of the Authorized 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 shipment of the Authorized Equipment from the IBM Configuration Center, title to the Authorized 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 Authorized Equipment will become the sole property of Customer. Customer assumes the expense of delivery and in-transit insurance for the Authorized Equipment.

AUTHORIZED EQUIPMENT

PROGRAM FUNDED EQUIPMENT:

\%NetAuthEquip1\%

OTHER (HOTEL FUNDED) EQUIPMENT:

\%StdPlusEquip1\%

PURCHASE TERMS AND CONDITIONS

For Purchase Terms and Conditions, see Schedule I, Preferred Retailer Joinder Agreement, and any attachments to Schedule I, all of which are incorporated herein by reference.
SCHEDULE E

AUTHORIZED EQUIPMENT MAINTENANCE / COST AND PAYMENT TERMS

1. **Maintenance for the Authorized Equipment.** Customer must take all steps necessary to provide all necessary maintenance services for the Authorized Equipment listed on Schedule D so that it will receive such maintenance services for all such Authorized Equipment throughout the term of this Agreement. Customer may elect to use the maintenance company (the Preferred Services Provider or the PSP) with whom HSS has arranged to provide maintenance services (“Equipment Maintenance”) for the Authorized Equipment listed on Schedule D provided that such Authorized Equipment, if not purchased from the Preferred Retailer, is first certified as being suitable for Equipment Maintenance, at the expense of Customer, by either HSS (or its designee) or the PSP. For such services, the Customer shall pay as set forth in this Schedule E (the “Maintenance Fees”) and according to the terms of any invoice(s) submitted to Customer therefor, including any provision for late charges. If Customer elects to use the PSP and Equipment Maintenance is necessary, Customer will notify HSS, which in turn will notify the PSP to dispatch a PSP representative. Notwithstanding the foregoing, Customer may elect, subject to HSS’ approval in advance in writing, to not provide maintenance services through this Agreement for certain pieces of such Authorized Equipment allowed to be used in conjunction with the Information System (“Non-maintained Equipment”). Neither HSS nor the Preferred Services Provider shall be responsible for any maintenance or support of Non-maintained Equipment.

The following Authorized Equipment shall be designated Non-maintained Equipment:

%OptOutMaint%

2. **Maintenance Fees.** The Maintenance Fees are subject to increase or decrease by HSS, in its sole discretion, on January 1 of each year during the term of this Agreement or any extension thereof; however, HSS shall not charge Customer any Maintenance Fees that are greater than the Maintenance Fees charged to any similarly situated Customer (based upon factors determined by HSS in its sole judgment) utilizing equipment substantially similar to the Authorized Equipment and pursuant to an agreement which has terms and conditions substantially similar to this Agreement. No maintenance fees shall be charged to Customer for any Non-maintained Equipment as described in Section 1 above.

3. **Refresh of Authorized Equipment.** Under HSS’ Refreshment Program (the “Refreshment Program”), Customer will be responsible for and will pay for all fees and costs for the replacement or refreshment of the Authorized Equipment listed on Schedule D in HSS’ sole discretion (“Refresh”) on an approximate three (3) year cycle, starting approximately three (3) years after the initial shipment of such Authorized Equipment and for the provision of maintenance services by the PSP on such refreshed equipment. The terms and conditions of the Authorized Equipment maintenance services for such equipment (included in such initial Refresh and included in any additional Refresh or Refreshes of Customer’s Authorized Equipment) shall be the same as the terms and conditions of this Schedule E, including, but not limited to, the imposition of termination fees as described hereinafter. Customer’s Refresh will be timed to occur prior to the end of the three (3) year cycle. If Customer fails to meet HSS’ timeline for such Refresh, including order dates for equipment and software, Customer will be responsible for all fees and costs incident to such delay, including, but not limited to, higher fees and costs for equipment maintenance and Software Maintenance.

4. **Termination.** If this Agreement is terminated (or if Customer’s use of the PSP is terminated) prior to the third anniversary of the Start Date, which shall be the shipment date of the Authorized Equipment listed on Schedule D to Customer’s Hotel, Customer shall pay to HSS a termination fee which is designed to reimburse the PSP and/or HSS in part for any one or more of the following: reconfiguration costs, the unamortized fees and costs in the start up and provision of maintenance services by the PSP under this Agreement. If such termination occurs during the first year following the Start Date, the termination fee shall be in the amount of $3600.00. If such termination occurs during subsequent years following such Start Date, the termination fee shall be as follows:

<table>
<thead>
<tr>
<th>Time Period</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>During second year</td>
<td>$2,600</td>
</tr>
<tr>
<td>During third year</td>
<td>$1,300</td>
</tr>
<tr>
<td>Thereafter</td>
<td>$1,200</td>
</tr>
</tbody>
</table>
Provided, however, if this Agreement is terminated, or if the Customer’s use of the PSP is terminated after a Customer Refresh of Authorized Equipment listed on Schedule D, the termination fee shall depend upon the period elapsed after the Start Date applicable to shipment of such Authorized Equipment for each successive Customer Refresh as follows:

- During first year - $3,800
- During second year - $2,800
- During third year - $1,400
- Thereafter - $1,200

**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.

6. **Maintenance Location.** Equipment Maintenance will be provided for Customer’s Hotel located at %PropertyAddress1%, %PropertyAddress2%, %PropertyCity%, %PropertyState%, %PropertyZip%.

7. **Cost and Payment Terms.** Annual Cost of Equipment Maintenance for Authorized Equipment listed on Schedule D $%AnnualHWMaint%. Payable in monthly installments of $%MonthlyHWMaint% per month. Payments will be calculated from the Start Date. The monthly payment amount will be due in advance and will be billed by HSS or its designee. The first invoice will be issued upon the Start Date. 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).

Travel expenses, per diem fees and related costs for any on-site maintenance will be billed separately.

HSS reserves the right to increase or decrease the Equipment Maintenance cost on an annual basis as provided in Section 2 above. When certain Authorized Equipment or parts for certain Authorized Equipment are no longer being manufactured or reasonably obtainable, HSS or the PSP shall notify Customer of such circumstance and maintenance on such Authorized Equipment will no longer be available. After such notice, Customer will no longer be charged for maintenance on such Authorized Equipment.

8. **Customer Responsibilities as to Equipment Maintenance.** Customer shall maintain on its staff at all times sufficient personnel that have been trained in and are knowledgeable about the use of 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 and Certified Third Party Software. Neither HSS nor PSP shall have any 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. Neither HSS nor PSP has any obligation to maintain or repair any equipment other than the Authorized Equipment listed on Schedule D, nor to repair or replace any cables, cords, expendable or consumable components such as ribbons, paper, toner cartridges, print wheels, drums, batteries, or diskettes, whether or not defined as Authorized Equipment. Customer shall not move or perform maintenance services on any of such Authorized Equipment without HSS’ or PSP’s prior written consent.

9. **Cooperation.** Customer shall provide HSS or PSP with all information, data and other required materials necessary to reproduce 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 the ability to perform the Equipment Maintenance services remotely.

In some instances, Equipment Maintenance will be provided using a depot program, where Customer ships failed Authorized Equipment listed on Schedule D to the depot when Customer receives replacement of such Authorized Equipment. If Customer does not ship such failed equipment, Customer will be responsible for any unreturned equipment charges billed by HSS, the PSP or the depot program provider.
10. **Expenses.** If Equipment Maintenance personnel incur travel, lodging, meal, or any other out of pocket expenses in furnishing the 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. Typical travel expenses include, without limitation, the following:

- round-trip airfare (due to frequent scheduling changes HSS may not be able to purchase airfare 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 PSP’s representatives’ stay at the Hotel);
- tips;
- taxes; and
- miscellaneous expenses (including phone, laundry, etc.).

11. **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. No ITP shall be under any obligation, however, to fix any such Customer or externally caused errors, defects or problems.
SCHEDULE E TO SYSTEM 21® AGREEMENT
(REVISED FOR USE WITH TOTAL SOLUTION PROGRAM)

%TodaysDate%
%LegalEntity%, %PrimaryContactCompany%
%PrimaryContact%
%PropertyAddress1%
%PropertyAddress2%
%PropertyCity%, %PropertyState%, %PropertyZip%

Re: %HotelCompanyName%, %BrandCodeDesc%, %InnCode%

Dear: %PrimaryContact%

This Letter Agreement (“Letter Agreement”) confirms your request to purchase, lease or use, or license or sublicense the following (collectively called the “Additions”):

1) other equipment (“Other Equipment”) authorized or required by Hilton Systems Solutions, LLC (“HSS”) for use at applicable hotel properties (“Hotels”) which is over and above the authorized equipment needed for the network operation of System 21® (“Program Funded Equipment”) and such Program Funded Equipment being made available to and licensed to Licensee or customer (“Customer”) under the Total Solution Program Addendum to System 21® Agreement (“TSP Agreement”) previously or contemporaneously executed by Customer and HSS or Hilton Worldwide, Inc., formerly known as Hilton Hotels Corporation (“Hilton”);

2) equipment maintenance relating to Other Equipment and/or Program Funded Equipment (“Maintenance”);

3) additional proprietary software or certified third party software (“Software”).

This Letter Agreement shall constitute an amendment to the existing System 21® Agreement or such other named information technology license agreement (“Agreement”) previously entered into between %LegalEntity% and HSS or Hilton (or Promus Hotels, Inc. (“Promus”), a wholly owned subsidiary of Hilton or Promus or a related company).

It is agreed that you will purchase and/or lease the Additions and that you will be billed by the applicable vendor for the Additions as listed below. The effective date of billing on the new items shall be the date the new items are shipped, the date upon which you obtain use of the software, and/or the date upon which you request additional services, whichever is earliest.

% StdPlusEquip5%
Total: % StdPlusTotal%
Total Maintenance: % StdPlusMaintTotal%

The prices shown above exclude taxes, insurance, and shipping.

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 terms of this Letter Agreement. Customer agrees that Customer’s delivery by executed facsimile transmission of this Letter Agreement shall be deemed to be as effective for all purposes as 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 or Hilton. This Letter Agreement shall be effective as of the date inserted by Customer below.

NEITHER THE OTHER EQUIPMENT, THE PROPRIETARY SOFTWARE NOR THE 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.
Licensee 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 the 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.

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 %PSAConsultantPhone%

Sincerely,

By: %PSAConsultantName%

---

Hilton Systems Solutions, LLC

Accepted and Agreed:

Customer Name: %LegalEntity%

By: %HiltonApproverSignature% Authorized Signature

By: %HotelApproverSignature% Signature

Print Name: Randy Kanaya

Print Name and Title: %HotelApproverName%, %HotelApproverTitle%

Effective Date: %HotelApprovedDay%, %HotelApprovedMonth%, %HotelApprovedYear%
ATTACHMENT A
TO
TOTAL SOLUTION PROGRAM LICENSE
ADDENDUM TO SYSTEM 21® AGREEMENT

The following equipment is requested by Customer to be designated as Program Funded Equipment and licensed to Customer under the terms and conditions of the above described addendum:

%NetAuthEquip2%
Total: %NetAuthTotal%
Total Maintenance: %NetAuthMaintTotal%

Hilton Systems Solutions, LLC and the undersigned Customer agree that this Attachment A forms a part of and may be attached to the above described Addendum heretofore entered into between these parties.

CUSTOMER: %LegalEntity%
By: %HotelApproverSignature%
Authorized Signature
Print Name: %HotelApproverName%
Title: %HotelApproverTitle%
Date: %HotelApprovedDate%

HILTON SYSTEMS SOLUTIONS, LLC
By: %HiltonApproverSignature%
Authorized Signature
Print Name: Randy Kanaya
Title: Director – OnQ™ Deployment Planning
Date: %HiltonApprovedDate%

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;

   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

{000011-999987 00220220.DOCX; 1} 31
INTL 3rd HITS
MR 06282013 v.1

Inn Code/Project: %InnCodeProj% Version: %Version%
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%

%HotelApproverSignature%

Name: %HotelApproverName%

Title: %HotelApproverTitle%

Date: %HotelApprovedDate%
## SCHEDULE G

### REWARDS AFFILIATE ADDENDUM

<table>
<thead>
<tr>
<th>Customer Company Name:</th>
<th>See signature below</th>
</tr>
</thead>
<tbody>
<tr>
<td>Symantec Agreement Number (SAN) of Master Contract: (Insert SANs)</td>
<td>39K0SZREW</td>
</tr>
<tr>
<td>Contract Address: (Ordering Location)</td>
<td>See signature below</td>
</tr>
<tr>
<td>Territory Addendum attached: (Insert Number for Territory Addendum)</td>
<td>See signature below</td>
</tr>
<tr>
<td>Symantec Agreement Number (SAN) of this Affiliate Contract: (Insert SANs)</td>
<td>3 9 K 0 S Z R E W</td>
</tr>
<tr>
<td>Effective Date of this Affiliate Contract:</td>
<td>See signature below</td>
</tr>
</tbody>
</table>

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.

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.

**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.

**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

<table>
<thead>
<tr>
<th>Symantec Corporation</th>
<th>Symantec Ltd.</th>
<th>Symantec Asia Pacific Pte Ltd.</th>
</tr>
</thead>
<tbody>
<tr>
<td>350 Ellis Street</td>
<td>Ballycoolin Business Park</td>
<td>6 Temasek Boulevard, #11-01</td>
</tr>
<tr>
<td>Mountain View, CA 94043</td>
<td>Blanchardstown, Dublin 15</td>
<td>Suntec Tower 4,</td>
</tr>
<tr>
<td>USA</td>
<td>Ireland</td>
<td>Singapore 038986</td>
</tr>
</tbody>
</table>

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: %CreationDate%
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.

<table>
<thead>
<tr>
<th>QTY</th>
<th>ITEM OF /SOFTWARE/EQUIPMENT</th>
<th>FEES/COSTS</th>
<th>MONTHLY MAINT.</th>
</tr>
</thead>
</table>

TOTAL PRICE

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.

If you have any questions, please contact me at .

Hilton Systems Solutions, LLC       Accepted and Agreed:

By: _____________________________
Customer Name

By: _____________________________
Signature

Print Name and Title: _____________________________

Effective Date: _____________________________
Program Funded Equipment and licensed to Customer under the terms and conditions of the above described addendum:

%NetAuthEquip2%
Total: %NetAuthTotal%
Total Maintenance: %NetAuthMaintTotal%

Hilton Systems Solutions, LLC and the undersigned Customer agree that this Attachment A forms a part of and may be attached to the above described Addendum heretofore entered into between these parties.

CUSTOMER: %LegalEntity%
By: %HotelApproverSignature%
 Authorized Signature
Print Name: %HotelApproverName%
Title: %HotelApproverTitle%
Date: %HotelApprovedDate%

HILTON SYSTEMS SOLUTIONS, LLC
By: %HiltonApproverSignature%
 Authorized Signature
Print Name: Randy Kanaya
Title: Director – OnQ™ Deployment Planning
Date: %HiltonApprovedDate%
SCHEDULE I

JOINDER TO PREFERRED RETAILER

The undersigned HSS Customer is acting as an HSS Affiliate ("HSS Affiliate") to acquire products under the terms of the HSS OnQ® Technology Deployment Program Statement of Work, including the Master Products and Services Agreement (the "Agreement") between HWI and International Business Machines Corporation ("Preferred Retailer"). As such HSS Affiliate, the undersigned joins in the Agreement for the limited purpose of acknowledging and agreeing to be bound by and receive the benefits of the terms of the Agreement to the extent of the rights, duties and responsibilities of an HSS Affiliate provided therein.

IN WITNESS WHEREOF, the HSS Affiliate, acting through its duly authorized officer or representative, has executed his Joinder, this %HotelApprovedDay% day of %HotelApprovedMonth%, %HotelApprovedYear%.

HSS AFFILIATE:

%LegalEntity%

By: %HotelApproverName%

Its: %HotelApproverTitle%

Address for Notices to HSS Affiliate under the Agreement

%PropertyAddress1%, %PropertyAddress2%, %PropertyCity%, %PropertyState% %PropertyZip%
SCHEDULE J

JOINDER TO PREFERRED LESSOR

The terms of the Agreement to the extent of the rights, duties and responsibilities of the HSS Affiliate as provided undersigned HSS Customer is acting as an HSS Affiliate ("HSS Affiliate") to lease products under the terms of the HSS OnQ® Technology Deployment Program Statement of Work, including the Master Products and Services Agreement (the "Agreement") between HWI and International Business Machines Corporation (the "Preferred Lessor"). As such HSS Affiliate, the undersigned joins in the Agreement for the limited purpose of acknowledging and agreeing to be bound by and receive the benefits of the therein.

IN WITNESS WHEREOF, the HSS Affiliate, acting through its duly authorized officer or representative, has executed his Joinder, this %HotelApprovedDay% day of %HotelApprovedMonth% , %HotelApprovedYear% .

HSS AFFILIATE:

%LegalEntity%

By: %HotelApproverName%______________________________

Its: %HotelApproverTitle%______________________________

Address for Notices to HSS Affiliate under the Agreement:

%PropertyAddress1%
%PropertyAddress2%
%PropertyCity%, %PropertyState%  %PropertyZip%
SCHEDULE K

JOINDER TO PREFERRED SERVICES PROVIDER

The undersigned HSS Customer is acting as an HSS Affiliate ("HSS Affiliate") to acquire services under the terms of the HSS OnQ® Technology Deployment Program Statement of Work, including the Master Products and Services Agreement (the "Agreement") between HWI and International Business Machines Corporation (the "Preferred Services Provider"). As such HSS Affiliate, the undersigned joins in the Agreement for the limited purpose of acknowledging and agreeing to be bound by and receive the benefits of the terms of the Agreement to the extent of the rights, duties and responsibilities of the HSS Affiliate as provided therein.

IN WITNESS WHEREOF, the HSS Affiliate, acting through its duly authorized officer or representative, has executed his Joinder, this %HotelApprovedDay% day of %HotelApprovedMonth% , %HotelApprovedYear% .

HSS AFFILIATE:

%LegalEntity%

By: %HotelApproverName% 

Its: %HotelApproverTitle%

Address for Notices to HSS Affiliate under the Agreement:

%PropertyAddress1% 
%PropertyAddress2%  
%PropertyCity%, %PropertyState%  %PropertyZip%
SCHEDULE L
TOTAL SOLUTION PROGRAM AGREEMENT

This Total Solution Program Agreement (this "TSP Agreement") is entered into as of the %HotelApprovedDay% day of %HotelApprovedMonth% , %HotelApprovedYear% between Hilton Systems Solutions, LLC a Delaware limited liability company ("HSS") and %LegalEntity% (the "Customer") for Customer's Hotel (the "Hotel") known as %HotelName% ( %InnCode% ) and located at %PropertyAddress1%, %PropertyAddress2%, %PropertyCity%, %PropertyState%.

In connection with the new Hilton Information Technology Systems Agreement (the "HITS Agreement") entered into between HSS and Customer (and if applicable, in anticipation of the Hotel's conversion and rebranding as a HWI Brand division hotel), HSS is willing to make certain benefits available to Customer for the above Hotel under HSS' Total Solution Program ("TSP") on the terms, conditions and limitations hereinafter set forth.

For good, valuable and sufficient consideration, Customer hereby enters into this TSP Agreement, and HSS and Customer agree as follows:

1. **Customer's Benefits.**

(a) **Equipment Transfer.** HSS shall transfer to Customer's Hotel that portion of the Authorized Equipment (as described in Schedule D of the HITS Agreement) needed, as determined solely by HSS, for the network operation of the Proprietary Software, such equipment more specifically described on Attachment (1) attached to and forming part of this TSP Agreement being hereinafter called the "Program Funded Equipment", together with shipping and transportation costs on such equipment. HSS hereby transfers to Customer such Program Funded Equipment, subject to the terms, conditions and limitations set forth in this TSP Agreement. The Program Funded Equipment and any installation fees (for which HSS is responsible under 1(b)) are provided in consideration of Customer's performance of the HITS Agreement and the other obligations of the Customer pursuant to this TSP Agreement, without additional fees except as may be provided herein.

(b) **Equipment Installation.** Customer will be responsible for the fees and costs for installation services relative to Program Funded Equipment as well as any Other Equipment (as described in Schedule D of the HITS Agreement). Under the terms and conditions of the Total Solution Program's Refreshment Program (the "Refreshment Program") of Program Funded Equipment, HSS anticipates that Program Funded Equipment will be replaced or refreshed in HSS' sole discretion (the "Refresh"), on an approximate three (3) year cycle, starting approximately three (3) years after the initial shipment of Program Funded Equipment. HSS will be responsible for the fees and costs for installation services of Program Funded Equipment on the date that such equipment is refreshed under the Refreshment Program. Customer's Refresh will be timed to occur prior to the end of the three (3) year cycle. If Customer fails to meet HSS' timeline for such Refresh, including order dates for equipment and software, Customer will be responsible for all fees and costs incident to such delay, including, but not limited to, rent extension costs on Program Funded Equipment and higher fees and costs for equipment maintenance and Software Maintenance.

2. **Customer's Obligations.** Customer shall:

(a) Perform all of its obligations under the HITS Agreement, including, but not limited to, the maintenance of the Program Funded Equipment using the designated Preferred Services Provider for HSS' TSP.

(b) Obtain and keep current insurance on the Program Funded Equipment against all risks for the approximate value of the Program Funded Equipment from the time of shipment from the IBM Configuration Center.
(c) Pay any and all withholding, state, or local sales, use, gross receipts, excise, GST and QST or similar taxes incident to the payments under this TSP Agreement. Customer agrees to pay all personal property taxes associated with software licensed and equipment provided under the TSP Agreement.

(d) Prevent any liens from attaching to the Program Funded Equipment.

(e) Pay for any and all de-installation, transportation and disposal costs of any Other Equipment currently being used by Customer's Hotel on its Network at the time of installation by HSS or HSS' designee of the Program Funded Equipment under the Refreshment program. HSS or HSS' designee, at HSS' expense, will provide for de-installation, transportation and disposal of any such Program Funded Equipment then being used by Customer's Hotel at the time of the installation of Program Funded Equipment under the Refreshment Program, but it is Customer's responsibility to handle the return to Customer's lessor of all such de-installed equipment in accordance with Customer's current lease terms. Customer shall be solely responsible for any missing, bad or damaged equipment.

(f) Preserve and protect the Program Funded Equipment from loss, damage or theft.

(g) Not use any unauthorized backup in connection with the Information System.

(h) Make no unapproved repairs nor perform any unauthorized service to the Program Funded Equipment.

(i) Not allow any other equipment or software to be added to the Information System without prior specific written permission of HSS.

3. Customer's Conditions. All benefits provided Customer herein and all obligations of HSS under this TSP 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 HWI, HSS or any of their affiliates and subsidiaries, or any HWI Brand division, including but not limited to this TSP Agreement, the HITS Agreement and Customer's License Agreement with HWI or its affiliate or subsidiary.

(b) Customer continues to make all other payments to HSS' Preferred Lessors, Preferred Retailers or Preferred Services Providers under any applicable agreements and does not become in default under such agreements.

(c) Customer's Hotel remains (after conversion and rebranding if applicable) one of the following HWI Brand divisions: Hampton Inn, Hampton Inn & Suites, Embassy Suites and Homewood Suites by Hilton.

(d) Customer executes the HITS Agreement contemporaneously with this TSP Agreement.

(e) Customer's participation and continued cooperation with HSS in HSS' Total Solution Program, including, but not limited to, the refreshment of Program Funded Equipment.

(f) Customer allows the removal and future replacement or refreshment of Program Funded Equipment at such time and in such manner as may be determined by HSS in its sole discretion.

(g) If applicable, Customer must complete the Hotel's conversion and rebranding as a HWI Brand division hotel.

4. Termination. HSS may terminate all obligations of HSS under this TSP 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 TSP 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.
Agreement. Any default by Customer under the HITS Agreement shall constitute a default and breach of condition by Customer under this TSP Agreement. Termination of the HITS Agreement will result in termination of this TSP Agreement. HSS may terminate this TSP Agreement without terminating the HITS Agreement, whereupon the HITS Agreement shall be construed and enforced as if this TSP Agreement had never been entered into (subject to accrued rights and obligations).

Upon termination of this TSP Agreement, Customer will be required to pay HSS for the unpaid cost of any as to the Program Funded Equipment transferred to Customer and/or pay for any termination penalties or removal costs relative to the Program Funded Equipment that is transferred to Customer pursuant to this TSP Agreement. The costs (which will vary depending upon the equipment involved and the timing of the termination) and the various options available will be sent to Customer at the time of the notification of the upcoming termination. Upon termination of this TSP Agreement, HSS shall pass on to Customer, and Customer shall be responsible for, all subsequent fees and costs of Equipment Maintenance and Software Maintenance. If a termination occurs before the expiration of three (3) years since HSS incurred installation and/or service fees and costs in performing an installation of Program Funded Equipment (“Refresh Costs”), then Customer shall also reimburse HSS for the unamortized value (on a monthly basis over a thirty-six (36) month period) of such Refresh costs.

In addition, if this TSP Agreement is terminated (or if Customer’s use of the Preferred Services Provider is terminated), Customer shall pay to HSS a termination fee which is designed to reimburse the Preferred Services Provider and/or HSS in part for unamortized or otherwise uncovered costs, including without limitation costs of Certified Third Party Software and costs incurred in the start up and provision of maintenance services by the Preferred Services Provider under the HITS Agreement. If such termination occurs, or if Customer’s use of the Preferred Services Provider is terminated, following the shipment date of the Program Funded Equipment to Customer’s Hotel (“Start Date”), and prior to the first Refresh of the Program Funded Equipment, the termination fee shall be as follows:

One percent (1%) of the average of monthly Gross Room Revenue (as defined in Customer’s License Agreement) over the last three (3) calendar months of operation prior to Customer’s termination for each calendar month remaining of Customer’s initial thirty-six (36) month period.

Provided, however, if this TSP Agreement is terminated, or if the Customer’s use of the Preferred Services Provider is terminated, after a Customer Refresh of Program Funded Equipment, the termination fee shall depend upon the period elapsed after the Start Date applicable to shipment of the Program Funded Equipment for each successive Customer Refresh as follows:

One percent (1%) of the average of monthly Gross Room Revenue (as defined in Customer’s License Agreement) over the last three (3) calendar months of operation prior to Customer’s termination for each calendar month remaining after Customer’s Refresh but prior to the lapsing of thirty-six (36) months following such Refresh.

5. **Property of Customer.** The Program Funded Equipment shall become the property of Customer, subject to the terms and conditions set forth in this TSP Agreement, upon shipment of the Program Funded Equipment from the IBM Configuration Center.

6. **Additional Equipment/Software.** Any and all additional Authorized Equipment (“Other Equipment”) may be purchased by Customer from a Preferred Retailer or leased from a Preferred Lessor under the Other Equipment Leasing Program Lease (the “Other Equipment Lease”). Any and all additional Certified Third Party Software authorized by HSS but not included in the Brand standard applicable to Customer (“Other Software”) may be licensed or sublicensed from HSS or a Preferred Services Provider.

7. **Defined Terms.** All capitalized terms used in this TSP Agreement which are not specially defined in this TSP Agreement shall have the meaning ascribed to such terms in the HITS Agreement.

8. **Other Important Provisions.** The parties mutually acknowledge and agree that the Program Funded Equipment is part of the Authorized Equipment referred to in the HITS Agreement, that this TSP Agreement is a
schedule to the HITS Agreement and that this TSP Agreement and its performance by the parties are a part of the transactions contemplated by the HITS Agreement. Upon HSS’ Refresh of Program Funded Equipment, the terms and conditions applicable to any equipment, software or services provided for or pursuant to the Refresh shall be the same as the terms and conditions of this TSP Agreement, including, but not limited to, the termination fees described herein; and, except for such termination fees (if any, as specified above), all terms and provisions hereof (including those incorporated by reference below) shall apply as if this TSP Agreement was executed on the Start Date for each such Refresh. In the event of conflict between the provisions of this TSP Agreement and the provisions of the HITS Agreement, the provisions of this TSP Agreement shall prevail. Except as modified herein, all provisions of the HITS Agreement applicable to the Authorized Equipment, Proprietary Software or Certified Third Party Software and to 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 Authorized Equipment, the Software and the Services. Where HSS is providing equipment, software or services instead of such items being provided by a Preferred Retailer, Preferred Lessor, Preferred Services Provider, or other third party vendor, HSS shall be entitled to all of the protections and the limitations of warranties, liabilities and damages as if HSS were such Preferred Retailer, Preferred Lessor, Preferred Services Provider or other third party vendor. The following additional Sections of the HITS Agreement are hereby made applicable to this TSP 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 (Estoppel and Release); 17 (Entire Agreement/Prior Agreements); 18 (Cumulative Remedies); 19 (Force Majeure); 20 (Severability); 21 (No Joint Venture); 22 (Assignment); 24 (Applicable Law, Consent to Jurisdiction and Equitable Relief); 25 (Attorneys’ Fees); 26 (No Reproduction); 27 (Confidentiality); and 28 (Surviving Obligations). Except as the context may otherwise require, all references in these incorporated provisions to “this Agreement” shall, for purposes of this TSP Agreement, be construed to include this TSP Agreement, and where applicable, such provisions are hereby reasserted, re-applied and re-acknowledged as of the effective date hereof.

9. **Notices.** The provisions of Section 4 of the HITS Agreement shall apply to all notices, requests, demands and other communications under this TSP Agreement.

10. **Counterparts.** This TSP 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%

By: %HotelApproverSignature%
Authorized Signature

Print Name: %HotelApproverName%

Title: %HotelApproverTitle%

Date: %HotelApprovedDate%

HILTON SYSTEMS SOLUTIONS, LLC

By: %HiltonApproverSignature%
Authorized Signature

Print Name: Randy Kanaya

Title: Director – OnQ® Deployment Planning

Date: %HiltonApprovedDate%
ATTACHMENT L (1)

NETWORK AUTHORIZED (PROGRAM FUNDED) EQUIPMENT

%NetAuthEquip1%
SCHEDULE M

HILTON BRAND FEE BASED PRICING PROGRAM AGREEMENT: 0.75% PROGRAM

This Fee Based Pricing Program Agreement (this “FBPP Agreement”) is entered into as of the %HotelApprovedDay% day of %HotelApprovedMonth%, %HotelApprovedYear% between Hilton Systems Solutions, LLC a Delaware limited liability company (“HSS”) and %LegalEntity% (the “Customer”) for Customer’s Hotel (the “Hotel”) known as %HotelName% (%InnCode%) and located at %PropertyAddress1%, %PropertyAddress2%, %PropertyCity%, %PropertyState%.

In connection with the new Hilton Information Technology Systems 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 Hotels and Resorts brand division hotel), HSS is willing to make certain benefits available to Customer for the above Hotel under HSS’ Fee Based Pricing Program (“FBPP”) on the terms, conditions and limitations hereinafter set forth.

For good, valuable and sufficient consideration, Customer hereby enters into this FBPP Agreement, and HSS and Customer agree as follows:


   a) Equipment Transfer to Customer. HSS shall transfer to Customer’s Hotel that portion of the Authorized Equipment (as described in Schedule D of the HITS Agreement) needed, as determined solely by HSS, for the network operation of the Proprietary Software, such equipment more specifically described on Attachment (1) attached to and forming part of this FBPP Agreement being hereinafter called the “Program Funded Equipment”, together with shipping and transportation costs on such equipment. HSS hereby transfers to Customer such Program Funded Equipment, subject to the terms, conditions and limitations set forth in this FBPP Agreement. The Program Funded Equipment and any installation fees for which HSS is responsible under 1(b) are provided in consideration of the payment (“FBPP Payment”) provided in section 2(a) of this FBPP Agreement and the other obligations of the Customer, without additional fees except as may be provided herein.

   b) Equipment Installation. Customer will be responsible for the fees and costs for installation services relative to Program Funded Equipment as well as any Other Equipment (as described in Schedule D of the HITS Agreement). Under the Refreshment Program (the “Refreshment Program”) of Program Funded Equipment, HSS anticipates that Program Funded Equipment will be replaced or refreshed in HSS’ sole discretion (the “Refresh”) on an approximate three (3) year cycle, starting approximately three (3) years after the initial installation of Program Funded Equipment. HSS will be responsible for the fees and costs for installation services of Program Funded Equipment on the date that such equipment is refreshed under the Refreshment Program. Customer's Refresh will be timed to occur prior to the end of the three (3) year cycle. If Customer fails to meet HSS’ timeline for such Refresh, including order dates for equipment and software, Customer will be responsible for all fees and costs incident to such delay, including, but not limited to, rent extension costs on Program Funded Equipment and higher fees and costs for equipment maintenance and Software Maintenance.

   c) Certain Software and Services. Use of certain software and service items listed in this section 1(c) is provided pursuant to the terms, conditions and limitations contained in the HITS Agreement of which this Schedule is a part. In lieu of the separate fees and costs and methods of payment provided for such items in the HITS Agreement, the FBPP Payment shall cover the fees and costs for the following items, except as noted:

      i) OnQ® Core Modules Software License Fees. The FBPP Payment covers the software license fees for software licenses for certain OnQ® Core Modules. The license fees for OnQ® Core Modules covered by the FBPP Payment are as follows:
1) Revenue Management System
2) Electronic Mail (limited to that necessary to enable seven (7) accounts)
3) Customer Relationship Management

HSS may require for use by Customer’s Hotel, as determined solely by HSS, certain other OnQ® modules required by HSS for operation of Customer’s Hotel as a HWI Brand division hotel. Customer shall provide, at Customer’s cost, for use by Customer’s Hotel, the license fees for the balance of the OnQ® modules required by HSS for use by Customer’s Hotel.

ii) **Certified Third Party Software License Fees.** The FBPP Payment covers the software license fees for software licenses for the use of the following Certified Third Party Software:

1) Microsoft Windows XX Server and SQL License
2) Microsoft Windows XX and SQL Client Access License
3) Inoculan Virus Protection

Customer shall provide, at Customer’s cost, the license fees for any additional Certified Third Party Software for use by Customer’s Hotel as required by HSS.

iii) **Equipment Maintenance Fees.** Customer’s maintenance fees, during the term of this FBPP Agreement relative to the equipment maintenance on Program Funded Equipment, will be covered by the FBPP Payment unless Customer has indicated in Schedule E that it has declined to use a PSP for such maintenance and such equipment has been designated as Non-maintained Equipment in Schedule E. Customer will pay separately for all maintenance fees relative to the equipment maintenance on Other Equipment. Travel expenses, per diem fees and related costs for any on-site equipment maintenance will be billed separately to and payable by Customer.

iv) **Software Maintenance Fees.** Customer’s Software Maintenance fees relative to six (6) Proprietary Software interfaces, and OnQ® Core Modules (listed in this schedule) are covered by the FBPP Payment. All other Software maintenance fees will be payable by Customer as provided in the HITS Agreement. Travel expenses, per diem fees and related costs for any on-site Software Maintenance shall be billed separately to and payable by Customer.

2. **Customer’s Obligations.** Customer shall:

(a) Pay the FBPP Payment to HSS. The FBPP Payment shall be a monthly program fee amount equal to 0.75% of the gross room revenue of Customer’s Hotel to which this FBPP Agreement applies. For example, if the monthly gross room revenues are $100,000, the monthly program fee amount due to HSS would be $750 for that month. The monthly program fee shall be paid by Customer to HSS in the same manner and method as the monthly royalty fee is paid by Customer to HWI or its affiliate or subsidiary under Customer’s License Agreement. However, the start date (“Start Date”) for the commencement of payment of the monthly program fee shall be determined by the shipment date of the Program Funded Equipment to Customer’s Hotel. If the Start Date is on or before the 15th of the month, the monthly program fee will be invoiced for that full month. Each month’s program fee will be invoiced the following month.
(b) Perform all of its obligations under the HITS Agreement, including but not limited to the maintenance of the Program Funded Equipment (but at HSS’ cost as above described) using the designated Preferred Services Provider for HSS’ Fee Based Pricing Program.

(c) Obtain and keep current insurance on the Program Funded Equipment against all risks for the approximate value of the Program Funded Equipment.

(d) Pay any and all withholding, state or local sales, use, gross receipts, excise, GST, QST or similar taxes incident to the payments under this FBPP Agreement. The monthly program fee will be billed inclusive of all state or local sales, use, gross receipts, excise, GST, QST or similar taxes; however, HSS reserves the right to separately list and bill any or all such taxes on the monthly billing. Customer agrees to pay all personal property taxes associated with software licensed and equipment provided under this FBPP Agreement.

(e) Prevent any liens from attaching to the Program Funded Equipment.

(f) Pay for any and all de-installation, transportation and disposal costs of any and all Other Equipment being used by Customer’s Hotel on its Network at the time of installation by HSS or HSS’ designee of the Program Funded Equipment under the Refreshment Program. HSS or HSS’ designee, at HSS’ expense, will provide for de-installation, transportation and disposal of any such Program Funded Equipment then being used by Customer’s Hotel at the time of the installation of Program Funded Equipment under the Refreshment Program, but The return to Customer’s lessor of all such de-installed equipment in accordance with Customer’s current lease terms is the sole responsibility of Customer. Customer shall be responsible for any missing, bad or damaged equipment.

(g) Preserve and protect the Program Funded Equipment from loss, damage or theft.

(h) Not use any unauthorized backup in connection with the Information System.

(i) Make no unapproved repairs nor perform any unauthorized service to the Program Funded Equipment.

(j) Not allow any other equipment or software to be added to the Information System without prior specific written permission of HSS.

3. Customer’s Conditions. All benefits provided Customer herein and all obligations of HSS under this FBPP 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, HWI, or any of their affiliates or subsidiaries, or any HWI Brand division, including, but not limited to, this FBPP Agreement, the HITS Agreement and Customer’s License Agreement with HWI or its affiliate or subsidiary.

(b) Customer continues to make all other payments to HSS’ Preferred Lessors, Preferred Retailers or Preferred Services Providers under any applicable agreements and does not become in default under such agreements.

(c) Customer’s Hotel remains a Hilton Hotels and Resorts brand division hotel (after conversion and rebranding if applicable).

(d) Customer executes the HITS Agreement contemporaneously with this FBPP Agreement.

(e) Customer’s participation and continued cooperation with HSS in HSS’ Fee Based Pricing Program, including, but not limited to, the refreshment of Program Funded Equipment.

(f) Customer allows the removal and future replacement or refreshment of Program Funded Equipment at such time and in such manner as may be determined by HSS in its sole discretion.
4. **Termination.** HSS may terminate all obligations of HSS under this FBPP 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 FBPP 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 FBPP Agreement. Termination of the HITS Agreement will result in termination of this FBPP Agreement. HSS may terminate this FBPP Agreement without terminating the HITS Agreement, whereupon the HITS Agreement shall be construed and enforced as if this FBPP Agreement had never been entered into (subject to accrued rights and obligations).

   Upon termination of this FBPP Agreement, Customer will be required to pay HSS for the unpaid cost of any Program Funded Equipment transferred to Customer pursuant to this FBPP Agreement or to purchase such equipment from HSS' lessor. The costs (which will vary depending upon the equipment involved and the timing of the termination) and the various options available will be sent to Customer at the time of the notification of the upcoming termination. Upon termination of this FBPP Agreement, HSS shall pass on to Customer, and Customer shall be responsible for, all subsequent fees and costs of Equipment Maintenance and Software Maintenance. If a termination occurs before the expiration of three (3) years since HSS incurred installation and/or service fees and costs in performing an installation of Program Funded Equipment ("Refresh Costs"), then Customer shall also reimburse HSS for the unamortized value (on a monthly basis over a thirty-six (36) month period) of such Refresh costs.

   In addition, Customer shall pay to HSS a termination fee which is designed to reimburse the Preferred Services Provider and/or HSS in part for unamortized or otherwise unrecovered costs of the Certified Third Party Software and Vendor Equipment Maintenance Fees under this FBPP Agreement. If such termination occurs, or if Customer's use of the Preferred Services Provider terminates following the shipment date of the Program Funded Equipment to Customer's Hotel (the "Start Date") and prior to the first Referesh of Program Funded Equipment, the termination fee shall be as follows:

   One percent (1%) of the average of monthly Gross Room Revenue (as defined in Customer's License Agreement) over the last three (3) calendar months of operation prior to Customer’s termination for each calendar month remaining of Customer's initial thirty-six (36) month period.

   Provided, however, if this FBPP Agreement is terminated or if the Customer’s use of the Preferred Services Provider is terminated after a HSS Refresh of Program Funded Equipment, the termination fee shall depend upon the period elapsed after the Start Date applicable to shipment of the Program Funded Equipment for each successive HSS Refresh as follows:

   One percent (1%) of the average of monthly Gross Room Revenue (as defined in Customer's License Agreement) over the last three (3) calendar months of operation prior to Customer’s termination for each calendar month remaining after Customer’s Refresh but prior to the lapsing of thirty-six (36) months following such Refresh.

5. **Property of Customer.** The Program Funded Equipment shall become the property of Customer, subject to the terms and conditions set forth in this FBPP Agreement, upon shipment of the Network Authorized Equipment from the IBM Configuration Center.

6. **Additional Equipment/Software.** Any and all additional Authorized Equipment ("Other Equipment") may be purchased by Customer from a Preferred Retailer or leased from a Preferred Lessor under the Other Equipment Leasing Program Lease (the "Other Equipment Lease"). Any and all additional Certified Third Party
Software authorized by HSS but not included in the Brand standard applicable to Customer ("Other Software") may be licensed or sublicensed from HSS or a Preferred Services Provider.

7. **Defined Terms.** All capitalized terms used in this FBPP Agreement which are not specially defined in this FBPP Agreement shall have the meaning ascribed to such terms in the HITS Agreement.

8. **Other Important Provisions.** The parties mutually acknowledge and agree that the Program Funded Equipment is part of the Authorized Equipment referred to in the HITS Agreement, that this FBPP Agreement is a schedule to the HITS Agreement and that this FBPP Agreement and its performance by the parties are a part of the transactions contemplated by the HITS Agreement. Upon HSS’ Refresh of Program Funded Equipment, the terms and conditions applicable to any equipment, software or services provided for or pursuant to the Refresh shall be the same as the terms and conditions of this FBPP Agreement, including, but not limited to, the termination fees described herein; and, except for such termination fees (as specified above), all terms and provisions hereof (including those incorporated by reference below) shall apply as if this FBPP Agreement was executed on the Start Date for each such Refresh. In the event of conflict between the provisions of this FBPP Agreement and the provisions of the HITS Agreement, the provisions of this FBPP Agreement shall prevail. Except as modified herein, all provisions of the HITS Agreement applicable to the Authorized Equipment, Proprietary Software or Certified Third Party Software and to 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 Authorized Equipment, the Software and the Services. Where HSS is providing equipment, software or services instead of such items being provided by a Preferred Retailer, Preferred Lessor, Preferred Services Provider or other third party vendor, HSS shall be entitled to all of the protections and the limitations of warranties, liabilities and damages as if HSS were such Preferred Retailer, Preferred Lessor, Preferred Services Provider or other third party vendor. The following additional Sections of the HITS Agreement are hereby made applicable to this FBPP 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 (Estoppel and Release); 17 (Entire Agreement/Prior Agreements); 18 (Cumulative Remedies); 19 (Force Majeure); 20 (Severability); 21 (No Joint Venture); 22 (Assignment); 23 (Counterparts); 24 (Applicable Law, Consent to Jurisdiction and Equitable Relief); 25 (Attorneys’ Fees); 26 (No Reproduction); 27 (Confidentiality); and 28 (Surviving Obligations). Except as the context may otherwise require, all references to “this Agreement” in these incorporated provisions shall, for purposes of this FBPP Agreement, be construed to include this FBPP Agreement, and where applicable, such provisions are hereby reasserted, re-applied and re-acknowledged as of the effective date hereof.

9. **Notices.** The provisions of Section 4 of the HITS Agreement shall apply to all notices, requests, demands and other communications under this FBPP Agreement.

10. **Counterparts.** This FBPP 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%

By:  %HotelApproverSignature%

Authorized Signature

Print Name:  %HotelApproverName%

Title:  %HotelApproverTitle%

Date:  %HotelApprovedDate%

HILTON SYSTEMS SOLUTIONS, LLC

By:  %HiltonApproverSignature%

Authorized Signature

Print Name:  Randy Kanaya

Title:  Director – OnQ® Deployment Planning

Date:  %HiltonApprovedDate%
ATTACHMENT M (1)

NETWORK AUTHORIZED (PROGRAM FUNDED) EQUIPMENT

%NetAuthEquip1%
SCHEDULE N

Intentionally Omitted
SCHEDULE O

HILTON BRAND FEE BASED PRICING PROGRAM AGREEMENT: REIT HOTEL

This Fee Based Pricing Program Agreement (this “FBPP Agreement”) is entered into as of the %HotelApprovedDay% day of %HotelApprovedMonth%, %HotelApprovedYear% between Hilton Systems Solutions, LLC a Delaware limited liability company (“HSS”) and %LegalEntity% (the “Customer”) for Customer’s Hotel (the “Hotel”) known as %HotelName% (%InnCode%) and located at %PropertyAddress1%, %PropertyAddress2%, %PropertyCity% , %PropertyState%.

In connection with the new Hilton Information Technology Systems 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 Hotels and Resorts brand division hotel), HSS is willing to make certain benefits available to Customer for the above Hotel under HSS’ Fee Based Pricing Program (“FBPP”) on the terms, conditions and limitations hereinafter set forth.

For good, valuable and sufficient consideration, Customer hereby enters into this FBPP Agreement, and HSS and Customer agree as follows:


a) Certain Software and Services. Certain software and service items listed in this Section 1(a) are provided pursuant to the terms, conditions and limitations contained in the HITS Agreement of which this Schedule is a part. In lieu of the separate fees and methods of payment provided for such items in the HITS Agreement, the FBPP Payment shall cover the fees for the following items, except as noted:

i) OnQ® Core Modules Software License Fees. The FBPP Payment covers the software license fees for software licenses for certain OnQ® Core Modules (together with the cost of installation services for such modules). The license fees for OnQ® Core Modules covered by the FBPP Payment are as follows:

1) Revenue Management System

2) Electronic Mail (limited to that necessary to enable seven (7) accounts)

3) Customer Relationship Management

HSS may require for use by Customer’s Hotel, as determined solely by HSS, certain other OnQ® modules required by HSS for operation of Customer’s Hotel as a HWI Brand division hotel. Customer shall provide, at Customer’s cost, the license fees for the balance of the OnQ® modules for use by Customer’s Hotel as required by HSS.

ii) Equipment Maintenance Fees. Customer’s maintenance fees and costs, during the term of this FBPP Agreement relative to the equipment maintenance on that part of Hotel’s equipment hereinafter described in Section 2(a) as the Listed Equipment, will be covered by the FBPP Payment unless Customer has indicated in Schedule E that it has declined to use a PSP for such maintenance and such equipment has been designated as Non-maintained Equipment in Schedule E. Customer will pay separately for all maintenance fees and costs relative to the equipment maintenance on any other Authorized Equipment, as that term is described in Schedule D. Travel expenses, per diem fees and related costs for any on-site equipment maintenance will be billed separately to and payable by Customer.
iii) **Software Maintenance Fees.** Customer’s Software Maintenance fees relative to the following will be covered by the FBPP Payment:

- Six (6) Proprietary Software interfaces; and
- Three (3) OnQ® Core Modules (listed in this schedule).

All other Software maintenance fees will be payable by Customer as provided in the HITS Agreement. Travel expenses, per diem fees and related costs for any on-site Software Maintenance shall be billed separately to and payable by Customer.

2. **Customer's Obligations.** Customer shall:

   (a) Provide at Customer’s cost for use by Customer’s Hotel, the balance of the OnQ® Modules required by HSS, the Certified Third Party Software and the equipment needed, as determined solely by HSS, for the network operation of the OnQ® System, such equipment more specifically described on Attachment (1) attached to and forming part of the FBPP Agreement, being hereinafter called the “**Listed Equipment**”. Customer shall pay all shipping and transportation costs on such equipment. Customer shall, at HSS' sole discretion and instruction: (i) replace any Listed Equipment with a purchase price exceeding $1,000.00 within Customer’s next annual budget cycle, following HSS' instructions to acquire same; (ii) acquire any additional equipment with a purchase price exceeding $1,000.00 within Customer’s next annual budget cycle; (iii) acquire any equipment with a purchase price less than $1,000.00 within ninety (90) days following HSS' instructions to acquire same.

   (b) Be responsible for the fees and costs for all installation services relative to any Listed Equipment as well as any other equipment acquired by Customer through Schedule H.

   (c) Pay the FBPP Payment to HSS. The FBPP Payment shall be a monthly program fee amount equal to 0.45% of the gross room revenue of Customer’s Hotel to which this FBPP Agreement applies. For example, if the monthly gross room revenues are $100,000, the monthly program fee amount due to HSS would be $450 for that month. The monthly program fee shall be paid by Customer to HSS in the same manner and method as the monthly royalty fee is paid by Customer to HWI or its affiliate or subsidiary under Customer’s License Agreement. However, the start date (“**Start Date**”) for the commencement of payment of the monthly program fee shall be determined by the shipment date of the Listed Equipment. If the Start Date is on or before the 15th of the month, the monthly program fee will be invoiced for the full month. Each month’s program fee will be invoiced the following month.

   (d) Perform all of its obligations under the HITS Agreement, including, but not limited to, the maintenance of the Listed Equipment using the designated Preferred Services Provider for HSS’ Fee Based Pricing Program.

   (e) Obtain and keep current insurance on the Listed Equipment against all risks for the approximate value of the Listed Equipment.

   (f) Pay any and all withholding state or local sales, use, gross receipts and excise, GST, QST or similar taxes incident to the payments under this FBPP Agreement. The monthly program fee will be billed inclusive of all state or local sales, use, gross receipts, excise, GST, QST or similar taxes; however, HSS reserves the right to separately list and bill any or all such taxes on the monthly billing. Customer agrees to pay all personal property taxes associated with software licensed under this FBPP Agreement.

   (g) Prevent any liens from attaching to the Listed Equipment.
(h) Pay for any and all de-installation, transportation and disposal costs of any equipment being used by Customer’s Hotel on its current network at the time of installation of the Listed Equipment. De-installation, transportation and disposal of any network equipment and the return to Customer’s lessor of all such de-installed equipment in accordance with Customer’s current lease terms is the sole responsibility of Customer. Customer shall be responsible for any missing, bad or damaged equipment.

(i) Preserve and protect the Listed Equipment from loss, damage or theft.

(j) Not use any unauthorized backup in connection with the OnQ® System.

(k) Make no unapproved repairs nor perform any unauthorized service to the Listed Equipment.

(l) Not allow any other equipment or software to be added to the OnQ® System without prior specific written permission of HSS.

(m) Be responsible for the fees for installation services for Listed Equipment on the date that such equipment is refreshed under the Refreshment Program (the “Refreshment Program”). Under the Refreshment Program, HSS anticipates that Customer’s Listed Equipment will be replaced or refreshed in HSS’ sole discretion (the “Refresh”) on an approximate three (3) year cycle, starting approximately three (3) years after the initial shipment of Listed Equipment. Customer’s Refresh will be timed to occur prior to the end of the three (3) year cycle. If Customer fails to meet HSS’ timeline for such Refresh, including order dates for equipment and software, Customer will be responsible for all fees and costs incident to such delay, including, but not limited to, higher fees and costs for equipment maintenance and Software Maintenance.

3. Customer’s Conditions. All benefits provided Customer herein and all obligations of HSS under this FBPP 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, HWI or any of their affiliates or subsidiaries or any Brand division, including, but not limited to, this FBPP Agreement, the HITS Agreement and Customer’s License Agreement with HWI or its affiliate or subsidiary.

(b) Customer continues to make all other payments to HSS’ Preferred Lessors, Preferred Retailers or Preferred Services Providers under any applicable agreements and does not become in default under such agreements.

(c) Customer’s Hotel remains a Hilton Hotels and Resorts brand division hotel (after conversion and rebranding if applicable).

(d) Customer executes the HITS Agreement contemporaneously with this FBPP Agreement.

(e) Customer’s participation and continued cooperation with HSS in HSS’ Fee Based Pricing Program, including, but not limited to, the refreshment of Listed Equipment.

(f) If applicable, Customer must complete the Hotel’s conversion and rebranding as a Hilton Hotels and Resorts brand division hotel.

4. Termination. HSS may terminate all obligations of HSS under this FBPP 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 FBPP 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 FBPP Agreement. Termination of the HITS Agreement will result in termination of this FBPP Agreement. HSS may terminate this FBPP Agreement without terminating the HITS Agreement, whereupon the HITS Agreement shall be construed and enforced as if this FBPP Agreement had never been entered into (subject to accrued rights and obligations).

Upon termination of this FBPP Agreement, HSS shall pass onto Customer, and Customer shall be responsible for, all subsequent fees and costs of Equipment Maintenance and Software Maintenance.

In addition, Customer shall pay to HSS a termination fee which is designed to reimburse the Preferred Service Provider and/or HSS in part for unamortized or otherwise unrecovered costs of the Software Maintenance and equipment maintenance fees. If such termination occurs during the first year following the Start Date, the termination fee shall be in the amount of $4,000. If such termination occurs during subsequent years following such Start Date, the termination fee shall be as follows:

- During second year: $2,500
- During third year: $1,000
- Thereafter: $1,000

Provided, however, if this FBPP Agreement is terminated or if the Customer’s use of the Preferred Services Provider is terminated after any Customer Refresh of Listed Equipment, the termination fee shall depend upon the period elapsed after the Start Date applicable to shipment of the Listed Equipment for each such successive Customer Refresh as follows:

- During first year: $4,000
- During second year: $2,500
- During third year: $1,000
- Thereafter: $1,000

5. **Additional Equipment/Software.** Any and all additional Authorized Equipment ("Other Equipment") may be purchased by Customer from a Preferred Retailer or leased from a Preferred Lessor under the Other Equipment Leasing Program Lease (the "Other Equipment Lease"). Any and all additional Certified Third Party Software authorized by HSS but not included in the Brand standard applicable to Customer ("Other Software") may be licensed or sublicensed from HSS or a Preferred Services Provider.

6. **Defined Terms.** All capitalized terms used in this FBPP Agreement which are not specially defined in this FBPP Agreement shall have the meaning ascribed to such terms in the HITS Agreement.

7. **Other Important Provisions.** The parties mutually acknowledge and agree that the Listed Equipment is part of the Authorized Equipment referred to in the HITS Agreement, that this FBPP Agreement is a schedule to the HITS Agreement and that this FBPP Agreement and its performance by the parties are a part of the
transactions contemplated by the HITS Agreement. Upon Customer’s Refresh of Listed Equipment, the terms and conditions applicable to any equipment, software or services provided for the Refresh shall be the same as the terms and conditions of this FBPP Agreement, including, but not limited to, the termination fees described herein; and, except for such termination fees (as specified above), all terms and provisions hereof (including those incorporated by reference below) shall apply as if this FBPP Agreement was executed on the Start Date for each such Refresh. In the event of conflict between the provisions of this FBPP Agreement and the provisions of the HITS Agreement, the provisions of this FBPP Agreement shall prevail. Except as modified herein, all provisions of the HITS Agreement applicable to the Authorized Equipment, Proprietary Software, 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 Authorized Equipment, the Software and the Services. Where HSS is providing equipment, software or services instead of such items being provided by a Preferred Retailer, Preferred Services Provider or other third party vendor, HSS shall be entitled to all of the protections and the limitations of warranties, liabilities and damages as if HSS were such Preferred Retailer, Preferred Services Provider or other third party vendor. The following additional Sections of the HITS Agreement are hereby made applicable to this FBPP 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 (Estoppel and Release); 17 (Entire Agreement/Prior Agreements); 18 (Cumulative Remedies); 19 (Force Majeure); 20 ( Severability); 21 (No Joint Venture); 22 (Assignment); 23 (Counterparts); 24 (Applicable Law, Consent to Jurisdiction and Equitable Relief); 25 (Attorneys’ Fees); 26 (No Reproduction); 27 (Confidentiality); and 28 (Surviving Obligations). Except as the context may otherwise require, all references to “this Agreement” in these incorporated provisions shall, for purposes of this FBPP Agreement, be construed to include this FBPP Agreement, and where applicable, such provisions are hereby reasserted, re-applied and re-acknowledged as of the effective date hereof.

8. **Notices.** The provisions of Section 4 of the HITS Agreement shall apply to all notices, requests, demands and other communications under this FBPP Agreement.

9. **Counterparts.** This FBPP 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%
By: %HotelApproverSignature%  
Authorized Signature
Print Name: %HotelApproverName%
Title: %HotelApproverTitle%
Date: %HotelApprovedDate%

HILTON SYSTEMS SOLUTIONS, LLC
By: %HiltonApproverSignature%  
Authorized Signature
Print Name: Randy Kanaya
Title: Director – OnQ® Deployment Planning
Date: %HiltonApprovedDate%

ATTACHMENT O (1)
LISTED EQUIPMENT

%NetAuthEquip1%
SCHEDULE P

DOUBLETREE AUTHORIZED EQUIPMENT REFRESH

Pursuant to the HITS Agreement entered into between HSS and Customer for Customer’s Hotel (and if applicable, in anticipation of the Hotel’s conversion and rebranding as a Doubletree Brand Hotel), Customer provided the Authorized Equipment as defined in the HITS Agreement needed, as determined solely by HSS, for the network operation of the Proprietary Software licensed by HSS, all as described in the HITS Agreement, for the internal operation of Customer’s Hotel.

In order that Customer’s Authorized Equipment will maintain compatibility with the Proprietary Software and with updates to such software and in an effort to minimize Customer’s expenditures for maintenance and repair associated with older, out of warranty equipment, HSS plans for Customer’s Authorized Equipment to be replaced or refreshed by Customer on an approximate three (3) year cycle, commencing approximately three (3) years following Customer’s initial shipment of Authorized Equipment (the “Refresh”). Customer’s Refresh will be timed to occur prior to the end of the three (3) year cycle. If Customer fails to meet HSS’ timeline for such Refresh, including order dates for equipment and software, Customer will be responsible for all fees and costs incident to such delay, including, but not limited to, rent extension costs on Authorized Equipment and higher fees and costs for equipment maintenance and Software Maintenance.

Accordingly, in conjunction with any Refresh, Customer commits to the following:

1. **Equipment Acquisition and Installation.** Customer shall provide by purchase or lease the Authorized Equipment for use by Customer’s Hotel, including, but not limited to, that required for any Refresh, together with shipping and transportation costs for such equipment. Customer is responsible for the fees and costs for installation services relative to all such Authorized Equipment as well as any other equipment (as described in the HITS Agreement) used by Customer.

2. **Customer’s Additional Obligations.** Customer shall:

   (a) Perform all of its obligations under the HITS Agreement (including any amendments thereto), including, but not limited to, being fully responsible for maintenance of the Authorized Equipment using the designated Preferred Services Provider as defined in the HITS Agreement.

   (b) Obtain and keep current insurance on the Authorized Equipment against all risks for the approximate value of the Authorized Equipment

   (c) Pay any and all taxes (such as withholding, personal property and sales taxes) incident to the Authorized Equipment.

   (d) Pay for any and all de-installation, transportation and disposal costs of any Authorized Equipment currently being used by Customer’s Hotel at the time of installation by Customer of any new Authorized Equipment. It is also Customer’s responsibility to handle the return to Customer’s lessor of all such de-installed equipment in accordance with Customer’s current lease terms. Customer shall be solely responsible for any missing, bad or damaged equipment.

   (e) Preserve and protect the Authorized Equipment from loss, damage or theft.

   (f) Not use any unauthorized backup in connection with the Authorized Equipment.

   (g) Make no unapproved repairs nor perform any unauthorized service to the Authorized Equipment.
(h) Not allow any other equipment or software to be added to the Proprietary Software and/or Authorized Equipment without prior specific written permission of HSS.

3. **Customer’s Conditions.** Any Refresh is conditioned on the following:

(a) Customer’s Hotel remains in the Doubletree Brand division of HWI or its affiliate or subsidiary (after conversion and rebranding if applicable).

(b) Customer remains bound by the HITS Agreement and any amendments in force at the time of a Refresh.

(c) If applicable, Customer must complete the Hotel’s conversion and rebranding as a Doubletree Brand Hotel.

4. **Additional Equipment/Software.** Any and all additional Authorized Equipment (“Other Equipment”) may be purchased by Customer from a Preferred Retailer or leased from a Preferred Lessor under the Other Equipment Leasing Program Lease (the “Other Equipment Lease”). Any and all additional Certified Third Party Software authorized by HSS but not included in the Brand standard applicable to Customer (“Other Software”), may be licensed or sublicensed from HSS or a Preferred Services Provider.

5. **Defined Terms.** All capitalized terms used herein which are not specially defined shall have the meaning ascribed to such terms in the HITS Agreement.

6. **Other Important Provisions.** This Schedule P is a schedule to the HITS Agreement. The Refresh and its performance by the parties are a part of the transactions contemplated by the HITS Agreement. Upon Customer’s Refresh of Authorized Equipment, the terms and conditions applicable to any equipment, software or services provided for the Refresh shall be the same as the terms and conditions of the HITS Agreement and this Schedule P. All terms and provisions hereof shall apply as if the provisions of this Refresh were implemented on the Start Date (the shipment date of the Authorized Equipment to Customer’s Hotel) for each such Refresh. Customer’s participation in a Refresh shall constitute acceptance of the terms and conditions of the Refresh. In the event of conflict between the provisions of this Schedule P and the provisions of the HITS Agreement, the provisions of this Schedule P shall prevail.
This Hilton Garden Inn refresh Program Agreement (this “Refresh Program Agreement”) is entered into as of the %HotelApprovedDay% day %HotelApprovedMonth% , %HotelApprovedYear% between Hilton Systems Solutions, LLC a Delaware limited liability company (“HSS”) and %LegalEntity% (the “Customer”) for Customer’s Hotel (the “Hotel”) known as %HotelName% (%InnCode%) and located at %PropertyAddress2%, %PropertyCity% , %PropertyState%.

In connection with the new Hilton Information Technology Systems 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 Garden Inn brand division hotel), HSS is willing to make certain benefits available to Customer for the above Hotel under the Hilton Garden Inn Refresh Program (“Garden Inn Refresh Program”) on the terms, conditions and limitations hereinafter set forth.

For good, valuable and sufficient consideration, Customer hereby enters into this Refresh Program Agreement, and HSS and Customer agree as follows:


   a) Equipment Transferred to Customer. HSS shall transfer to Customer’s Hotel that portion of the Authorized Equipment (as described in Schedule D of the HITS Agreement) needed, as determined solely by HSS, for the network operation of the Proprietary Software, such equipment more specifically described on Attachment (1) attached to and forming part of this Refresh Program Agreement being hereinafter called the “Program Funded Equipment”, together with shipping and transportation costs on such equipment. HSS hereby transfers to Customer such Program Funded Equipment, subject to the terms, conditions and limitations set forth in this Refresh Program Agreement. The Program Funded Equipment and any installation fees for which HSS is responsible under 1(b) are provided in consideration of Customer’s Performance of the HITS Agreement and the other obligations of the Customer pursuant to this Refresh Program Agreement, without additional fees except as provided herein.

   b) Equipment Installation. Customer will be responsible for the fees and costs for installation services relative to Program Funded Equipment as well as any Other Equipment (as described in Schedule D of the HITS Agreement). Under the Refreshment Program (the “Refreshment Program”) of Program Funded Equipment, HSS anticipates that Program Funded Equipment will be replaced or refreshed in HSS’ sole discretion (the “Refresh”) on an approximate three (3) year cycle, starting approximately three (3) years after the initial shipment of Program Funded Equipment. HSS will be responsible for the fees and costs for installation services of Program Funded Equipment on the date that such equipment is refreshed under the Refreshment Program. Customer’s Refresh will be timed to occur prior to the end of the three (3) year cycle. If Customer fails to meet HSS’ timeline for such Refresh, including order dates for equipment and software, Customer will be responsible for all fees and costs incident to such delay, including, but not limited to, rent extension costs on Program Funded Equipment and higher fees and costs for equipment maintenance and Software Maintenance.

   c) Equipment Maintenance Fees. Customer’s maintenance fees, during the term of this Refresh Program Agreement relative to the equipment maintenance on Program Funded Equipment, will be covered by a separate program under the Garden Inn Brand unless Customer has indicated in Schedule E that it has declined to use a PSP for such maintenance and such equipment has been designated as Non-maintained Equipment in Schedule E. Customer will pay separately for all maintenance fees relative to the equipment maintenance on Other Equipment. Travel expenses, per diem fees and related costs for any on-site equipment maintenance will be billed separately to and payable by Customer.
d) **Software Maintenance Fees.** Customer’s Software Maintenance fees relative to six (6) Proprietary Software interfaces and the OnQ® Core Modules (listed in this schedule) will be covered by a separate program under the Garden Inn Brand. All other Software maintenance fees will be payable by Customer as provided in the HITS Agreement. Travel expenses, per diem fees and related costs for any on-site Software Maintenance will be billed separately to and payable by Customer.

e) **Electronic Mail.** License fees for electronic mail is limited to that necessary to enable three (3) Hilton Garden Inn Brand designated accounts and two (2) optional accounts for use by Customer’s Hotel

2. **Customer’s Obligations.** Customer shall:

(a) Perform all of its obligations under the HITS Agreement, including, but not limited to, the maintenance of the Program Funded Equipment using the designated Preferred Services Provider for the Hilton Garden Inn Refresh Program.

(b) Obtain and keep current insurance on the Program Funded Equipment against all risks for the approximate value of the Program Funded Equipment.

(c) Pay any and all withholding, state or local sales, use, gross receipts, excise, GST, QST or similar taxes incident to Program Funded Equipment. Customer agrees to pay all personal property taxes associated with software licensed or sublicensed and equipment provided under this Refresh Program Agreement.

(d) Prevent any liens from attaching to the Program Funded Equipment.

(e) Pay for any and all de-installation, transportation and disposal costs of any and all Other Equipment being used by Customer’s Hotel on its Network at the time of installation by HSS’ designee of the Program Funded Equipment under the Refreshment Program. HSS’ designee, at HSS’ expense, will provide for de-installation, transportation and disposal of any such Program Funded Equipment then being used by Customer’s Hotel at the time of the installation of Program Funded Equipment under the Refreshment Program, but it is Customer’s responsibility to handle the return to Customer’s lessor of all such de-installed equipment in accordance with Customer’s current lease terms. The return to Customer’s lessor of all such de-installed equipment in accordance with Customer’s current lease terms is the sole responsibility of Customer. Customer shall be responsible for any missing, bad or damaged equipment.

(f) Preserve and protect the Program Funded Equipment from loss, damage or theft.

(g) Not use any unauthorized backup in connection with the Information System.

(h) Make no unapproved repairs nor perform any unauthorized service to the Program Funded Equipment.

(i) Not allow any other equipment or software to be added to the Information System without prior specific written permission of HSS.

3. **Customer’s Conditions.** All benefits provided Customer herein and all obligations of HSS under this Refresh 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, HWI or any of their affiliates or subsidiaries, or any Brand division, including, but not limited to, this Refresh Program Agreement, the HITS Agreement and Customer’s License Agreement with HWI or its affiliate or subsidiary.
(b) Customer continues to make all other payments to HSS’ Preferred Lessors, Preferred Retailers or Preferred Services Providers under any applicable agreements and does not become in default under such agreements.

(c) Customer’s Hotel remains in the Hilton Garden Inn Brand division (after conversion and rebranding if applicable).

(d) Customer executes the HITS Agreement contemporaneously with this Refresh Program Agreement.

(e) Customer’s participation and continued cooperation with HSS in the Hilton Garden Inn Refresh Program, including, but not limited to, the refreshment of Program Funded Equipment.

(f) Customer allows the removal and future replacement or refreshment of Program Funded Equipment at such time and in such manner as may be determined by HSS in its sole discretion.

(g) If applicable, Customer must complete the Hotel’s conversion and rebranding as a Hilton Garden Inn Brand Hotel.

4. **Termination.** HSS may terminate all obligations of HSS under this Refresh Program Agreement at HSS’ option: (a) Immediately without notice in the 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 Refresh 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 Refresh Program Agreement. Termination of the HITS Agreement will result in termination of this Refresh Program Agreement. HSS may terminate this Refresh Program Agreement without terminating the HITS Agreement, whereupon the HITS Agreement shall be construed and enforced as if this Refresh Program Agreement had never been entered into (subject to accrued rights and obligations).

Upon termination of this Refresh Program Agreement, Customer will be required to pay HSS for the unpaid cost of any Program Funded Equipment transferred to Customer and/or to pay for any termination penalties or removal costs relative to the Network Authorized Equipment that is transferred to Customer pursuant to this Refresh Program Agreement. The costs (which will vary depending upon the equipment involved and the timing of the termination) and the various options available will be sent to Customer at the time of the notification of the upcoming termination. Upon termination of this Refresh Program Agreement, HSS shall pass on to Customer, and Customer shall be responsible for, all subsequent fees and costs of Equipment Maintenance and Software Maintenance. If a termination occurs before the expiration of three (3) years since HSS incurred installation and/or service fees and costs in performing an installation of Program Funded Equipment ("Refresh Costs"), then Customer shall also reimburse HSS for the unamortized value (on a monthly basis over a thirty-six (36) month period) as to such Refresh costs.

In addition, Customer shall pay to HSS a termination fee which is designed to reimburse the Preferred Services Provider and/or HSS in part for unamortized or otherwise unrecovered costs of the Certified Third Party Software and Vendor Equipment Maintenance Fees under this Refresh Program Agreement. If such termination occurs or if Customer’s use of the Preferred Services Providers terminates following the shipment date of the Program Funded Equipment to Customer’s Hotel ("Start Date") and prior to the first Refresh of Program Funded Equipment, the termination fee shall be as follows:
One percent (1%) of the average of monthly Gross Room Revenue (as defined in Customer’s License Agreement) over the last three (3) calendar months of operation prior to Customer’s termination for each calendar month remaining of Customer’s initial thirty-six (36) month period.

Provided, however, if this Refresh Program Agreement is terminated, or if Customer’s use of the Preferred Services Provider is terminated after a Refresh of Program Funded Equipment, the termination fee shall depend upon the period elapsed after the Start Date applicable to shipment of the Program Funded Equipment for each successive Refresh as follows:

One percent (1%) of the average of monthly Gross Room Revenue (as defined in Customer’s License Agreement) over the last three (3) calendar months of operation prior to Customer’s termination for each calendar month remaining after Customer’s Refresh but prior to the lapsing of thirty-six (36) months following such Refresh.

5. **Property of Customer.** The Program Funded Equipment shall become the property of Customer, subject to the terms and conditions set forth in this Refresh Program Agreement, upon shipment of the Program Funded Equipment from the IBM Configuration Center. Customer assumes the expense of delivery and in-transit insurance for the Program Funded Equipment.

6. **Additional Equipment/Software.** Any and all additional Authorized Equipment ("Other Equipment") may be purchased by Customer from a Preferred Retailer or leased from a Preferred Lessor under the Other Equipment Leasing Program Lease (the "Other Equipment Lease"). Any and all additional Certified Third Party Software authorized by HSS but not included in the Brand standard applicable to Customer ("Other Software") may be licensed or sublicensed from HSS or a Preferred Services Provider.

7. **Defined Terms.** All capitalized terms used in this Refresh Program Agreement which are not specially defined in this Refresh Program Agreement shall have the meaning ascribed to such terms in the HITS Agreement.

8. **Other Important Provisions.** The parties mutually acknowledge and agree that the Program Funded Equipment is part of the Authorized Equipment referred to in the HITS Agreement, that this Refresh Program Agreement is a schedule to the HITS Agreement and that this Refresh Program Agreement and its performance by the parties are a part of the transactions contemplated by the HITS Agreement. Upon each Refresh of Program Funded Equipment, the terms and conditions applicable to any equipment, software or services provided for or pursuant to the Refresh shall be the same as the terms and conditions of this Refresh Program Agreement, including, but not limited to, the termination fees described herein; and, except for such termination fees (as specified above), all terms and provisions hereof (including those incorporated by reference below) shall apply as if this Refresh Program Agreement was executed on the Start Date for each such Refresh. In the event of conflict between the provisions of this Refresh Program Agreement and the provisions of the HITS Agreement, the provisions of this Refresh Program Agreement shall prevail. Except as modified herein, all provisions of the HITS Agreement applicable to the Authorized Equipment, Proprietary Software, 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 Authorized Equipment, the Software and the Services. Where HSS is providing equipment, software or services instead of such items being provided by a Preferred Retailer, Preferred Lessor, Preferred Services Provider or other third party vendor, HSS shall be entitled to all of the protections and the limitations of warranties, liabilities and damages as if HSS were such Preferred Retailer, Preferred Lessor, Preferred Services Provider or other third party vendor. The following additional Sections of the HITS Agreement are hereby made applicable to this Refresh 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 (Estoppel and Release); 17 (Entire Agreement/Prior Agreements); 18
(Cumulative Remedies); 19 (Force Majeure); 20 (Severability); 21 (No Joint Venture); 22 (Assignment); 23 (Counterparts); 24 (Applicable Law, Consent to Jurisdiction and Equitable Relief); 25 (Attorneys' Fees); 26 (No Reproduction); 27 (Confidentiality); and 28 (Surviving Obligations). Except as the context may otherwise require, all references to “this Agreement” in these incorporated provisions shall, for purposes of this Refresh Program Agreement, be construed to include this Refresh Program Agreement.

9. **Notices.** The provisions of Section 4 of the HITS Agreement shall apply to all notices, requests, demands and other communications under this Refresh Program Agreement.

10. **Counterparts.** This Refresh 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.

<table>
<thead>
<tr>
<th>CUSTOMER:</th>
<th>HILTON SYSTEMS SOLUTIONS, LLC</th>
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<td>Print Name: Randy Kanaya</td>
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<td>Director – OnQ® Deployment Planning</td>
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ATTACHMENT Q (1)

NETWORK AUTHORIZED (PROGRAM FUNDED) EQUIPMENT

%NetAuthEquip1%
SCHEDULE R

INTENTIONALLY OMITTED
SCHEDULE R

INTENTIONALLY OMITTED
SCHEDULE S

INTENTIONALLY OMITTED
SCHEDULE T

INDEPENDENT BRAND FEE BASED PRICING PROGRAM AGREEMENT: 0.75% PROGRAM

This Independent Brand Fee Based Pricing Program Agreement (this “FBPP Agreement”) is entered into as of the %HotelApprovedDay% day %HotelApprovedMonth% , %HotelApprovedYear% between Systems Solutions, LLC a Delaware limited liability company (“HSS”) and %LegalEntity% (the “Customer”) for Customer’s Hotel (the “Hotel”) known as %HotelName% (%InnCode%) and located at %PropertyAddress1% , %PropertyAddress2% , %PropertyCity% , %PropertyState%.

In connection with the new Hilton Information Technology Systems Agreement (the “HITS Agreement”) entered into between HSS and Customer (and if applicable, in anticipation of the Hotel’s conversion and rebranding as a HWI Brand division hotel), HSS is willing to make certain benefits available to Customer for the above Hotel under HSS' Independent Brand Fee Based Pricing Program (“FBPP”) on the terms, conditions and limitations hereinafter set forth.

For good, valuable and sufficient consideration, Customer hereby enters into this FBPP Agreement and HSS and Customer agree as follows:


   a) Equipment Transfer. HSS shall transfer to Customer’s Hotel that portion of the Authorized Equipment (as described in Schedule D of the HITS Agreement) needed, as determined solely by HSS, for the network operation of the Proprietary Software, such equipment more specifically described on Attachment (1) attached to and forming part of this FBPP Agreement being hereinafter called the “Program Funded Equipment”, together with shipping and transportation costs on such equipment. HSS hereby transfers to Customer such Program Funded Equipment, subject to the terms, conditions and limitations set forth in this FBPP Agreement. The Program Funded Equipment and any installation fees (for which HSS is responsible under 1(b)) are provided in consideration of the payment (“FBPP Payment”) provided in section 2 (a) of this FBPP Agreement and the other obligations of the Customer, without additional fees except as may be provided herein.

   b) Equipment Installation. HSS will be responsible for the fees and costs for installation services relative to Program Funded Equipment. Customer will be responsible for the fees for installation services relative to any Other Equipment (as described in Schedule D of the HITS Agreement). Under the Refreshment Program (the “Refreshment Program”) of Program Funded Equipment, HSS anticipates that Program Funded Equipment will be replaced or refreshed in HSS’ sole discretion (the “Refresh”), on an approximate three (3) year cycle, starting approximately three (3) years after the initial shipment of Program Funded Equipment. HSS will be responsible for the fees and costs for installation services of Program Funded Equipment on the date that such equipment is refreshed under the Refreshment Program. Customer’s Refresh will be timed to occur prior to the end of the three (3) year cycle. If Customer fails to meet HSS’ timeline for such Refresh, including order dates for equipment and software, Customer will be responsible for all fees and costs incident to such delay, including, but not limited to, rent extension costs on Program Funded Equipment and higher fees and costs for equipment maintenance and Software Maintenance.

   c) Certain Software and Services. The use of certain software and service items listed in this section 1(c) is provided pursuant to the terms, conditions and limitations contained in the HITS Agreement of which this Schedule is a part. In lieu of the separate fees and costs and methods of payment provided for such items in the HITS Agreement, the FBPP Payment shall cover the fees and costs for the following items, except as noted:
i) **OnQ® Core Modules Software License Fees.** The FBPP Payment covers the software license fees for software licenses for certain OnQ® Core Modules (together with the cost of certain installation services (listed in 1(c) (v) below) for such modules). The license fees for OnQ® Core Modules covered by the FBPP Payment are as follows:

1) Proprietary Software Interfaces: six (6) Interfaces  
2) Revenue Management System  
3) Electronic Mail (limited to that necessary to enable seven (7) accounts)  
4) Customer Relationship Management

HSS may require for use by Customer’s Hotel, as determined solely by HSS, certain other OnQ® modules required by HSS for operation of Customer’s Hotel as a HWI Brand division hotel. Customer shall provide at Customer’s cost, the license fees for the balance of the OnQ® modules for use by Customer’s Hotel as required by HSS.

ii) **Certified Third Party Software License Fees.** The FBPP Payment covers the software license fees for software licenses for the following Certified Third Party Software:

1) Microsoft Windows XX Server and SQL License  
2) Microsoft Windows XX and SQL Client Access License  
3) Inoculan Virus Protection

Customer shall provide at Customer’s cost, the license fees for any additional Certified Third Party Software for use by Customer’s Hotel as required by HSS.

iii) **Equipment Maintenance Fees.** Customer’s maintenance fees, during the term of this FBPP Agreement relative to the equipment maintenance on Program Funded Equipment, will be covered by the FBPP Payment unless Customer has indicated in Schedule E that it has declined to use a PSP for such maintenance and such equipment has been designated as Non-maintained Equipment in Schedule E. Customer will pay separately for all maintenance fees relative to the equipment maintenance on Other Equipment. Travel expenses, per diem fees and related costs for any on-site equipment maintenance will be billed separately to and payable by Customer.

iv) **Software Maintenance Fees.** Customer’s Software Maintenance fees relative to six (6) Proprietary Software interfaces and OnQ® Core Modules (listed in this schedule) are covered by the FBPP Payment. All other Software maintenance fees will be payable by Customer as provided in the HITS Agreement. Travel expenses, per diem fees and related costs for any on-site Software Maintenance shall be billed separately to and payable by Customer.

v) **Miscellaneous Services.** The FBPP Payment also covers fees for the following services:

1) Site Survey Services (including standard travel costs)  
2) Training Room Set Up Services (including standard travel costs)  
3) Project Management & Contracting Services (including standard travel costs)  
4) Implementation Cut-Over Support Services (Including standard travel costs)
2. **Customer’s Obligations.** Customer shall:

(a) Pay the FBPP Payment to HSS. The FBPP Payment shall be a monthly program fee amount equal to 0.75% of the gross room revenue of Customer’s Hotel to which this FBPP Agreement applies. For example, if the monthly gross room revenues are $100,000, the monthly program fee amount due to HSS would be $750 for that month. The monthly program fee shall be paid by Customer to HSS in the same manner and method as the monthly royalty fee is paid by Customer to HWI or its affiliate or subsidiary under Customer’s License Agreement. However, the start date (“**Start Date**”) for commencement of payment of the monthly program fee shall be determined by the shipment date of the Program Funded Equipment to Customer’s Hotel. If the Start Date is on or before the 15th of the month, the monthly program fee will be invoiced for that full month. Each month’s program fee will be invoiced the following month.

(b) Perform all of its obligations under the HITS Agreement, including, but not limited to, the maintenance of the Program Funded Equipment (but at HSS’ cost as above described) using the designated Preferred Services Provider for HSS’ Fee Based Pricing Program.

(c) Obtain and keep current insurance on the Program Funded Equipment against all risks for the approximate value of the Program Funded Equipment.

(d) Pay any and all withholding state or local sales, use, gross receipts, excise, GST, QST or similar taxes incident to the payments under this FBPP Agreement. The monthly program fee will be billed inclusive of all state or local sales, use, gross receipts, excise, GST, QST or similar taxes; however, HSS reserves the right to separately list and bill any or all such taxes on the monthly billing. Customer agrees to pay all personal property taxes associated with software licensed or sublicensed and equipment provided under this FBPP Agreement.

(e) Prevent any liens from attaching to the Program Funded Equipment.

(f) Pay for any and all de-installation, transportation and disposal costs of any and all Other Equipment being used by Customer’s Hotel on its Network at the time of installation by HSS or HSS’ designee of the Program Funded Equipment under the Refreshment Program. The return to Customer’s lessor of all such de-installed equipment in accordance with Customer’s current lease terms is the sole responsibility of Customer. Customer shall be solely responsible for any missing, bad or damaged equipment.

(g) Preserve and protect the Program Funded Equipment from loss, damage or theft.

(h) Not use any unauthorized backup in connection with the Information System.

(i) Make no unapproved repairs nor perform any unauthorized service to the Program Funded Equipment.

(j) Not allow any other equipment or software to be added to the Information System without prior specific written permission of HSS.

3. **Customer’s Conditions.** All benefits provided Customer herein and all obligations of HSS under this FBPP 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, HWI or any of their
affiliates or subsidiaries or any Brand division, including, but not limited to, this FBPP Agreement, the HITS Agreement and Customer’s License Agreement with HWI or its affiliate or subsidiary.

(b) Customer continues to make all other payments to HSS’ Preferred Lessors, Preferred Retailers or Preferred Services Providers under any applicable agreements and does not become in default under such agreements.

c) Customer’s Hotel remains in its current HWI Brand division (after completing any anticipated HWI approved conversion and rebranding).

d) Customer has executed or executes the HITS Agreement contemporaneously with this FBPP Agreement.

e) Customer’s participation and continued cooperation with HSS in HSS' Fee Based Pricing Program, including, but not limited to, the refreshment of Program Funded Equipment.

(f) Customer allows the removal and future replacement or refreshment of Program Funded Equipment at such time and in such manner as may be determined by HSS in its sole discretion.

4. Termination. HSS may terminate all obligations of HSS under this FBPP Agreement at HSS’ option: (a) Immediately without notice in the event of breach of Customer’s obligations or conditions set forth in Sections 2 and 3 above, (b) at any time, with or without cause, upon not less than ninety (90) days advance written notice to Customer, (c) sale or transfer of the majority ownership (in stock, partnership interest or otherwise) of Customer’s Hotel or (d) changing the brand of Customer’s Hotel away from the brand on which this FBPP Agreement is based. Any default by Customer under this FBPP 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 FBPP Agreement. Termination of the HITS Agreement will result in termination of this FBPP Agreement. HSS may terminate this FBPP Agreement without terminating the HITS Agreement, whereupon the HITS Agreement shall be construed and enforced as if this FBPP Agreement had never been entered into (subject to accrued rights and obligations).

Upon termination of this FBPP Agreement, Customer will be required to pay HSS for the unpaid cost of any Program Funded Equipment transferred to Customer and/or to pay for any termination penalties or removal costs relative to the Network Authorized Equipment transferred to Customer pursuant to this FBPP Agreement. The costs (which will vary depending upon the equipment involved and the timing of the termination) and the various options available will be sent to Customer at the time of the notification of the upcoming termination. Upon termination of this FBPP Agreement, HSS shall pass on to Customer, and Customer shall be responsible for, all subsequent fees and costs of Equipment Maintenance and Software Maintenance. If a termination occurs before the expiration of three (3) years since HSS incurred installation and/or service fees and costs in performing an installation of Program Funded Equipment (“Refresh Costs”), then Customer shall also reimburse HSS for the unamortized value (on a monthly basis over a thirty-six (36) month period) as to such Refresh costs.

In addition, Customer shall pay to HSS a termination fee which is designed to reimburse the Preferred Services Provider and/or HSS in part for unamortized or otherwise unrecovered costs of the software license fees for OnQ® core modules, Certified Third Party Software, Vendor Equipment Maintenance Fees and for miscellaneous services (listed in this schedule) provided to Customer. If such termination occurs or if Customer’s use of such Preferred Services Provider terminates following the Start Date and prior to the first Refresh of Program Funded Equipment, the termination fee shall be as follows:
One percent (1%) of the average of monthly Gross Room Revenue (as defined in Customer’s License Agreement) over the last three (3) calendar months of operation prior to Customer’s termination for each calendar month remaining of Customer’s initial thirty-six (36) month period.

Provided, however, if this FBPP Agreement is terminated or if Customer’s use of the Preferred Services Provider is terminated after any HSS Refresh of Program Funded Equipment, the termination fee shall depend upon the period elapsed after the Start Date applicable to shipment of the Program Funded Equipment for each such successive HSS Refresh, as follows:

One percent (1%) of the average of monthly Gross Room Revenue (as defined in Customer’s License Agreement) over the last three (3) calendar months of operation prior to Customer’s termination for each calendar month remaining after Customer’s Refresh but prior to the lapsing of thirty-six (36) months following such Refresh.

5. **Property of Customer.** The Program Funded Equipment shall become the property of Customer, subject to the terms and conditions set forth in this FBPP Agreement, upon shipment of the Network Authorized Equipment from the IBM Configuration Center.

6. **Additional Equipment/Software.** Any and all additional Authorized Equipment (“Other Equipment”) may be purchased by Customer from a Preferred Retailer or leased from a Preferred Lessor under the Other Equipment Leasing Program Lease (the “Other Equipment Lease”). Any and all additional Certified Third Party Software authorized by HSS but not included in the Brand standard applicable to Customer (“Other Software”) may be licensed or sublicensed from HSS or a Preferred Services Provider.

7. **Defined Terms.** All capitalized terms used in this FBPP Agreement which are not specially defined in this FBPP Agreement shall have the meaning ascribed to such terms in the HITS Agreement.

8. **Other Important Provisions.** The parties mutually acknowledge and agree that the Program Funded Equipment is part of the Authorized Equipment referred to in the HITS Agreement, that this FBPP Agreement is a schedule to the HITS Agreement and that this FBPP Agreement and its performance by the parties are a part of the transactions contemplated by the HITS Agreement. Upon HSS’ Refresh of Program Funded Equipment, the terms and conditions applicable to any equipment, software or services provided for or pursuant to the Refresh shall be the same as the terms and conditions of this FBPP Agreement, including but not limited to, the termination fees described herein; and, except for such termination fees (as specified above), all terms and provisions hereof (including those incorporated by reference below), shall apply as if this FBPP Agreement was executed on the Start Date for each such Refresh. In the event of conflict between the provisions of this FBPP Agreement and the provisions of the HITS Agreement, the provisions of this FBPP Agreement shall prevail. Except as modified herein, all provisions of the HITS Agreement applicable to the Authorized Equipment, Proprietary Software, Certified Third Party Software and to 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 Authorized Equipment, the Software and the Services. Where HSS is providing equipment, software or services instead of such items being provided by a Preferred Retailer, Preferred Lessor, Preferred Services Provider or other third party vendor, HSS shall be entitled to all of the protections and the limitations of warranties, liabilities and damages as if HSS were such Preferred Retailer, Preferred Lessor, Preferred Services Provider or other third party vendor. The following additional Sections of the HITS Agreement are hereby made applicable to this FBPP 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 (Estoppel and Release); 17 (Entire Agreement/Prior Agreements); 18 (Cumulative Remedies); 19 (Force Majeure); 20 (Severability); 21 (No Joint Venture); 22 (Assignment); 23 (Counterparts); 24 (Applicable Law, Consent to Jurisdiction and Equitable Relief); 25 (Attorneys’ Fees); 26 (No Reproduction); 27 (Confidentiality); and 28 (Surviving Obligations). Except as the
context may otherwise require, all references to “this Agreement” in these incorporated provisions shall, for purposes of this FBPP Agreement, be construed to include this FBPP Agreement, and where applicable, such provisions are hereby reasserted, re-applied and re-acknowledged as of the effective date hereof.

9. **Notices.** The provisions of Section 4 of the HITS Agreement shall apply to all notices, requests, demands and other communications under this FBPP Agreement.

10. **Counterparts.** This FBPP 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%

By: %HotelApproverSignature%
Authorized Signature

Print Name: %HotelApproverName%

Title: %HotelApproverTitle%

Date: %HotelApprovedDate%

HILTON SYSTEMS SOLUTIONS, LLC

By: %HiltonApproverSignature%
Authorized Signature

Print Name: Randy Kanaya

Title: Director – OnQ® Deployment Planning

Date: %HiltonApprovedDate%
ATTACHMENT T (1)

NETWORK AUTHORIZED (PROGRAM FUNDED) EQUIPMENT

%NetAuthEquip1%
SCHEDULE U

INTENTIONALLY OMITTED
SCHEDULE V

CONRAD OR WALDORF ASTORIA HOTEL

BRAND FEE BASED PRICING PROGRAM AGREEMENT: 0.75% PROGRAM

This Fee Based Pricing Program Agreement (this "FBPP Agreement") is entered into as of the %HotelApprovedDay% day of %HotelApprovedMonth%, %HotelApprovedYear% between Hilton Systems Solutions, LLC a Delaware limited liability company ("HSS") and %LegalEntity% (the "Customer") for Customer's Hotel (the "Hotel") known as %HotelName% (%InnCode%) and located at %PropertyAddress1%, %PropertyAddress2%, %PropertyCity%, %PropertyState%.

In connection with the Hilton Information Technology Systems Agreement (the "HITS Agreement") entered into between HSS and Customer (and if applicable, in anticipation of the Hotel's conversion and rebranding as a Conrad or Waldorf Astoria Hotel ("CWA Brand Hotel")), HSS is willing to make certain benefits available to Customer for the above Hotel under HSS' Fee Based Pricing Program ("FBPP") on the terms, conditions and limitations hereinafter set forth.

For good, valuable and sufficient consideration, Customer hereby enters into this FBPP Agreement, and HSS and Customer agree as follows:


a) Equipment Transferred to Customer. HSS shall transfer to Customer's Hotel that portion of the Authorized Equipment (as described in Schedule D of the HITS Agreement) needed, as determined solely by HSS, for the network operation of the Proprietary Software, such equipment more specifically described on Attachment (1) attached to and forming part of this FBPP Agreement being hereinafter called the "Program Funded Equipment", together with shipping and transportation costs on such equipment. HSS hereby transfers to Customer such Program Funded Equipment, subject to the terms, conditions and limitations set forth in this FBPP Agreement. The Program Funded Equipment and any installation fees for which HSS is responsible under 1(b) are provided in consideration of the payment ("FBPP Payment") provided in section 2(a) of this FBPP Agreement and the other obligations of the Customer, without an additional license fee.

b) Equipment Installation. Customer will be responsible for the fees and costs for installation services relative to Program Funded Equipment as well as any Other Equipment (as described in Schedule D of the HITS Agreement). Under the Refreshment Program (the "Refreshment Program") of Program Funded Equipment, HSS anticipates that Program Funded Equipment will be replaced or refreshed in HSS' sole discretion (the "Refresh") on an approximate three (3) year cycle, starting approximately three (3) years after the initial installation of Program Funded Equipment. HSS will be responsible for the fees and costs for installation services of Program Funded Equipment on the date that such equipment is refreshed under the Refreshment Program. Customer's Refresh will be timed to occur prior to the end of the three (3) year cycle. If Customer fails to meet HSS' timeline for such Refresh, including order dates for equipment and software, Customer will be responsible for all fees and costs incident to such delay including, but not limited to, rent extension costs on Program Funded Equipment and higher fees and costs for equipment maintenance and Software Maintenance.

c) Certain Software and Services. Use of certain software and service items listed in this section 1(c) is provided pursuant to the terms, conditions and limitations contained in the HITS Agreement of which this Schedule is a part. In lieu of the separate fees and costs and methods of payment provided for such items in the HITS Agreement, the FBPP Payment shall cover the fees and costs for the following items, except as noted:

i) OnQ® Core Modules Software License Fees. The FBPP Payment covers the software license fees for software licenses for certain OnQ® Core Modules. The license fees for OnQ® Core Modules covered by the FBPP Payment are as follows:
1) Revenue Management System
2) Electronic Mail (limited to that necessary to enable seven (7) accounts)
3) Customer Relationship Management

HSS may require for use by Customer’s Hotel, as determined solely by HSS, certain other OnQ® modules required by HSS for operation of Customer’s Hotel as a HWI Brand division hotel. Customer shall provide, at Customer’s cost, the license fees for the balance of the OnQ® modules for use by Customer’s Hotel as required by HSS.

ii) Certified Third Party Software License Fees. The FBPP Payment covers the software license fees for software licenses for the use of the following Certified Third Party Software:

1) Microsoft Windows XX Server and SQL License
2) Microsoft Windows XX and SQL Client Access License
3) Inoculan Virus Protection

Customer shall provide, at Customer’s cost, the license fees for any additional Certified Third Party Software for use by Customer’s Hotel as required by HSS.

iii) Equipment Maintenance Fees. Customer’s maintenance fees, during the term of this FBPP Agreement relative to the equipment maintenance on Program Funded Equipment, will be covered by the FBPP Payment unless Customer has indicated in Schedule E that it has declined to use a PSP for such maintenance and such equipment has been designated as Non-maintained Equipment in Schedule E. Customer will pay separately for all maintenance fees relative to the equipment maintenance on Other Equipment. Travel expenses, per diem fees and related costs for any on-site equipment maintenance will be billed separately to and payable by Customer.

iv) Software Maintenance Fees. Customer’s Software Maintenance fees relative to eight (8) Proprietary Software interfaces, and OnQ® Core Modules (listed in this schedule) are covered by the FBPP Payment. All other Software maintenance fees will be payable by Customer as provided in the HITS Agreement. Travel expenses, per diem fees and related costs for any on-site Software Maintenance shall be billed separately to and payable by Customer.

2. **Customer’s Obligations.** Customer shall:

   (a) Pay the FBPP Payment to HSS. The FBPP Payment shall be a monthly program fee amount equal to 0.75% of the gross room revenue of Customer’s Hotel to which this FBPP Agreement applies. For example, if the monthly gross room revenues are $100,000, the monthly program fee amount due to HSS would be $750 for that month. The monthly program fee shall be paid by Customer to HSS in the same manner and method as the monthly royalty fee is paid by Customer to HWI or its affiliate or subsidiary under Customer’s License Agreement. However, the start date (“Start Date”) for the commencement of payment of the monthly program fee shall be determined by the shipment date of the Program Funded Equipment to Customer’s Hotel. If the Start Date is on or before the 15th of the month, the monthly program fee will be invoiced for that full month. Each month’s program fee will be invoiced the following month.

   (b) Perform all of its obligations under the HITS Agreement, including, but not limited to, the maintenance of the Program Funded Equipment (but at HSS’ cost as above described) using the designated Preferred Services Provider for HSS’ Fee Based Pricing Program.

   (c) Obtain and keep current insurance on the Program Funded Equipment against all risks for the approximate value of the Program Funded Equipment.
(d) Pay any and all withholding, state or local sales, use, gross receipts, excise, GST, QST or similar taxes incident to the payments under this FBPP Agreement. The monthly program fee will be billed inclusive of all state or local sales, use, gross receipts, excise, GST, QST or similar taxes; however, HSS reserves the right to separately list and bill any or all such taxes on the monthly billing. Customer agrees to pay all personal property taxes associated with software licensed or sublicensed and equipment provided under this FBPP Agreement.

(e) Prevent any liens from attaching to the Program Funded Equipment.

(f) Pay for any and all de-installation, transportation and disposal costs of any and all Other Equipment being used by Customer’s Hotel on its Network at the time of installation by HSS or HSS’ designee of the Program Funded Equipment under the Refreshment Program. The return to Customer’s lessor of all such de-installed equipment in accordance with Customer’s current lease terms is the sole responsibility of Customer. Customer shall be responsible for any missing, bad or damaged equipment.

(g) Preserve and protect the Program Funded Equipment from loss, damage or theft.

(h) Not use any unauthorized backup in connection with the Information System.

(i) Make no unapproved repairs nor perform any unauthorized service to the Program Funded Equipment.

(j) Not allow any other equipment or software to be added to the Information System without prior specific written permission of HSS.

3. Customer’s Conditions. All benefits provided Customer herein and all obligations of HSS under this FBPP 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, HWI or any of their affiliates or subsidiaries, or any Brand division, including, but not limited to, this FBPP Agreement, the HITS Agreement and Customer’s License Agreement with HWI or its affiliate or subsidiary.

(b) Customer continues to make all other payments to HSS’ Preferred Lessors, Preferred Retailers or Preferred Services Providers under any applicable agreements and does not become in default under such agreements.

(c) Customer’s Hotel remains a CWA Brand (after conversion and rebranding if applicable).

(d) Customer executes the HITS Agreement contemporaneously with this FBPP Agreement.

(e) Customer’s participation and continued cooperation with HSS in HSS’ Fee Based Pricing Program, including, but not limited to, the refreshment of Program Funded Equipment.

(f) Customer allows the removal and future replacement or refreshment of Program Funded Equipment at such time and in such manner as may be determined by HSS in its sole discretion.

(g) If applicable, Customer must complete the Hotel’s conversion and rebranding as a CWA Brand Hotel.

4. Termination. HSS may terminate all obligations of HSS under this FBPP 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 FBPP 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 FBPP Agreement. Termination of the HITS Agreement will result in
termination of this FBPP Agreement. HSS may terminate this FBPP Agreement without terminating the HITS Agreement, whereupon the HITS Agreement shall be construed and enforced as if this FBPP Agreement had never been entered into (subject to accrued rights and obligations).

Upon termination of this FBPP Agreement, Customer will be required to pay HSS for the unpaid cost of any Program Funded Equipment transferred to Customer and/or to pay for any termination penalties or removal costs relative to the Network Authorized Equipment that is transferred to Customer Customer pursuant to this FBPP Agreement. The costs (which will vary depending upon the equipment involved and the timing of the termination) and the various options available will be sent to Customer at the time of the notification of the upcoming termination. Upon termination of this FBPP Agreement, HSS shall pass on to Customer, and Customer shall be responsible for, all subsequent fees and costs of Equipment Maintenance and Software Maintenance. If a termination occurs before the expiration of three (3) years since HSS incurred installation and/or service fees and costs in performing an installation of Program Funded Equipment ("Refresh Costs"), then Customer shall also reimburse HSS for the unamortized value (on a monthly basis over a thirty-six (36) month period) of such Refresh costs.

In addition, Customer shall pay to HSS a termination fee which is designed to reimburse the Preferred Services Provider and/or HSS in part for unamortized or otherwise unrecovered costs of the Certified Third Party Software and Vendor Equipment Maintenance Fees under this FBPP Agreement. If such termination occurs following the Start Date and prior to the first Refresh of Program Funded Equipment, the termination fee shall be as follows:

One percent (1%) of the average of monthly Gross Room Revenue (as defined in Customer’s License Agreement) over the last three (3) calendar months of operation prior to Customer’s termination for each calendar month remaining of Customer’s initial thirty-six (36) month period.

Provided, however, if this FBPP Agreement is terminated or if the Customer’s use of the Preferred Services Provider is terminated after a HSS Refresh of Program Funded Equipment, the termination fee shall depend upon the period elapsed after the Start Date applicable to shipment of the Program Funded Equipment for each successive HSS Refresh as follows:

One percent (1%) of the average of monthly Gross Room Revenue (as defined in Customer’s License Agreement) over the last three (3) calendar months of operation prior to Customer’s termination for each calendar month remaining after Customer’s Refresh but prior to the lapsing of thirty-six (36) months following such Refresh.

5. **Property of Customer.** The Program Funded Equipment shall become the property of Customer, subject to the terms and conditions set forth in this FBPP Agreement, upon shipment of the Network Authorized Equipment from the IBM Configuration Center.

6. **Additional Equipment/Software.** Any and all additional Authorized Equipment ("Other Equipment") may be purchased by Customer from a Preferred Retailer or leased from a Preferred Lessor under the Other Equipment Leasing Program Lease (the "Other Equipment Lease"). Any and all additional Certified Third Party Software authorized by HSS but not included in the Brand standard applicable to Customer ("Other Software") may be licensed or sublicensed from HSS or a Preferred Services Provider.

7. **Defined Terms.** All capitalized terms used in this FBPP Agreement which are not specially defined in this FBPP Agreement shall have the meaning ascribed to such terms in the HITS Agreement.

8. **Other Important Provisions.** The parties mutually acknowledge and agree that the Program Funded Equipment is part of the Authorized Equipment referred to in the HITS Agreement, that this FBPP Agreement is a schedule to the HITS Agreement and that this FBPP Agreement and its performance by the parties are a part of the transactions contemplated by the HITS Agreement. Upon HSS' Refresh of Program Funded Equipment, the terms and conditions applicable to any equipment, software or services provided for or pursuant to the Refresh shall be the same as the terms and conditions of this FBPP Agreement, including, but not limited to, the
termination fees described herein; and, except for such termination fees (as specified above), all terms and provisions hereof (including those incorporated by reference below) shall apply as if this FBPP Agreement was executed on the Start Date for each such Refresh. In the event of conflict between the provisions of this FBPP Agreement and the provisions of the HITS Agreement, the provisions of this FBPP Agreement shall prevail. Except as modified herein, all provisions of the HITS Agreement applicable to the Authorized Equipment, 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 Authorized Equipment, the Software and the Services. Where HSS is providing equipment, software or services instead of such items being provided by a Preferred Retailer, Preferred Lessor, Preferred Services Provider or other third party vendor, HSS shall be entitled to all of the protections and the limitations of warranties, liabilities and damages as if HSS were such Preferred Retailer, Preferred Lessor, Preferred Services Provider or other third party vendor. The following additional Sections of the HITS Agreement are hereby made applicable to this FBPP 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 (Estoppel and Release); 17 (Entire Agreement/Prior Agreements); 18 (Cumulative Remedies); 19 (Force Majeure); 20 (Severability); 21 (No Joint Venture); 22 (Assignment); 23 (Counterparts); 24 (Applicable Law, Consent to Jurisdiction and Equitable Relief); 25 (Attorneys’ Fees); 26 (No Reproduction); 27 (Confidentiality); and 28 (Surviving Obligations). Except as the context may otherwise require, all references to “this Agreement” in these incorporated provisions shall, for purposes of this FBPP Agreement, be construed to include this FBPP Agreement, and where applicable, such provisions are hereby reasserted, re-applied and re-acknowledged as of the effective date hereof.

9. **Notices.** The provisions of Section 4 of the HITS Agreement shall apply to all notices, requests, demands and other communications under this FBPP Agreement.

10. **Counterparts.** This FBPP 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%

By: %HotelApproverSignature%
Authorized Signature

Print Name: %HotelApproverName%

Title: %HotelApproverTitle%

Date: %HotelApprovedDate%

HILTON SYSTEMS SOLUTIONS, LLC

By: %HiltonApproverSignature%
Authorized Signature

Print Name: Randy Kanaya

Title: Director – OnQ® Deployment Planning

Date: %HiltonApprovedDate%
ATTACHMENT V (1)

PROGRAM FUNDED EQUIPMENT

%NetAuthEquip1%
SCHEDULE V

CONRAD OR WALDORF ASTORIA HOTEL
BRAND FEE BASED PRICING PROGRAM AGREEMENT: 0.75% PROGRAM

[INTENTIONALLY LEFT BLANK]
SCHEDULE W

CONRAD OR WALDORF ASTORIA HOTEL
BRAND FEE BASED PRICING PROGRAM AGREEMENT: 0.45% PROGRAM

This Fee Based Pricing Program Agreement (this “FBPP Agreement”) is entered into as of the %HotelApprovedDay% day %HotelApprovedMonth% , %HotelApprovedYear% between Hilton Systems Solutions, LLC a Delaware limited liability company (“HSS”) and %LegalEntity% (the “Customer”) for Customer’s Hotel (the “Hotel”) known as %HotelName% (%InnCode%) and located at %PropertyAddress1% , %PropertyAddress2% , %PropertyCity% , %PropertyState%.

In connection with the Hilton Information Technology Systems Agreement (the “HITS Agreement”) entered into between HSS and Customer (and if applicable, in anticipation of the Hotel’s conversion and rebranding as a Conrad or Waldorf Astoria Hotel (“CWA Brand Hotel”)), HSS is willing to make certain benefits available to Customer for the above Hotel under HSS’ Fee Based Pricing Program (“FBPP”), on the terms, conditions and limitations hereinafter set forth.

For good, valuable and sufficient consideration, Customer hereby enters into this FBPP Agreement, and HSS and Customer agree as follows:


a) Certain Software and Services. Use of certain software and service items listed in this section 1(a) is provided pursuant to the terms, conditions and limitations contained in the HITS Agreement of which this Schedule is a part. In lieu of the separate fees and costs and methods of payment provided for such items in the HITS Agreement, the FBPP Payment shall cover the fees and costs for the following items, except as noted:

i) OnQ® Core Modules Software License Fees. The FBPP Payment covers the software license fees for software licenses for certain OnQ® Core Modules (together with the cost of installation services for such modules). The license fees for OnQ® Core Modules covered by the FBPP Payment are as follows:

1.) Revenue Management System
2.) Electronic Mail (limited to that necessary to enable seven (7) accounts)
3.) Customer Relationship Management

HSS may require for use by Customer’s Hotel, as determined solely by HSS, certain other OnQ® modules required by HSS for operation of Customer’s Hotel as a HWI Brand division hotel. Customer shall provide, at Customer’s cost, the license fees for the balance of the OnQ® modules for use by Customer’s Hotel as required by HSS.

ii) Equipment Maintenance Fees. Customer’s maintenance fees and costs, during the term of this FBPP Agreement relative to the equipment maintenance on that part of Hotel’s equipment hereinafter described in Section 2(a) as the Listed Equipment will be covered by the FBPP Payment unless Customer has indicated in Schedule E that it has declined to use a PSP for such maintenance and such equipment has been designated as Non-maintained Equipment in Schedule E. Customer will pay separately for all maintenance fees and costs relative to the equipment maintenance on any other Authorized Equipment, as that term is described in Schedule D. Travel expenses, per diem fees and related costs for any on-site equipment maintenance will be billed separately to and payable by Customer.

iii) Software Maintenance Fees. Customer’s Software Maintenance fees relative to the following will be covered by the FBPP Payment:
Eight (8) Proprietary Software interfaces;
Three (3) OnQ® Core Modules (listed in this schedule).

All other Software maintenance fees will be payable by Customer as provided in the HITS Agreement. Travel expenses, per diem fees and related costs for any on-site Software Maintenance shall be billed separately to and payable by Customer.

2. **Customer’s Obligations.** Customer shall:

   (a) Provide at Customer’s cost for use by Customer’s Hotel, the balance of the OnQ® Modules required by HSS, the Certified Third Party Software and the equipment needed, as determined solely by HSS, for the network operation of the OnQ® System, such equipment more specifically described on Attachment (1) attached to and forming part of the FBPP Agreement being hereinafter called the “Listed Equipment”. Customer shall pay all shipping and transportation costs on such equipment. Customer shall, at HSS’ sole discretion and instruction: (i) replace any Listed Equipment with a purchase price exceeding $1,000.00 within Customer’s next annual budget cycle, following HSS’ instructions to acquire same; (ii) acquire any additional equipment with a purchase price exceeding $1,000.00 within Customer’s next annual budget cycle; (iii) acquire any equipment with a purchase price less than $1,000.00 within ninety (90) days following HSS’ instructions to acquire same.

   (b) Be responsible for the fees and costs for all installation services relative to any Listed Equipment as well as any other equipment acquired by Customer through Schedule H.

   (c) Pay the FBPP Payment to HSS. The FBPP Payment shall be a monthly program fee amount equal to 0.45% of the gross room revenue of Customer’s Hotel to which this FBPP Agreement applies. For example, if the monthly gross room revenues are $100,000, the monthly program fee amount due to HSS would be $450 for that month. The monthly program fee shall be paid by Customer to HSS in the same manner and method as the monthly royalty fee is paid by Customer to HWI or its affiliate or subsidiary under Customer’s License Agreement. However, the start date (“Start Date”) for the commencement of payment of monthly program fee shall be determined by the shipment date of the Listed Equipment. If the Start Date is on or before the 15th of the month, the monthly program fee will be invoiced for the full month. Each month’s program fee will be invoiced the following month.

   (d) Perform all of its obligations under the HITS Agreement, including, but not limited to, the maintenance of the Listed Equipment using the designated Preferred Services Provider for HSS’ Fee Based Pricing Program.

   (e) Obtain and keep current insurance on the Listed Equipment against all risks for the approximate value of the Listed Equipment.

   (f) Pay any and all state or local withholding, sales, use, gross receipts, excise, GST, QST or similar taxes incident to the payments under this FBPP Agreement. The monthly program fee will be billed inclusive of all state or local sales, use, gross receipts, excise, GST, QST or similar taxes; however, HSS reserves the right to separately list and bill any or all such taxes on the monthly billing. Customer agrees to pay all personal property taxes associated with software provided under this FBPP Agreement.

   (g) Prevent any liens from attaching to the Listed Equipment.

   (h) Pay for any and all de-installation, transportation and disposal costs of any equipment being used by Customer’s Hotel on its current network at the time of installation of the Listed Equipment. De-installation, transportation and disposal of any network equipment and the return to Customer’s lessor of all such de-installed equipment in accordance with Customer’s current lease terms is the sole responsibility of Customer. Customer shall be responsible for any missing, bad or damaged equipment.

   (i) Preserve and protect the Listed Equipment from loss, damage or theft.
(j) Not use any unauthorized backup in connection with the OnQ® System.

(k) Make no unapproved repairs nor perform any unauthorized service to the Listed Equipment.

(l) Not allow any other equipment or software to be added to the OnQ® System without prior specific written permission of HSS.

(m) Be responsible for the fees for installation services for Listed Equipment on the date that such equipment is refreshed under the Refreshment Program (the "Refreshment Program"). Under the Refreshment Program, HSS anticipates that Customer's Listed Equipment will be replaced or refreshed in HSS' sole discretion (the "Refresh") on an approximate three (3) year cycle, starting approximately three (3) years after the initial shipment of Listed Equipment. Customer's Refresh will be timed to occur prior to the end of the three (3) year cycle. If Customer fails to meet HSS' timeline for such Refresh, including order dates for equipment and software, Customer will be responsible for all fees and costs incident to such delay, including, but not limited to, higher fees and costs for equipment maintenance and Software Maintenance.

3. **Customer's Conditions.** All benefits provided Customer herein and all obligations of HSS under this FBPP 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, HWI or any of their affiliates or subsidiaries or any Brand division, including, but not limited to, this FBPP Agreement, the HITS Agreement and Customer's License Agreement with HWI or its affiliate or subsidiary.

(b) Customer continues to make all other payments to HSS' Preferred Lessors, Preferred Retailers or Preferred Services Providers under any applicable agreements and does not become in default under such agreements.

(c) Customer's Hotel remains a CWA Brand (after conversion and rebranding if applicable).

(d) Customer executes the HITS Agreement contemporaneously with this FBPP Agreement.

(e) Customer’s participation and continued cooperation with HSS in HSS’ Fee Based Pricing Program, including, but not limited to, the refreshment of Listed Equipment.

(f) If applicable, Customer must complete the Hotel's conversion and rebranding as a CWA Brand Hotel.

4. **Termination.** HSS may terminate all obligations of HSS under this FBPP 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 FBPP 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 FBPP Agreement. Termination of the HITS Agreement will result in termination of this FBPP Agreement. HSS may terminate this FBPP Agreement without terminating the HITS Agreement, whereupon the HITS Agreement shall be construed and enforced as if this FBPP Agreement had never been entered into (subject to accrued rights and obligations).

Upon termination of this FBPP Agreement, HSS shall pass onto Customer, and Customer shall be responsible for, all subsequent fees and costs of Equipment Maintenance and Software Maintenance.

In addition, Customer shall pay to HSS a termination fee which is designed to reimburse the Preferred Services Provider and/or HSS in part for unamortized or otherwise unrecovered costs of the Software Maintenance and
equipment maintenance fees. If such termination occurs or if Customer’s use of the Preferred Services Provider terminates following the Start Date and prior to the first Refresh, the termination fee shall be as follows:

One percent (1%) of the average of monthly Gross Room Revenue (as defined in Customer’s License Agreement) over the last three (3) calendar months of operation prior to Customer’s termination for each calendar month remaining of Customer’s initial thirty-six (36) month period.

Provided, however, if this FBPP Agreement is terminated or if the Customer’s use of the Preferred Services Provider is terminated after any Customer Refresh of Listed Equipment, the termination fee shall depend upon the period elapsed after the Start Date applicable to shipment of the Listed Equipment for each such successive Customer Refresh as follows:

One percent (1%) of the average of monthly Gross Room Revenue (as defined in Customer’s License Agreement) over the last three (3) calendar months of operation prior to Customer’s termination for each calendar month remaining after Customer’s Refresh but prior to the lapsing of thirty-six (36) months following such Refresh.

5. Additional Equipment. Any and all additional Authorized Equipment (“Other Equipment”) may be purchased by Customer from a Preferred Retailer or leased from a Preferred Lessor under the Other Equipment Leasing Program Lease (the “Other Equipment Lease”). Any and all additional Certified Third Party Software authorized by HSS but not included in the Brand standard applicable to Customer (“Other Software”) may be accessed, licensed or sublicensed from HSS or a Preferred Services Provider.

6. Defined Terms. All capitalized terms used in this FBPP Agreement which are not specially defined in this FBPP Agreement shall have the meaning ascribed to such terms in the HITS Agreement.

7. Other Important Provisions. The parties mutually acknowledge and agree that the Listed Equipment is part of the Authorized Equipment referred to in the HITS Agreement, that this FBPP Agreement is a schedule to the HITS Agreement and that this FBPP Agreement and its performance by the parties are a part of the transactions contemplated by the HITS Agreement. Upon Customer’s Refresh of Listed Equipment, the terms and conditions applicable to any equipment, software or services provided for the Refresh shall be the same as the terms and conditions of this FBPP Agreement, including, but not limited to, the termination fees described herein; and, except for such termination fees (as specified above), all terms and provisions hereof (including those incorporated by reference below), shall apply as if this FBPP Agreement was executed on the Start Date for each such Refresh. In the event of conflict between the provisions of this FBPP Agreement and the provisions of the HITS Agreement, the provisions of this FBPP Agreement shall prevail. Except as modified herein, all provisions of the HITS Agreement applicable to the Authorized Equipment, 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 Authorized Equipment, the Software and the Services. Where HSS is providing equipment, software or services instead of such items being provided by a Preferred Retailer, Preferred Services Provider or other third party vendor, HSS shall be entitled to all of the protections and the limitations of warranties, liabilities and damages as if HSS were such Preferred Retailer, Preferred Services Provider or other third party vendor. The following additional Sections of the HITS Agreement are hereby made applicable to this FBPP 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 (Estoppel and Release); 17 ( Entire Agreement/Prior Agreements); 18 (Cumulative Remedies); 19 (Force Majeure); 20 (Severability); 21 (No Joint Venture); 22 (Assignment); 23 (Counterparts); 24 (Applicable Law; Consent to Jurisdiction and Equitable Relief); 25 (Attorneys’ Fees); 26 (No Reproduction); 27 (Confidentiality); and 28 (Surviving Obligations). Except as the context may otherwise require, all references to “this Agreement” in these incorporated provisions shall, for purposes of this FBPP Agreement, be construed to
include this FBPP Agreement, and where applicable, such provisions are hereby reasserted, re-applied and re-acknowledged as of the effective date hereof.

8. **Notices.** The provisions of Section 4 of the HITS Agreement shall apply to all notices, requests, demands and other communications under this FBPP Agreement.

9. **Counterparts.** This FBPP 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.

<table>
<thead>
<tr>
<th>CUSTOMER:</th>
<th>%LegalEntity%</th>
</tr>
</thead>
</table>
| By:       | %HotelApproverSignature%  
Authorized Signature |
| Print Name: | %HotelApproverName% |
| Title:  | %HotelApproverTitle% |
| Date:    | %HotelApprovedDate% |

<table>
<thead>
<tr>
<th>HILTON SYSTEMS SOLUTIONS, LLC</th>
</tr>
</thead>
</table>
| By: %HiltonApproverSignature%  
Authorized Signature |
| Print Name: Randy Kanaya |
| Title: Director – OnQ® Deployment Planning |
| Date: %HiltonApprovedDate% |
EXHIBIT C
HILTON WORLDWIDE FRANCHISE APPLICATION

This franchise 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 access the current Franchise Disclosure Document ("Disclosure Document") for the applicable brand through the E-Disclosure procedure (not currently available in the Province of Ontario) and complete the procedure by clicking “Submit” on the Electronic Receipt page. If Applicant received a paper version of the Disclosure Document, have a required signer for the Applicant sign and date the “Receipt” page at the end of the Disclosure Document and return it immediately by mail to your development representative.

2. All information must be legible and in English. Please type or print the information. For your convenience, this Application may be filled out electronically, saved and printed.

3. Attach supporting documents/information indicated in the Application Checklist. If 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 franchise application fee ("Franchise Application Fee") must be submitted with the Application. The amount of the Franchise Application Fee is:

<table>
<thead>
<tr>
<th>Brand</th>
<th>New Build/Conversion</th>
<th>Relicensing</th>
<th>Change of Ownership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conrad®</td>
<td>$75,000</td>
<td>$75,000</td>
<td>$125,000</td>
</tr>
<tr>
<td>Doubletree® by Hilton</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Doubletree Suites® by Hilton</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Embassy Suites®</td>
<td>$75,000 plus $400 for each room over 250</td>
<td>$75,000</td>
<td>$150,000</td>
</tr>
<tr>
<td>Hampton Inn</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hampton Inn &amp; Suites®</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hilton®</td>
<td>$75,000 plus $400 for each room over 250</td>
<td>$85,000</td>
<td>$125,000</td>
</tr>
<tr>
<td>Hilton Garden Inn®</td>
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<td></td>
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</tr>
<tr>
<td>Homewood Suites by Hilton®</td>
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<td></td>
<td></td>
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<tr>
<td>Home2 Suites by Hilton®</td>
<td>$50,000</td>
<td>$75,000</td>
<td>$150,000</td>
</tr>
<tr>
<td>Waldorf Astoria®</td>
<td>$75,000</td>
<td>$75,000</td>
<td>$125,000</td>
</tr>
</tbody>
</table>

NOTE: APPLICANT SHOULD NOT SIGN OR SUBMIT THE APPLICATION OR PAY THE FRANCHISE APPLICATION FEE UNTIL AT LEAST THE DAY AFTER THE 14TH FULL CALENDAR DAY FOLLOWING THE DATE APPLICANT RECEIVED THE DISCLOSURE DOCUMENT IN PAPER FORM OR THROUGH THE E-DISCLOSURE PROCEDURE.

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:

<table>
<thead>
<tr>
<th>Applicant</th>
<th>Signers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual(s)</td>
<td>Each Individual</td>
</tr>
<tr>
<td>Corporate Entity</td>
<td>President, Vice President or other authorized officer</td>
</tr>
<tr>
<td>General Partnership</td>
<td>Each General Partner</td>
</tr>
<tr>
<td>Limited Partnership</td>
<td>Any General Partner</td>
</tr>
<tr>
<td>Limited Liability Company</td>
<td>Managing Member(s) or other authorized Member(s)</td>
</tr>
<tr>
<td>Trust</td>
<td>Trustee(s)</td>
</tr>
<tr>
<td>Estate</td>
<td>Executor or Administrator</td>
</tr>
</tbody>
</table>
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 or submitted electronically by Applicant (see Instructions).

☐ Application Letter (and, if Applicant is an individual, the Addendum to the Application for Individual Applicants), signed and dated no earlier than the day after the 14th full calendar day after the date the Applicant received the Disclosure Document, along with the remaining completed Application pages. Example: If you receive the Disclosure Document on January 1st, then the earliest you may submit the Application Letter will be 15 days after that date, on January 16th.

☐ Franchise Application Fee dated and/or received no earlier than the day after the 14th full calendar day after the date the Applicant received the Disclosure Document. Example: If you receive the Disclosure Document on January 1st, then the earliest you may pay the Franchise Application Fee will be 15 days after that date, on January 16th.

☐ 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 fee title holder or lessor/sublessor of 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: Application Letter

<table>
<thead>
<tr>
<th>Name of Applicant:</th>
<th>(“Applicant”)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location:</td>
<td>(“Location”)</td>
</tr>
</tbody>
</table>

**BRAND (check one):**

- [ ] Doubletree® by Hilton
- [ ] Doubletree® Suites by Hilton
- [ ] Embassy Suites® *
- [ ] Conrad®
- [ ] Waldorf Astoria®
- [ ] Hampton Inn® *
- [ ] Hampton Inn & Suites® *
- [ ] Home2 Suites by Hilton®
- [ ] Hilton®
- [ ] Homewood Suites by Hilton®
- [ ] Embassy Suites® *
- [ ] Hilton®
- [ ] Waldorf Astoria®

* Brand may include “by Hilton” tag line in Franchisor’s sole discretion.

This franchise 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, “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 concerning Franchisor’s system for the Brand, including the Disclosure Document (if required under applicable law), 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 the 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 Franchise Application Fee is enclosed with the Application. If the Application is not approved or if Applicant withdraws the Application before it is approved, the Franchise Application Fee will be refunded, without interest, less $7,500 for time and expenses incurred by Franchisor in processing
the Application. If the Application is approved, the Franchise Application Fee will not be returned or refunded under any circumstances (even if approval is conditioned on Applicant providing additional information). 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 Franchise Application Fee without interest, less $7,500. Franchisor reserves the sole right and discretion 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 Franchise Application Fee. The Franchise Application Fee may be invested, combined with other funds or otherwise used as Hilton Worldwide deems appropriate.

6. Applicant authorizes credit agencies/bureaus, financial institutions, companies and individuals to disclose to Hilton Worldwide 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. 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, “Hilton Worldwide Indemnites”) 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 Indemnity 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 Indemnity 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. Hilton Worldwide 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 Guidelines for Submitting a Franchise Application 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.

10. The parties confirm that it is their wish that the Application has been and shall be drawn up in the English language only. Les parties aux présentes confirment leur volonté que le document intitulé « Application », de même que tous les documents, y compris tout avis, qui s’y rattachent, soient rédigés en langue anglaise.

Signature: ____________________________ Date: __________________________

Individual’s Name: ____________________________

Entity Name, if any: ____________________________ Position: ____________________________
CANADA ADDENDUM TO THE FRANCHISE APPLICATION
FOR INDIVIDUAL APPLICANT

The provisions in this Canada Addendum to Franchise Application for Individual Applicant (“Addendum”) supersede and replace any conflicting provisions in the Application if Applicant is an individual and the Application is for a hotel located or to be located in Canada, and amend the Application by including the provisions below as if such language was stated in its entirety in the Application. Except to the extent herein specifically stated, the provisions of the Application shall be unmodified and in full force and effect.

1. In accordance with the Personal Information Protection and Electronic Documents Act (Canada), any consumer credit reporting legislation, and any similar federal, provincial or local statutory or common laws or regulations, Applicant expressly authorizes Franchisor, Hilton Worldwide and/or their respective representatives, owners, partners, parents, subsidiaries, affiliates, successors and assigns, and each of such entities’ officers, directors, representatives, agents and employees (collectively, “HWI”) to collect, use and disclose Applicant’s personal information to and from the references named in the Application, any credit reporting agency, any law enforcement agency (federal/provincial/local) and any person, association, firm, company, financial institution, court system, personnel agency or credit bureau (collectively, “References”) and for HWI to use such information for the purpose of evaluating the Application and periodically assessing Applicant's creditworthiness, including conducting any credit and/or background investigations. Applicant acknowledges that the Application requests a Canada social insurance number; however, this information is optional and Applicant is not required to provide his/her social insurance number to HWI, but if he/she does, it will be used to match References information.

2. The Applicant hereby expressly authorizes any References to disclose and release to HWI any information, including, but not limited to, information concerning the Applicant's education, employment history, financial transactions, credit payment history, civil record, criminal conviction record, legal proceedings or judgments or any other record or report requested by HWI for the purpose of evaluating the Application and assessing the Applicant’s creditworthiness. In that regard, this document shall constitute and be deemed to be “written instructions” and “consents” pursuant to any applicable privacy, personal information and consumer reporting acts or similar legislation.

3. The Applicant understands and agrees that HWI will maintain the personal information it receives about him/her from the Application and References in one or more files that will be available only to HWI and its authorized employees, mandataries or agents who need to access such information for the purpose of evaluating the Application or assessing the Applicant’s creditworthiness or for the performance of their duties or mandates under this Addendum.

4. The Applicant understands that he/she has the right to access and rectify the information that HWI maintains about him/her in its file(s), and in order to exercise this right, he/she may contact Hilton Worldwide’s Director of Corporate Compliance.

Printed Name: ____________________________
Date: ____________________________
Part 3: Application Form

FRANCHISE APPLICATION

APPLICANT

NAME OF APPLICANT (entity name may not include any of our marks or any variations/initials):

Province/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:

Date: (Month/Day/Year) __________________________

State/Province, Country: __________________________

Canada SIN / US SSN (last 4 digits only) / EIN / Gov’t ID #:

___________________________________________

PRINCIPAL CORRESPONDENT

FOR LEGAL NOTICES

Name:

Street Address:

City

State/Province

Zip/Postal Code

Telephone #:

Fax #:

Email:

FOR DAY-TO-DAY COMMUNICATIONS

Name:

Street Address:

City

State/Province

Zip/Postal Code

Telephone #:

Fax #:

Email:

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: ______

Approval of this Application does not mean that your proposed management is approved.

You must obtain Franchisor’s separate written approval of the proposed management of the Hotel.

LIST ALL HOTELS OWNED AND/OR OPERATED BY APPLICANT AND ITS EQUITY OWNERS

(attach additional pages if necessary)

<table>
<thead>
<tr>
<th>Owner/Operator Name</th>
<th>Brand/Property Name, City/State/Province</th>
<th>Description of Interest</th>
<th>% Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
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</tr>
</tbody>
</table>
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:

<table>
<thead>
<tr>
<th>Entity/Person’s Name</th>
<th>SSN (last 4 digits), EIN, Canada SIN or Gov’t ID#</th>
<th>Description of Interest</th>
<th>% Interest</th>
<th>Business Address &amp; Telephone Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>XYZ Corp.</td>
<td></td>
<td>General Partner</td>
<td>1%</td>
<td>XYZ Corp. Address/Phone</td>
</tr>
<tr>
<td>- John Doe, President</td>
<td>12-3456789</td>
<td></td>
<td></td>
<td>John Doe Address/Phone</td>
</tr>
<tr>
<td>- Jane Doe, Shareholder</td>
<td>1234</td>
<td></td>
<td></td>
<td>Jane Doe Address/Phone</td>
</tr>
<tr>
<td>ABC, L.L.C.</td>
<td></td>
<td>Limited Partner</td>
<td>99%</td>
<td>ABC, L.L.C. Address/Phone</td>
</tr>
<tr>
<td>- BDC, Inc., its managing member</td>
<td>23-4567891</td>
<td></td>
<td></td>
<td>BDC, Inc. Address/Phone</td>
</tr>
<tr>
<td>- Bill Davis, President</td>
<td>34-5678912</td>
<td></td>
<td></td>
<td>Trust Contact Address/Phone</td>
</tr>
<tr>
<td>- Bill Davis Family Trust, member</td>
<td>9012</td>
<td></td>
<td></td>
<td>Bill Davis Address/Phone</td>
</tr>
<tr>
<td>- Bill Davis, Trustee</td>
<td>45-6789123</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Bill Davis, Jr., Beneficiary</td>
<td>2345</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Bill Davis, member</td>
<td>100%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Bill Davis, Jr.</td>
<td>50% same as above</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

ENTITY NAME:

OWNERSHIP STRUCTURE

(provide additional pages if necessary)
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:

```
Ultimate Owner A  
(x% ownership interest)

Entity A          
(x% shareholder)

Ultimate Owner B  
(x% ownership interest)

Entity B          
(x% shareholder)

Ultimate Owner C  
(x% ownership interest)

Entity C          
(x% shareholder)

Applicant
```
HOTEL/SITE/SITE CONTROL INFORMATION

Location of Hotel/Hotel site:

<table>
<thead>
<tr>
<th>Street Address/Coordinates:</th>
<th>City, State/Province:</th>
<th>Zip/Postal Code:</th>
<th>Country:</th>
</tr>
</thead>
</table>

Brand:

<table>
<thead>
<tr>
<th>Doubletree ® by Hilton</th>
<th>Hampton Inn ® *</th>
<th>Hilton Garden Inn ®</th>
</tr>
</thead>
<tbody>
<tr>
<td>Doubletree ® Suites by Hilton</td>
<td>Hampton Inn &amp; Suites ® *</td>
<td>Home2 Suites by Hilton ®</td>
</tr>
<tr>
<td>Embassy Suites ® *</td>
<td>Hilton®</td>
<td>Homewood Suites by Hilton ®</td>
</tr>
</tbody>
</table>

* Brand may include “by Hilton” tag line in Franchisor’s sole discretion

Development Type:

- New Development*
- Conversion
- Change of Ownership
- Relicensing

(*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?

- No
- Yes/Describe:

Is the hotel currently under contract with another hotel chain?

- No
- Yes/Specify hotel chain:

Hotel Facilities (existing and/or proposed):

- Total Guest Units:
- # of Standard Rooms:
- # of Suites:
- # of Stories:
- Year Built (open hotel):
- Meeting Space?
- No
- Yes: ______ sq. ft
- # of Mtg Rms:
- Ballroom?
- No
- Yes/Description/square footage:
- Health Club?
- No
- Yes/Description:
- Spa?
- No
- 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?
- No
- Yes/Description:
- Condo Residences?
- No
- Yes/(#):
- Hotel Rental Program?
- No
- Yes/Description:
**Hotel Site/Building Information:**

<table>
<thead>
<tr>
<th>Total sq footage of site:</th>
<th>Zoned for hotel development?</th>
<th>No</th>
<th>Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Max height allowed by zoning:</td>
<td>Sq. Ft</td>
<td>Stories</td>
<td></td>
</tr>
<tr>
<td>Site/Development Restrictions?</td>
<td>No</td>
<td>Yes/Describe:</td>
<td></td>
</tr>
</tbody>
</table>

Please describe Applicant’s current form of site control for the Hotel or Hotel Site:

<table>
<thead>
<tr>
<th>Owned by Applicant (attach copy of recorded deed)</th>
<th>Expiration Date:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ground lease (attach copy of recorded ground lease)</td>
<td>Exercise Deadline:</td>
</tr>
<tr>
<td>Binding option agreement (attach copy of recorded agreement)</td>
<td>Closing Deadline:</td>
</tr>
<tr>
<td>Binding purchase agreement (attach copy of executed agreement)</td>
<td>Other/Describe:</td>
</tr>
</tbody>
</table>

If Hotel or Hotel Site is currently owned by someone else other than Applicant, please indicate:

<table>
<thead>
<tr>
<th>Hotel/Hotel Site owner name:</th>
<th>Street Address:</th>
</tr>
</thead>
<tbody>
<tr>
<td>State/Province:</td>
<td>Zip/Postal Code:</td>
</tr>
<tr>
<td>Country:</td>
<td>Telephone:</td>
</tr>
<tr>
<td>Fax:</td>
<td>Email:</td>
</tr>
<tr>
<td>Related to Applicant?</td>
<td>No</td>
</tr>
</tbody>
</table>

If Hotel or Hotel Site will, upon close of purchase, be owned by someone other than Applicant, please indicate:

<table>
<thead>
<tr>
<th>Fee owner/Lessor name:</th>
<th>Street Address:</th>
</tr>
</thead>
<tbody>
<tr>
<td>City, State/Province:</td>
<td>Zip/Postal Code:</td>
</tr>
<tr>
<td>Country:</td>
<td>Telephone:</td>
</tr>
<tr>
<td>Fax:</td>
<td>Email:</td>
</tr>
<tr>
<td>Related to Applicant?</td>
<td>No</td>
</tr>
</tbody>
</table>
FINANCIAL INFORMATION/PROJECT TIMELINE

Estimated Project Costs - New Development Project:

<table>
<thead>
<tr>
<th>Costs</th>
<th>Overall</th>
<th>Per Key</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land:</td>
<td>US$</td>
<td>US$</td>
</tr>
<tr>
<td>Construction:</td>
<td>US$</td>
<td>US$</td>
</tr>
<tr>
<td>FF&amp;E:</td>
<td>US$</td>
<td>US$</td>
</tr>
<tr>
<td>Other:</td>
<td>US$</td>
<td>US$</td>
</tr>
<tr>
<td>Total Project Costs:</td>
<td>US$</td>
<td>US$</td>
</tr>
</tbody>
</table>

Estimated Project Costs – Conversion or Change of Ownership (existing hotel):

<table>
<thead>
<tr>
<th>Costs</th>
<th>Aggregate</th>
<th>Per Key</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase Price/Current Market Value:</td>
<td>US$</td>
<td>US$</td>
</tr>
<tr>
<td>Renovations/Upgrades:</td>
<td>US$</td>
<td>US$</td>
</tr>
<tr>
<td>Other:</td>
<td>US$</td>
<td>US$</td>
</tr>
<tr>
<td>Total Project Costs:</td>
<td>US$</td>
<td>US$</td>
</tr>
</tbody>
</table>

Estimated Project Timeline:

Forecasted Construction/Renovation Start Date:
Forecasted Construction/Renovation Completion Date:

Operating Projections:

<table>
<thead>
<tr>
<th>Assumptions</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>% Occupancy</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Avg. Daily Rate (US$)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Financing/Refinancing Information:

Do you have a loan or loan commitment for this project? | No | Yes (continue)
Name of Lender(s):          |     |
Loan Amount:                |     | Percentage Equity: |
Description:                |     |

New? | 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)?
No | 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?
No | Yes/Describe: |
EXHIBIT D
GUARANTY OF FRANCHISE AGREEMENT

[Hotel Name]

THIS DOCUMENT AFFECTS AND WAIVES IMPORTANT RIGHTS
OF THE PERSONS AND ENTITIES SIGNING IT

THIS GUARANTY OF FRANCHISE AGREEMENT ("Guaranty") is executed as of ________ ("Effective
Date") by ____________________, a ____________/individually ("we," "us" or "Guarantor"), in favor
of HILTON WORLDWIDE FRANCHISING LP, a United Kingdom limited partnership ("Franchisor"), as
consideration of and as an inducement to Franchisor to execute the franchise agreement with an
Effective Date of _________________ (referred to in this Guaranty collectively, along with all applicable
amendments, addenda, riders, supplemental agreements and assignments, as the "Franchise
Agreement"), by and between Franchisor and ___ _____________________ ("Franchisee"), for that
certain [HOTEL NAME] located or to be located at [STREET ADDRESS, MUNICIPALITY, PROVINCE,
POSTAL CODE] ("Hotel"). [The province in which the hotel is located must be included in the
description; this form cannot be used for multiple hotels if located in different provinces.] Capitalized
terms not otherwise defined in this Guaranty shall have the same meaning as in the Franchise
Agreement.

For good and valuable consideration, including the execution of the Franchise Agreement by Franchisor,
the receipt and sufficiency of which are acknowledged, 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 or arising in connection with 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, legal costs in connection with enforcement of the Franchise Agreement; and
(b) the performance of all other obligations of Franchisee arising under the Franchise Agreement (present
and future, direct and indirect, absolute and contingent, matured or not, at any time or periodically, and
whether Franchisee is bound alone, with another or with others (collectively, "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, or Franchisee owns the immovable property on which the
Hotel is located, and has emphyteutic rights to the immovable property, or rights of superficie to the Hotel;
(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 Defences. Each Guarantor waives, to the fullest extent
permitted by law: (a) all rights to payments and claims for reimbursement which any of the undersigned
may have against Franchisee arising as a result of Guarantor’s execution of and performance under this
Guaranty; (b) presentment, protest and notice of any kind, including notice of default and notice of
acceptance of this Guaranty; (c) any law or statute which requires Franchisor to 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;
(d) all suretyship defences or the benefits of discussion and of division; (e) any right Guarantor may have
to require that Franchisor, as a condition of Guarantor’s liability under this Guaranty: (1) bring an action
against Franchisee or any other person; (2) accelerate the Obligation or proceed and exhaust any recourse against Franchisee or any other persons; (3) realize on any security that Franchisor holds; (4) marshal or realize on the assets of either Franchisee or Guarantor; (5) pursue any other remedy that Guarantor may not be able to pursue itself, that might limit or reduce Guarantor’s burden; and (f) any and all other rights, notices and legal or equitable defences of every nature otherwise available under the laws of the Province in which the Hotel is located, and the laws of any other jurisdiction to which Guarantor may be entitled, the assertion or exercise of which would in any way diminish the liability of Guarantor under this Guaranty.

4. Information Requests. Guarantor must periodically deliver to Franchisor: (a) complete and current financial information about Guarantor as Franchisor reasonably requests; and (b) any other information about Guarantor that Franchisor reasonably requests.


(a) Notices must be in writing and delivered in person, or by prepaid overnight commercial delivery service, or by prepaid overnight or certified United States mail or registered Canadian post, with return-receipt requested, to the following addresses:

If to Franchisor: Hilton Worldwide Franchising LP
Maples Court, Central Park,
Reeds Crescent,
Watford, Hertfordshire WD24 4QQ UK

If to Guarantor: __________________________
________________________
Phone: (_____) __________
Fax: (_____) __________

If Guarantor wants to change the notice address set forth above, Guarantor (or its duly authorized representative) 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 by overnight United States mail or Canadian post; or (iii) three (3) days after placement in the United States mail or Canadian post if overnight delivery is not available to the Notice address.

(b) 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 legal costs on a solicitor and the solicitor’s own client basis) 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. If any of the Obligations are not duly paid or performed by Franchisee, and are not recoverable for any reason whatsoever, Guarantor will, as a separate and distinct obligation, indemnify and save harmless Franchisor from and against all losses, costs, expenses and damages resulting from the failure of Franchisee to pay and perform any Obligation.

(c) Franchisor may assign this Guaranty without affecting Guarantor’s liability in any way. 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. [INCLUDE IF GUARANTOR OWNS A BENEFICIAL INTEREST IN THE HOTEL AND FRANCHISEE IS A BARE TRUSTEE. Guarantor may not transfer any of its legal and beneficial interest in the real property and improvements comprising (or that will comprise) the Hotel without prior notice to Franchisor and Franchisor’s express written permission, subject to and in accordance with the applicable transfer provisions of the Franchise Agreement.]

(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 your 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 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, 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; (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 you to act on your own 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 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. Guarantor agrees that the manner in which Franchisor may now or hereafter deal with Franchisee, Guarantor, any additional guarantor or pledgor, any security, any collateral subject to the security, or other guaranty in respect of the Obligations, shall have no effect on Guarantor’s continuing liability under this Guaranty. Guarantor waives, to the fullest extent permitted by law, any defence based on (1) the unenforceability or invalidity of all or any part of the Obligations, or any other security, including any other guaranty, or any failure of Franchisor to take proper care or act in a commercially reasonable manner in respect of any security for the Obligations or any collateral subject to the security, including in respect of any disposition of such collateral; or (2) any act or omission of Franchisee or any other person, including Franchisor, that directly or indirectly results in the discharge or release of Franchisee or any other person or any of the Obligations or any security for the Obligations; or (3) Franchisor’s present or future method of dealing with Franchisee, any additional guarantor or pledgor, or any other security, or any collateral subject to the security, including any other 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 is a continuing guaranty and shall apply to and secure any ultimate balance due or amounts remaining unpaid to Franchisor or Franchisor’s Affiliates. Guarantor’s
liability under this Guaranty shall continue until all Obligations have been satisfied in full and shall not be limited or affected in any way by transfer of the Hotel or any other defence of Franchisee or any other guarantor or pledgor. This Guaranty shall not be determined or affected, or Franchisor's rights under this Guaranty prejudiced, by the termination of any of the Obligations by operation of law or otherwise, including the bankruptcy, insolvency, dissolution or liquidation of Franchisee or Guarantor, any change in the name, business, powers, capital, structure, constitution, objects, organization, directors or management of Franchisee or Guarantor, with respect to transactions occurring either before or after such change. This Guaranty shall bind and extend to the liabilities of the person or persons for the time being and periodically carrying on the business now carried on by either Franchisee or Guarantor, notwithstanding any reorganization of Franchisee or Guarantor, or the amalgamation of Franchisee or Guarantor with one or more corporations (in this case, this Guaranty shall extend to the liabilities of the resulting corporation and, for purposes of this Guaranty, the terms "Franchisee" and "Guarantor" shall include such resulting corporation) or any sale or disposal of Franchisee's or Guarantor's business in whole or in part to one or more other persons and all of such liabilities shall be included in the Obligations.

(j) Guarantor agrees that any and all deposits, general or special term or demand, provision or final, matured or unmatured, and any other indebtedness at any time owed by Franchisor to Guarantor or for the credit or account of Guarantor, may be set-off and periodically applied by Franchisor at any time, without notice (such notice being expressly waived by Guarantor) against and on account of the Obligations even if any of them are contingent or unmatured.

(k) 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.

[l] After having granted this Guaranty, Guarantor is and continues to be able to pay its liabilities as they become due, and the realizable value of the assets of Guarantor is and continues to be greater than the aggregate of the liabilities and the stated capital of all classes of shares in the Guarantor.

6. Postponement of Claims and Subrogation. All debts and claims against Franchisee now or hereafter held by Guarantor and all of Guarantor's rights of subrogation (collectively, "Claims") shall be for Franchisor's security and as between Guarantor and Franchisor, the Claims are postponed to the repayment and performance of the Obligations. Until all of the Obligations have been satisfied in full, any money that Guarantor receives in respect of any such Claims shall be received by Guarantor in trust for Franchisor and shall be paid immediately to Franchisor to be applied against or held as security for payment of the Obligations, all without prejudice to and without in any way affecting, relieving, limiting or lessening Guarantor's liability under this Guaranty. As security for and for the purpose of giving effect to the postponement of the Claims, Guarantor assigns, transfers and sets over to Franchisor all of the Claims and irrevocably constitutes and appoints Franchisor to be Guarantor's attorney in the name of and on behalf of Guarantor to collect, and enforce or prove any such Claims, and for that purpose to execute and do in the name and on behalf of Guarantor, all deeds, documents, transfers, assignment, assurances and things, and to commence and prosecute, at Franchisor's election and in Franchisor's sole discretion, any or all proceedings which may appear to Franchisor to be necessary or desirable. In the event of the bankruptcy, winding up or distribution of assets of Franchisee, Guarantor or any additional guarantor or pledgor, Franchisor's rights shall not be affected or impaired by its omission to prove its claim in full or otherwise, and Franchisor may prove such claim as it sees fit and may refrain from proving any claim in its sole discretion; and Franchisor may but shall not be obligated to prove in respect of the Claims assigned as a debt owing to it by Franchisee, and Franchisor shall be entitled to receive all amounts payable in respect of the Claims, such amounts to be applied on such part of parts of the monies periodically payable on account of the Obligations as Franchisor shall in its absolute discretion see fit until all of the Obligations shall have been paid in full and thereafter Guarantor shall be entitled to the balance, if any, of such amounts; all of which Franchisor may do without in any way affecting, relieving, limiting or lessening Guarantor's liability under this Guaranty. Guarantor acknowledges and agrees that it shall not have any rights of subrogation or indemnification unless it pays the Obligations in full. Guarantor shall not
prove a claim in the bankruptcy of Franchisee unless and until the Obligations are paid in full. Franchisor shall have no duty, obligation or liability as a result of the assignment of the Claims to Franchisor to protect, preserve or ensure that the Claims do not become prescribed by statute or otherwise invalidated or rendered unenforceable.

7. **Currency.** All references to money in this Guaranty, unless otherwise specified, shall be in U.S. Dollars, and all amounts payable under this Guaranty shall be paid in U.S. Dollars or such other currency as we direct (collectively, "Original Currency").

8. **Taxes.** If required to pay an Obligation pursuant to this Guaranty, Guarantor shall pay each such Obligation without deduction of any kind for any present or future withholding, sales, use, excise, consumption, VAT and other similar taxes or duties, levies, fees, assessments or charges of whatsoever nature, including but not limited to goods and services taxes (collectively, "Taxes"), except for any taxes in the nature of income tax imposed on measurement of net income with respect to the Monthly Royalty Fees. If Guarantor is required to deduct or withhold Taxes (excluding income tax as described above), Guarantor shall pay such additional amounts as may be necessary to ensure that the net amount received by Franchisor after such deduction or withholding is equal to the full amount Franchisor would have received if such Taxes had not been deducted.

9. **Judgment Currency.** If, for purposes of obtaining judgment in any court, it is necessary to convert a sum due to Franchisor under this Guaranty in Original Currency into another currency ("Other Currency"), the parties agree that, to the extent they may effectively do so, the rate of exchange shall be that at which Franchisor could purchase the Original Currency with the Other Currency in accordance with normal banking procedures on the Business Day before the date on which final judgment is paid or satisfied. Notwithstanding any judgment in any Other Currency, the obligations of Guarantor in respect of any sum due from Guarantor to Franchisor in the Original Currency shall be discharged only to the extent that on the Business Day after receipt by Franchisor of any sum adjudged to be so due in such Other Currency. Franchisor may, in accordance with normal banking procedure, purchase the Original Currency with such Other Currency. If the amount of the Original Currency so purchased is less than the sum originally due to Franchisor in the Original Currency, Guarantor shall, as a separate obligation and notwithstanding any such judgment, indemnify Franchisor against such loss. If the amount of the Original Currency so purchased exceeds the sum originally due to Licensor in the Original Currency, Franchisor shall remit such excess to Guarantor.

10. **Governing Law.** This Guaranty shall be governed by and construed in accordance with the laws of the Province in which the Hotel is located and the laws of Canada applicable therein.

11. **Jurisdiction and Venue.** The parties agree that any action related to this Guaranty shall be brought in any court of competent jurisdiction in the Province where the Hotel is located. Guarantor consents to personal jurisdiction and venue in each of these jurisdictions and waives and agrees 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.

12. **Choice of Language.** The parties confirm that it is their wish that this Guaranty, as well as any other documents relating to this Guaranty, including notices, schedules and authorizations, have been and shall be drawn up in the English language only. Les signataires confirment leur volonté que la présente convention, de même que tous les documents s’y rattachant, y compris out avis, annexe et autorisation, soient rédigés en anglais seulement.

13. **WAIVER OF JURY TRIAL.** TO THE EXTENT ANY LITIGATION INVOLVING THIS GUARANTY OR ANY ASPECT OF THE RELATIONSHIP AMONG GUARANTOR, FRANCHISEE AND FRANCHISOR, OR BETWEEN OR AMONG ANY OF FRANCHISEE OR GUARANTOR’S OWNERS, AFFILIATES, OFFICERS, EMPLOYEE OR AGENTS, (EVEN IF OTHER PARTIES OR OTHER CLAIMS ARE INCLUDED IN SUCH LITIGATION), GUARANTOR WAIVES GUARANTOR’S RIGHT TO A TRIAL BY JURY. THIS WAIVER WILL APPLY TO ALL CAUSES OF ACTION THAT ARE OR MIGHT BE INCLUDED IN SUCH ACTION, INCLUDING CLAIMS RELATED TO THE INTERPRETATION OR ENFORCEMENT OF THIS GUARANTY, ALLEGATIONS OF PROVINCIAL OR CANADIAN...
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 GUARANTOR, FRANCHISEE AND FRANCHISOR, OR BETWEEN OR AMONG ANY OF FRANCHISEE OR GUARANTOR’S OWNERS, AFFILIATES, OFFICERS, DIRECTORS, EMPLOYEES OR AGENTS.

14. FULL KNOWLEDGE. GUARANTOR ACKNOWLEDGES THAT GUARANTOR WAS GIVEN THE OPPORTUNITY TO REVIEW THE FRANCHISE AGREEMENT, INCLUDING THE REMEDIES THAT FRANCHISOR MAY PURSUE AGAINST FRANCHISEE IF FRANCHISEE DEFAULTS UNDER THE FRANCHISE AGREEMENT, AND TO REVIEW FRANCHISEE’S FINANCIAL CONDITION AND ABILITY TO PERFORM UNDER THE FRANCHISE AGREEMENT. GUARANTOR ACKNOWLEDGES THAT GUARANTOR IS NOT RELYING ON FRANCHISOR WITH RESPECT TO THE TRANSACTIONS UNDER OR RELATED TO THE FRANCHISE AGREEMENT OR THIS GUARANTY, AND THAT FRANCHISOR HAS NO DUTY TO DISCLOSE TO GUARANTOR ANY INFORMATION PERTAINING TO FRANCHISEE. GUARANTOR ACKNOWLEDGES THAT GUARANTOR WAS GIVEN THE OPPORTUNITY TO READ THIS GUARANTY AND TO REVIEW IT WITH AN ATTORNEY OF GUARANTOR’S CHOICE BEFORE SIGNING. GUARANTOR ACKNOWLEDGES HAVING READ AND UNDERSTOOD THE MEANING AND EFFECT OF THIS DOCUMENT BEFORE SIGNING IT.

IN WITNESS WHEREOF, Guarantor has executed this Guaranty which has an effective date as of the date first written above.

GUARANTOR:
[__________________________________
  ____________________________
  a _____________________]

By: ________________________________
Printed Name: ____________________________
Title: ________________________________

GUARANTOR:

By: ________________________________
Printed Name: ____________________________
As: ________________________________ An Individual
Guarantees Acknowledgment Act
(Section 3)

CERTIFICATE OF NOTARY PUBLIC

I HEREBY CERTIFY THAT:

1. ____________________ of _________________________ in the Province of Alberta, the guarantor in the Guaranty Agreement dated _____ ____, made in favor of ________________________, to which this certificate is attached or noted on, appeared in person before me and acknowledged that he/she had executed the Guaranty Agreement.

2. I satisfied myself by examination of him/her that he/she is aware of the contents of the Guaranty Agreement and understands it.

GIVEN under my hand and seal of office at _______________________ on _____________________.

(SEAL)

A Notary Public in and for the Province of:

________________________________________

(Printed Name of Notary Public)

STATEMENT OF GUARANTOR

I am the person named in this certificate.

________________________________________, individually
EXHIBIT E
As of December 31, 2013, franchised hotels were in operation at the following locations in Canada:

- **Prestige Hospitality HA Inc.**
  - **Calgary-Airport North, Alberta, Canada**
  - 2000 2021 100 Ave NE
  - Calgary, Canada T3J 0R3
  - 403-452-9888

- **Lickman Road Development Ltd.**
  - **Chilliwack, British Columbia, Canada**
  - 8050 Lickman Road
  - Chilliwack, Canada V2R 3Z9
  - 604-392-4667

- **1238117 Alberta Ltd.**
  - **Edmonton/South, Alberta, Canada**
  - 10020 12th Avenue S.W.
  - Edmonton, Canada T6X 0P9
  - 780-801-2600

- **1425164 Ontario Ltd.**
  - **Elliot Lake, Ontario, Canada**
  - 279 Highway 108 North
  - Elliot Lake, Canada P5A 2S9
  - 705-848-4004

- **Bet-Tor Care Ltd.**
  - **Fort Saskatchewan, Alberta, Canada**
  - 8709 101 Street
  - Fort Saskatchewan, Canada T8L 0H9
  - 780-997-1001

- **627170 B.C. Ltd.**
  - **Kamloops, British Columbia, Canada**
  - 1245 Rogers Way
  - Kamloops, Canada V1S 1R9
  - 250-571-7897

- **2085337 Ontario Limited**
  - **London, Ontario, Canada**
  - 840 Exeter Road
  - London, Canada N6E 1L5
  - 519-649-6500

- **2341567 Ontario Ltd.**
  - **Napanee, Ontario, Canada**
  - 40 McPherson Drive
  - Napanee, Canada K7R3L1
  - 613-354-5554

- **MATERA HOTELS, LTD**
  - **Niagara Falls-N. of the Falls, Ontario**
  - 4357 River Road
  - Niagara Falls, Canada L2E 3E8
  - 905-358-5555

- **2155328 Ontario Limited**
  - **North Bay, ON, Canada**
  - 950 McKeown Avenue
  - North Bay, Canada P1B 9P3
  - 705-474-8400

- **Robert Vocisano**
  - **Ottawa, Ontario, Canada**
  - 100 Coventry Road
  - Ottawa, Canada K1K 4S3
  - 613-741-2300

- **Sudbury Regent Street, Inc.**
  - **Sudbury, Ontario, Canada**
  - 2280 Regent Street
  - Sudbury, Canada P3E 0B4
  - 705-523-5200

- **Membertou Hotel Limited Partnership**
  - **Sydney, Nova Scotia, Canada**
  - 60 Maillard Street
  - Membertou, Canada B1S 3W3
  - 902-564-6555

- **Bayview Toronto Airport Corporate Centre Limited Partnership**
  - **Toronto Airport Corporate Centre, Ontario**
  - 5515 Eglinton Avenue West
  - Toronto, Canada M9C 5K5
  - 416-646-3000

- **Surinder S. Uppal**
  - **Toronto/Brampton, Ontario, Canada**
  - 8710 The Gore Road
  - Brampton, Canada L6P 0B1
  - 905-488-4888

- **Host Hospitality, Inc.**
  - **Toronto/Mississauga, Ontario, Canada**
  - 7040 Edwards Blvd.
  - Mississauga, Canada L5S 1Z1
  - 905-564-2122

- **2206016 Ontario inc**
  - **Toronto-Mississauga West, Ontario, Canada**
  - 2085 North Sheridan Way
  - Mississauga, Canada L5K 2T2
  - 905-823-8600

- **Maple Hospitality Inc.**
  - **Vancouver-Airport/Richmond,BC, Canada**
  - 8811 Bridgeport Rd.
  - Richmond, Canada V6X 1R9
  - 604-232-5505

- **Sargent Berry Hospitality Inc.**
  - **Winnipeg/Airport, Manitoba, Canada**
  - 730 Berry Street
  - Winnipeg, Canada R3H 0S6
  - 204-772-3000
HAMPTON INN & SUITES

As of December 31, 2013, franchised hotels were in operation at the following locations in Canada:

2110907 Ontario Ltd.
Barrie, Ontario, Canada
74 Bryne Drive
Barrie, Canada L4N 9Y4
705-719-9666

2113626 Ontario Inc.
Brantford/Hamilton, Ontario, Canada
20 Fen Ridge Court
Brantford, Canada N3V 1G2
519-720-0084

Triple One Properties Ltd.
Calgary-Airport, Alberta, Canada
2420 37th Avenue NE
Calgary, Canada T2E 8S6
403-250-4667

Khatija Investments, Ltd.
Calgary-University NW, Alberta, Canada
2231 Banff Trail, N.W.
Calgary, Canada T2M 4L2
403-289-9800

978556 Alberta Ltd.
Edmonton International Airport, Alberta,
3916 84th Avenue
Leduc, Canada T9E 7G1
780-980-9775

Platinum Investments Ltd
Edmonton/West, Alberta, Canada
18304 100 Avenue
Edmonton, Canada T5S 2V2
780-484-7280

Imperial Hospitality Inc.
Guelph, Ontario, Canada
725 Imperial Road North
Guelph, Canada N1K 1X4
519-821-2144

Dartmouth Crossing Hotel
Operating Limited Partner
Halifax/Dartmouth, Nova Scotia, Canada
65 Cromarty Drive
Dartmouth, Canada B3B 0G2
902-406-7700

1604898 Ontario, Inc.
Kitchener, Ontario, Canada
4355 King Street East
Kitchener, Canada N2P 2E9
519-650-6090

Nurmann Holdings, Ltd.
Langley/Surrey, BC, Canada
19500 Langley Bypass
Surrey, Canada V3S 7R2
604-530-6545

Niagara Housing & Development, Inc.
Laval, Quebec, Canada
1961 Boulevard Cure-Labelle
Laval, Canada H7T 1L4
450-687-0010

1289729 Alberta Ltd.
Lethbridge, Alberta, Canada
4073 Second Avenue South
Lethbridge, Canada T1J 1Z2
403-942-2142

D.P. Murphy (Moncton) Inc.
Moncton, New Brunswick, Canada
700 Mapleton Road
Moncton, Canada E1G 0L7
506-855-4819

Brinton Construction Co. Inc.
Montreal (Dorval), Quebec, Canada
1900 Trans-Canada Highway
Dorval, Canada H9P2N4
514-633-8243

Karnail S. Randhawa
Red Deer, Alberta, Canada
128 Leva Ave
Red Deer, Canada T4E 1B9
403-346-6688

628160 N.B. Inc.
Saint John, New Brunswick, Canada
51 Fashion Drive
Saint John, Canada E2J 0A7
506-657-4600

Manga Hotels (St. John's) Inc.
St. John's Airport, NL, Canada
411 Stavanger Drive
St. John's, Canada A1A 0A1
709-7384888

Springfield Hotels Airport Inc.
Toronto-Airport, Ontario, Canada
3279 Caroga Drive
Mississauga, Canada L4V1A3
905-671-4730

Mayfair Properties Ltd.
Vancouver, BC, Canada
111 Robson Street
Vancouver, Canada V6B 2A8
604-602-1008

WINDSOR HOTEL DEVELOPMENT CORPORATION
Windsor, Ontario, Canada
1840 Huron Church Road
Windsor, Canada N9C 2L5
519-972-0770
HAMPTON INN

Franchisees in Canada With Changes in Controlling Interest or Terminated, Not Renewed or Otherwise Ceased Operations Under Licenses (Fiscal Year 2013)

Napanee, Ontario, Canada
2033454 Ontario Inc.
Toronto, Ontario, Canada M3N 1R4
905-495-9993

Niagara Falls-At The Falls, Ontario, Canada
Colonial Motor Inn Ltd
Niagara Falls, Ontario, Canada L2G 3L4
905-374-4446

HAMPTON INN

Franchisees in the U.S. With Changes in Controlling Interest or Terminated, Canceled, Not Renewed or Otherwise Ceased Operations in Fiscal Year 2013

ALABAMA

Birmingham-Colonnade
FWH Birmingham Colonnade, LLC
Memphis, TN
901-842-5305

Prattville, AL
R & R Enterprises, L.L.C.
Prattville, AL
334-285-6767

ARKANSAS

Maumell
Timothy K. Whitten
Pottsville, AR
479-968-2117

CALIFORNIA

Irvine East Lake Forest
Apple Six Foothill Ranch Services, Inc.
Richmond, VA
804-727-6338

Los Angeles West Covina
S & N Real Estate, LLC
Laurel, MD
626-257-8525

Bakersfield Central
The James G. Bailey Living Trust, dated 11-4-99
Bakersfield, CA
661-664-2880

COLORADO

Denver West Federal Center
Apple Six Hospitality Management, Inc.
Richmond, VA
804-344-8121

Denver-Southeast (Tech Ctr), CO
Summit Hotel TRS 050, LLC
Austin, TX
605-361-9566

CONNECTICUT

Meriden
W2007 EQU Meriden Partnership, L.P.
Irving, TX
972-368-2758

ALASKA

Anchorage
Apple Six Anchorage Management, Inc.
Richmond, VA
804-344-8121

ARIZONA

Phoenix-Midtown Dwt Area
Apple Six Hospitality Management, Inc.
Richmond, VA
804-344-8121

Tucson/Downtown, AZ
Tucson Downtown Lodging, LLC
Overland Park, KS
913-345-6400

PHOENIX/MESA, AZ
Chun B. Yim & Gloria Yim Encinitas, CA
760-753-6905

DISTRICT OF COLUMBIA

Washington-I-95 (Largo), DC
Landover Hotel Partnership Limited Partnership
Lake City, FL
386-719-6739

FLORIDA

Jacksonville Ponte Vedra
Beach Mayo
Marsh Landing Lessee, LLC
Orlando, FL
407-317-6950

Tampa Airport Rocky Point
LBUBS 2006-C3 3035 North Rocky, LLC
Miami Beach, FL
305-695-5688

Okeechobee
Okeechobee SSR70 Holdings, LLC
Vero Beach, FL
772-231-9333

Okeechobee SSR70 Holdings, LLC
Vero Beach, FL
772-231-9333
<table>
<thead>
<tr>
<th>Location</th>
<th>Company</th>
<th>Contact Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Miami Airport West</td>
<td>Miami Hotel, LLC</td>
<td>Greenbelt, MD 301-345-8700</td>
</tr>
<tr>
<td>Jacksonville Beach Oceanfront</td>
<td>W2007 EQI Jacksonville Beach Partnership, L.P.</td>
<td>Irving, TX 972-368-2758</td>
</tr>
<tr>
<td>Sarasota I-75 Bee Ridge</td>
<td>THI IV Sarasota SHI Lessee LLC</td>
<td>Annapolis, MD 410-268-0515</td>
</tr>
<tr>
<td>Okeechobee</td>
<td>PGH Okeechobee, LLC</td>
<td>Atlanta, GA 404-497-4117</td>
</tr>
<tr>
<td>Miami/Midtown, FL</td>
<td>Miami Hotel Group LLC</td>
<td>Miami, FL 305-519-2229</td>
</tr>
<tr>
<td>Orlando-North/Altamonte Spgs., FL</td>
<td>Altamonte Springs Lodging LLC</td>
<td>Chattanooga, TN 423-499-0497</td>
</tr>
<tr>
<td>GEORGIA</td>
<td>Gold Key Hospitality, LLC</td>
<td>Clarkesville, GA 678-450-0300</td>
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<tr>
<td>Braselton, GA</td>
<td>Braselton Hospitality, LLC</td>
<td>Lawrenceville, GA 404-328-8260</td>
</tr>
<tr>
<td>Albany (at Albany Mall), GA H.V.N., LLC</td>
<td>Memphis, TN 901-384-8400</td>
<td></td>
</tr>
<tr>
<td>Calhoun, GA</td>
<td>Sanmukh L. (Mike) Patel</td>
<td>Gainesville, FL 352-372-1880</td>
</tr>
<tr>
<td>IDAHO</td>
<td>Summit Hotel TRS 017, LLC</td>
<td>Austin, TX 605-361-9566</td>
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<tr>
<td>MARYLAND</td>
<td>Silver Spring Hospitality Associates of Colesville LP</td>
<td>Baltimore, MD 410-246-2805</td>
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<td>Laurel</td>
<td>Mt. Laurel Hospitality, L.L.C.</td>
<td>Sickerville, NJ 856-728-8181</td>
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<td>Frederick</td>
<td>Prince William Hospitality Investors, LLC</td>
<td>College Park, MD 301-474-2800</td>
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<td>Germantown Hospitality LLC</td>
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<td>MASSACHUSETTS</td>
<td>Grand Prix Floating Lessee LLC</td>
<td>Palm Beach, FL 5661-227-1351</td>
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<td>Marshall</td>
<td>MLCFC 2006-4 Sam Hill Drive, LLC</td>
<td>Miami Beach, FL</td>
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<td>Ann Arbor-South</td>
<td>W2007 EQI Ann Arbor Partnership, L.P.</td>
<td>Irving, TX 972-368-2758</td>
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<td>Lansing</td>
<td>Lansing AFG, LLC</td>
<td>Royal Oak, MI 616-893-5519</td>
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<td>MINNESOTA</td>
<td>Eden Prairie HHP-II, LLC</td>
<td>Watchung, NJ 908-753-7400</td>
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<td>Minneapolis/Bloomington (Apt Area), MN</td>
<td>W2005 New Century Hotel Portfolio, L.P.</td>
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<tr>
<td>NEBRASKA</td>
<td>Mid-Plains Hospitality Group, Inc.</td>
<td>Kearney, NE 308-237-5971</td>
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<td>NEW JERSEY</td>
<td>JAY LAXMI VISHNU, LLC</td>
<td>Toms River, NJ 732-581-4379</td>
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<td>W2007 BRV Realty, LP</td>
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<td>NEW MEXICO</td>
<td>FDA Albuquerque, N.M.</td>
<td>Albuquerque, NM 505-710-2804</td>
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<td>Albuquerque-North, NM</td>
<td>Albuquerque HHP-II, LLC</td>
<td>Watchung, NJ 908-753-7400</td>
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</tbody>
</table>
NEW YORK
Nanuet
Rising Sun of Nanuet, LLC
Nanuet, NY
845-623-0600

Rochester North
TOP25-500 Center Place Drive
LLC
Irving, TX
972-868-5267

Long Island Brookhaven
44 Long Island One, LLC
Philadelphia, PA
215-238-1046

Cooperstown, NY
Hartwick Holding Company, LLC
Batavia, NY
419-491-3785

Syracuse-Carrier Circle I-90, NY
East Syracuse HHP-II, LLC
Watchung, NJ
908-753-7400

Corning, NY
Painted Post Lodging
Associates, LLC
Corning, NY
607-962-9868

NORTH CAROLINA
Raleigh Capital Blvd. North
The Hotel Group, Inc.
Raleigh, NC
919-861-2102

Hendersonville
JDR Associates, LLC
Raleigh, NC
919-861-2102

West Jefferson, NC
High Country of Ashe, LLC
Fayetteville, NC
910-495-3490

Shelby, NC
TRS Subsidiary, LLC
Norfolk, NE
402-371-2520

Greensboro-Four Seasons, NC
Greensboro HHP-II, LLC
Watchung, NJ
908-753-7400

OHIO
Columbus Airport
HI Hotel Investors LLC
Dublin, OH
614-989-9951

PENNSYLVANIA
Pittsburgh Airport
Hamister Hospitality Pitt
Airport, L.P.
Williamsville, NY
716-839-4000

Pittsburgh Greentree
Hamister Hospitality
Greentree, LP
Williamsville, NY
716-839-4000

Pittsburgh/Cranberry
Hamister Hospitality Cranberry
I, LP
Williamsville, NY
716-839-4000

SOUTH CAROLINA
Hilton Head
One Dillon Road LLC
New York, NY
917-274-1115

Beaufort
GCCFC 2005-GG5 Boundary
Street, LLC
Miami Beach, FL
305-695-5600

Charleston/Daniel Island
DI Partners, L.L.C.
Charleston, SC
843-216-6555

Sumter
APM I Associates, LLC & APM
II Associates LLC
Florence, SC
912-687-5547

GREENVILLE-HAYWOOD, SC
Greenville HHP-II, LLC
Watchung, NJ
908-753-7400

GREENVILLE-APPLETON, WI
Bahi of SC, LLC
Greer, SC
864-877-9090

Yemassee, SC
Group South Hotels, Inc.
Moncks Corner, SC
843-761-6587

TENNESSEE
Athens
AMID, Inc.
Lenoir City, TN
865-387-8065

Knoxville West at Cedar Bluff
LS, Inc.
Knoxville, TN
865-693-1011

Dyersburg
Dyersburg Hotel Company,
LLC
Houston, TX
713-267-5800

Chattanooga-Downtown/
Lookout Mountain, TN
Lookout Hi, LLC
Chattanooga, TN
423-265-0077

Cleveland, TN
TRS Subsidiary, LLC
Norfolk, NE
402-371-2520

Paris/KY Lake Area, TN
JMR Realty, LLC
Paris, TN
731-642-4461

Clarksville, TN
JMR Realty, LLC
Clarksville, TN
931-552-2255
TEXAS

Beeville
RAM Beeville Investments LLC
Nacogdoches, TX
254-214-6701

San Antonio Downtown
(Riverwalk)
W2007 EQI San Antonio,, L.P.
Irving, TX
972-368-2758

Beeville
BCS-Beeville, L.L.C.
Madison, AL
256-325-0782

Austin Airport Area South
Austin Lodging Inc.
Carlsbad, CA
760-652-4010 x 100

Granbury, TX
Chirag S. (Chuck) Patel
Euless, TX
817-800-2008

Amarillo, TX
Amarillo HHP-II, LLC
Watchung, NJ
908-753-7400

San Antonio-
Northwest/Seaworld Area
San Antonio HHP-II, LLC
Watchung, NJ
908-753-7400

Burkburnett, TX
Burk Express, Ltd.
Overland Park, KS
913-345-2111

VIRGINIA

Covington, VA
Covington Suites, LLC
Staunton, VA
540-886-0113

WISCONSIN

Beloit
Beloit Hotel Group, LLC
Verona, WI
608-848-9800
HAMPTON INN & SUITES

Franchisees in Canada With Changes in Controlling Interest or Terminated, Canceled, Not Renewed or Otherwise Ceased Operations Under Licenses (Fiscal Year 2013)

NONE

Franchisees in the U. S. With Changes in Controlling Interest or Terminated, Canceled, Not Renewed or Otherwise Ceased Operations in Fiscal Year 2013

ALABAMA

Huntsville/Research Park Area
Sunbelt-12HA, LLC
Dothan, AL
334-793-6855x225

Dothan
Apple Six Hospitality Management, Inc.
Richmond, VA
804-344-8121

Birmingham Downtown
Tutwiler
Tutwiler Hotel, LLC
Dallas, TX
972-934-4709

Huntsville Hampton Cove Hospitality Group, LLC
Huntsville, AL
256-536-2449

Huntsville Hampton Cove Eagle AL 1SPE, LLC
Destin, FL
850-269-4227

Northport/Tuscaloosa, AL
J. Todd Palmer
Tuscaloosa, AL
205-394-1239

ARIZONA

Phoenix North Happy Valley
Deer Valley Lodging Investors, LLC
Middleton, WI
608-836-8060

PHOENIX/TEMPE-ASU, AZ
VRE Holding II, L.L.C.,
Saint Louis, MO
314-244-3500

CALIFORNIA

Phoenix/Tempe - ASU Area, AZ
VRE Holding II, L.L.C.,
Saint Louis, MO
314-244-3500

Colorado Springs Air Force Academy
Ellsworth, LLC
Colorado Springs, CO
719-339-3535

COLORADO

Denver Cherry Creek
Apple Six Services Glendale, Inc.
Richmond, VA
804-344-8121

Florida Springs I-15 South
CHMK World Arena Hotel Partners, LLC
Franklin, TN
615-550-1270

Aurora, CO
Shiva Investments, LLC
Aurora, CO
720-748-4800

CONNECTICUT

New Haven-South/West Haven Sawmill Lessee, LLC
Philadelphia, PA
215-238-1046

FLORIDA

Ocala/Belleview
RL BB Ocala, LLC
Miami, FL
305-485-2717

Pensacola University Mall
Apple Six Hospitality Management, Inc.
Richmond, VA
804-344-8121

Ft. Lauderdale Arpt Hollywood
Stirling Hospitality, LLC
Greenbelt, MD
301-345-8700

Destin Sandestin Area
MSCI 2006-hw 10 Highway 98 Lodging, LLC
Miami Beach, FL
305-695-5688
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<td>FL</td>
<td>Pensacola, FL</td>
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<td>GEORGIA</td>
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<tr>
<td>Atlanta-Dwtn</td>
<td>FWH Atlanta Downtown, LLC</td>
<td>901-842-5305</td>
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<td>FL</td>
<td>Memphis, TN</td>
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<td>Atlanta Airport West Camp</td>
<td>Camp Creek Hotel II, LLC</td>
<td>404-682-1901</td>
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<td>Camp Creek Pkwy</td>
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<td>East Ellijay, GA</td>
<td>United Management, LLC</td>
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<td>fgd, LLC</td>
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<td>Somerset, NJ</td>
<td>732-581-4379</td>
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<td>JAY LAXMI VISHNU, LLC</td>
<td>Toms River, NJ</td>
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<td>NH</td>
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<td>TENNESSEE</td>
<td>Memphis at Beale Street</td>
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<td>Pryor, OK</td>
<td>Velocity Hospitality, LLC</td>
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<td>Pryor Lodging LLC</td>
<td>Mount Pleasant, TX</td>
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<td>OREGON</td>
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<td>Portland/Hillsboro, OR</td>
<td>Inn Ventures IV, LLC</td>
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<td>PENNSYLVANIA</td>
<td>Hershey</td>
<td>215-238-1046</td>
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<td>Hershey Hospitality</td>
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<td>RHODE ISLAND</td>
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<td>Providence</td>
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<td>Hudson, WI</td>
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<td>North Liberty, IA</td>
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<td>WYOMING</td>
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<td>Buffalo HIB., LLC</td>
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<td>Buffalo, WY</td>
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Cody, WY
Tower West Holdings, LLC
Gillette, WY
307-686-2210

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.
VOLUNTARY TERMINATION
OF
FRANCHISE AGREEMENT

(OPEN HOTEL – CHANGE OF OWNERSHIP)

THIS VOLUNTARY TERMINATION OF FRANCHISE AGREEMENT ("Termination Agreement") is made as of the _____ day of __________, 20__ ("Effective Date"), by and between [Insert Franchisee Entity Name], a[n] [Insert State of Formation] [Insert Type of Entity] ("you," “your” or “Franchisee”) and HILTON WORLDWIDE FRANCHISING LP, a United Kingdom limited partnership ("we," “us,” “our” or “Franchisor”) (each a “Party”; collectively, the “Parties”).

WHEREAS, you and we are Parties to a franchise agreement dated [Insert Date] (with all applicable amendments, addenda, riders, supplemental agreements and assignments, the “Franchise Agreement”) with respect to the [Insert Name of Hotel] located at [Insert Hotel Address], [Insert Facility Number] ("Hotel");

WHEREAS, we [or our affiliate, [Insert Entity Name] and [Insert Name of New Franchisee Entity, State/Province of Formation, and Type of Entity] ("Transferee") have entered into a new franchise agreement for the Hotel as of the Effective Date and the Parties wish to terminate the Franchise Agreement as of the Effective Date.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

1. Termination. The Franchise Agreement is terminated on the Effective Date.

2. Estimated Payment. On or before the Effective Date, you will pay all actual and estimated amounts due to us under the Franchise Agreement through the Effective Date ("Estimated Payment") by electronic funds transfer in immediately available and good funds. We may apply the Estimated Payment to any amounts due under the Franchise Agreement. After the Effective Date, we will perform a final accounting of all amounts due under the Franchise Agreement. Within ten (10) days after we send notice to you of our final accounting, you will pay to us, by electronic funds transfer, in immediately available and good funds, any unpaid amounts due to us. If the Estimated Payment exceeds the amount due to us, we will refund the overage to you without interest.

3. Estoppel. You certify to us that the Franchise Agreement was in full force and effect through the Effective Date and that no default, claim, breach, offset, defense to full and strict enforcement, waiver or estoppel (collectively, a “Claim”), or condition that could with the passage of time, giving of notice or otherwise become a Claim under the Franchise Agreement, currently exists or has existed against us, our parents, subsidiaries or affiliates, and each of their respective former and present officers, directors, shareholders, members, partners, alter egos, parents, affiliates, subsidiaries, employees, representatives, agents, attorneys, successors and assigns, in their corporate and individual capacities (collectively, “Hilton Worldwide Entities”).

4. Release and Indemnity. You, on behalf of yourself, your current and former officers, directors, shareholders, members, partners, parents, subsidiaries, affiliates, representatives, agents, successor and assigns, in their corporate and individual capacities, fully and forever release, discharge, and agree to indemnify, defend, and hold harmless the Hilton Worldwide Entities from any and all Claims, actions, agreements, attorneys’ fees, causes of action, controversies, costs, damages, debts, demands, expenses, judgments, liens, obligations, orders, suits and liabilities of whatever kind or nature, whether in law, equity, or otherwise, whether now known or suspected that have existed or may have existed, or that do exist or that can, shall, or may exist after the Effective Date, based on any facts, events, or omissions occurring from any time on or before the Effective Date, which in any way arise out of, concern, pertain, or relate to the Franchise Agreement.
5. **Further Actions.** The Parties agree to execute such additional documentation and cooperate in further proceedings necessary to effectuate the terms of this Termination Agreement without charge or other consideration.

6. **Entire Agreement.** This Termination Agreement, including any exhibits hereto, constitutes the entire agreement and understanding between the Parties concerning the subject matter hereof, and supersedes and replaces all prior negotiations, proposed agreements and agreements, written and oral, relating thereto. No covenants, agreements, representations and warranties of any kind whatsoever have been made by any Party hereto, except as specifically set forth in this Termination Agreement. This Termination Agreement may be amended, modified, canceled, or waived only by written instrument executed by each of the Parties.

7. **Survival of Franchise Agreement Provisions.** The representations and warranties of this Termination Agreement and the obligation to pay any outstanding amounts under the Franchise Agreement, as well as the provisions of the Franchise Agreement that are intended under the terms of the Franchise Agreement to survive termination of the Franchise Agreement or by their nature are to be performed following termination of the Franchise Agreement, such as the indemnity and insurance requirements, are all deemed to survive the date of the execution of this Termination Agreement.

8. **Dispute Resolution.** All questions with respect to the construction of this Termination Agreement and the rights and liabilities of the Parties hereunder shall be governed by the internal laws of the jurisdiction designated in the Franchise Agreement. A breach by you of any provision of this Termination Agreement is a breach of the Franchise Agreement. Any action or proceeding related to or arising out of this Termination Agreement shall be submitted and resolved exclusively by a court of competent jurisdiction located in the forum designated in the Franchise Agreement. The Parties stipulate that such forum is convenient to them and consent to venue and jurisdiction in the court. If we are the prevailing party, we shall be entitled to recover our reasonable attorneys’ fees, court costs, costs of collection, expenses of litigation and other fees, costs and disbursements in any action brought to enforce or interpret this Termination Agreement or collect any amounts due hereunder or under the Franchise Agreement.

9. **Counterparts.** This Termination Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

10. **Severability.** The provisions of this Termination Agreement are severable, and if any provision is held void and unenforceable as a matter of law, the remainder shall continue in full force and effect.

11. **Successors and Assigns.** This Termination Agreement shall bind and inure to the benefit of the Parties to this Termination Agreement and their respective successors, assigns, heirs, administrators, executors and conservators.

12. **Authority.** Each Party represents and warrants that the individual signing this Termination Agreement on its behalf has the necessary authority and legal capacity to execute this instrument and represent it under this Termination Agreement.

13. **Waivers.** A waiver of any term or condition of this Termination Agreement will not be deemed to be, and may not be construed as, a waiver of any other term or condition of this Termination Agreement.

14. **Construction.** This Termination Agreement will be construed neutrally, and will not be applied more strictly against one Party than the other.

15. **Capitalized Terms.** Capitalized terms not otherwise defined in this Termination Agreement shall have the meanings assigned to the term in the Franchise Agreement.
IN WITNESS WHEREOF, the Parties have executed this Termination Agreement as of the Effective Date.

FRANCHISEE:

[FRANCHISEE ENTITY NAME],
a[n] [Jurisdiction] [Type of Entity]

By: ______________________________
Name: ___________________________
Title: ___________________________
Executed on: _____________________

FRANCHISOR:

HILTON WORLDWIDE FRANCHISING LP,
a United Kingdom limited partnership

By: HILTON WORLDWIDE SERVICE LIMITED,
Its General Partner

By: ______________________________
Name: ___________________________
Title: ___________________________
Executed on: _____________________
EXHIBIT H
Hilton World Wide Franchising LP
Balance Sheet
(unaudited)

<table>
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<th>Partners’ Capital</th>
<th>March 12, 2014</th>
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<tbody>
<tr>
<td>Contributed capital</td>
<td>£ 100</td>
</tr>
<tr>
<td>Contribution receivables from partners</td>
<td>(100)</td>
</tr>
<tr>
<td><strong>Total Partners’ Capital</strong></td>
<td>£ -</td>
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</table>

See accompanying notes to the balance sheet.
NOTES TO BALANCE SHEET
(unaudited)

Note 1: Organization

Hilton Worldwide Franchising LP ("we") is a limited partnership that was formed on March 12, 2014 and registered in England and Wales to be the franchisor of Hilton Worldwide Holdings Inc. ("Hilton") brands outside the United States of America ("U.S.") and territories of the U.S., for franchise agreements executed or amended subsequent to July 1, 2014. We are owned by Hilton Worldwide Manage Limited and Hilton Worldwide Services Limited, which are wholly owned subsidiaries of Hilton.

We license intellectual property from a wholly owned affiliate of Hilton on a royalty free basis and then license the use of the trademarks to third party hotel owners under long-term franchise agreements.

Note 2: Basis of Presentation

Use of Estimates

The preparation of financial statements in conformity with International Financial Reporting Standards (IFRS) requires management to make estimates and assumptions that affect the amounts reported and, accordingly, ultimate results could differ from those estimates.
Hampton Inns International Franchise LLC
Financial Statements
For the years ended December 31, 2013, 2012 and 2011
## Hampton Inns International Franchise LLC
### Table of Contents

<table>
<thead>
<tr>
<th>Financial Statements</th>
<th>Page No.</th>
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<tbody>
<tr>
<td>Report of Independent Auditors</td>
<td>1</td>
</tr>
<tr>
<td>Balance Sheets</td>
<td>2</td>
</tr>
<tr>
<td>Statements of Operations and Member’s Capital</td>
<td>3</td>
</tr>
<tr>
<td>Statements of Cash Flows</td>
<td>4</td>
</tr>
<tr>
<td>Notes to Financial Statements</td>
<td>5</td>
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</tbody>
</table>
Report of Independent Auditors

The Member of Hampton Inns International Franchise LLC

We have audited the accompanying financial statements of Hampton Inns International Franchise LLC, which comprise the balance sheets as of December 31, 2013 and 2012, and the related statements of operations and member’s capital, and cash flows for the years ended December 31, 2013, 2012 and 2011, and the related notes to the financial statements.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Accordingly, we express no such opinion.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hampton Inns International Franchise LLC at December 31, 2013 and 2012, and the results of its operations and its cash flows for the years ended December 31, 2013, 2012 and 2011, in conformity with U.S. generally accepted accounting principles.

June 13, 2014
### Hampton Inns International Franchise LLC
#### Balance Sheets

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<tr>
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<tr>
<td>Cash</td>
<td>$1,000</td>
</tr>
<tr>
<td>Accounts receivable, net of allowance for doubtful accounts of $524,355 and $343,578, respectively</td>
<td>1,755,551</td>
</tr>
<tr>
<td>Due from Hilton affiliates related to franchise deposits</td>
<td>646,700</td>
</tr>
<tr>
<td>Prepaid foreign withholding taxes</td>
<td>73,029</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$2,476,280</td>
</tr>
<tr>
<td><strong>Liabilities and Member’s Capital</strong></td>
<td></td>
</tr>
<tr>
<td>Franchise deposits</td>
<td>$646,700</td>
</tr>
<tr>
<td>Accrued foreign withholding taxes</td>
<td>32,101</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>73,029</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>751,830</td>
</tr>
<tr>
<td>Commitments and contingencies - see Note 4</td>
<td></td>
</tr>
<tr>
<td>Contributed capital</td>
<td>1,000</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>14,305,472</td>
</tr>
<tr>
<td>Due from Hilton affiliates</td>
<td>(12,582,022)</td>
</tr>
<tr>
<td><strong>Total member’s capital</strong></td>
<td>1,724,450</td>
</tr>
<tr>
<td><strong>Total Liabilities and Member’s Capital</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$2,476,280</td>
</tr>
</tbody>
</table>

See notes to financial statements.
Hampton Inns International Franchise LLC  
Statements of Operations and Member’s Capital

<table>
<thead>
<tr>
<th>Year Ended December 31,</th>
<th>2013</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Franchise and license fees</td>
<td>$4,156,170</td>
<td>$2,944,601</td>
<td>$1,991,405</td>
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<tr>
<td>Franchise sales and change of ownership fees</td>
<td>1,491,300</td>
<td>1,179,508</td>
<td>1,050,058</td>
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<tr>
<td><strong>Total revenues</strong></td>
<td>5,647,470</td>
<td>4,124,109</td>
<td>3,041,463</td>
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<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating expenses</td>
<td>283,756</td>
<td>207,338</td>
<td>152,834</td>
</tr>
<tr>
<td>Provision for doubtful accounts</td>
<td>403,471</td>
<td>226,186</td>
<td>209,142</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>687,227</td>
<td>433,524</td>
<td>361,976</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>4,960,243</td>
<td>3,690,585</td>
<td>2,679,487</td>
</tr>
<tr>
<td>Gain (loss) on foreign currency transactions</td>
<td>8,075</td>
<td>27,754</td>
<td>(71,122)</td>
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<tr>
<td><strong>Income before taxes</strong></td>
<td>4,968,318</td>
<td>3,718,339</td>
<td>2,608,365</td>
</tr>
<tr>
<td>Foreign withholding tax expense</td>
<td>(350,343)</td>
<td>(275,598)</td>
<td>(186,106)</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>$4,617,975</td>
<td>$3,442,741</td>
<td>$2,422,259</td>
</tr>
</tbody>
</table>

| Member’s capital, beginning of year | $1,204,678 | $1,177,132 | $972,086 |
| Net income                          | 4,617,975 | 3,442,741 | 2,422,259 |
| Increase in due from Hilton affiliates | (4,098,203) | (3,415,195) | (2,217,213) |
| **Member’s capital, end of year**  | $1,724,450 | $1,204,678 | $1,177,132 |

See notes to financial statements.
## Hampton Inns International Franchise LLC

### Statements of Cash Flows

#### Year Ended December 31,

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Activities:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income</td>
<td>$4,617,975</td>
<td>$3,442,741</td>
<td>$2,422,259</td>
</tr>
<tr>
<td>Adjustments to reconcile net income to net cash provided by operating activities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provision for doubtful accounts</td>
<td>403,471</td>
<td>226,186</td>
<td>209,142</td>
</tr>
<tr>
<td>Changes in operating assets and liabilities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>(935,602)</td>
<td>(259,294)</td>
<td>(397,479)</td>
</tr>
<tr>
<td>Prepaid foreign withholding taxes</td>
<td>13,479</td>
<td>601</td>
<td>(60,151)</td>
</tr>
<tr>
<td>Accrued foreign withholding taxes</td>
<td>12,359</td>
<td>5,562</td>
<td>(16,709)</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>13,479</td>
<td>(601)</td>
<td>60,151</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>4,098,203</td>
<td>3,415,195</td>
<td>2,217,213</td>
</tr>
</tbody>
</table>

#### Financing Activities:

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in due from Hilton affiliates</td>
<td>(4,098,203)</td>
<td>(3,415,195)</td>
<td>(2,217,213)</td>
</tr>
<tr>
<td>Net cash used in financing activities</td>
<td>(4,098,203)</td>
<td>(3,415,195)</td>
<td>(2,217,213)</td>
</tr>
</tbody>
</table>

#### Net change in cash

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net change in cash</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash, beginning of year</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>Cash, end of year</td>
<td>$1,000</td>
<td>$1,000</td>
<td>$1,000</td>
</tr>
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</table>

#### Supplemental Disclosures:

<table>
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<th>2013</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in due from Hilton affiliates related to franchise deposits</td>
<td>$133,050</td>
<td>$68,200</td>
<td>$445,450</td>
</tr>
<tr>
<td>Increase in franchise deposits</td>
<td>$133,050</td>
<td>$68,200</td>
<td>$445,450</td>
</tr>
</tbody>
</table>

See notes to financial statements.
NOTES TO FINANCIAL STATEMENTS

Note 1: Organization

Hampton Inns International Franchise LLC (“we,” “us” or “our”) is a Delaware limited liability corporation that was formed on October 15, 2007 to be the franchisor of the Hampton Inns brand outside the United States of America (“U.S.”) and territories of the U.S., for franchise agreements executed or amended subsequent to October 15, 2007. We are a wholly owned subsidiary of Hilton International Franchise Holding LLC (“Parent”), which, in-turn, is a wholly owned subsidiary of Hilton Worldwide, Inc., whose equity is indirectly held by Hilton Worldwide Holdings Inc. (“Hilton”).

We license intellectual property from a wholly owned affiliate of Hilton on a royalty free basis and then license the use of the trademarks to third party hotel owners under long-term franchise agreements.

Note 2: Basis of Presentation and Summary of Significant Accounting Policies

Basis of Presentation

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (“GAAP”) requires management to make estimates and assumptions that affect the amounts reported and, accordingly, ultimate results could differ from those estimates.

Summary of Significant Accounting Policies

Revenue Recognition

Revenues are primarily derived from the following sources and are generally recognized as services are rendered and when collectibility is reasonably assured:

- **Franchise and license fees** represent fees earned in connection with the licensing of our brand name, usually under long-term contracts with the hotel owner. We charge a monthly franchise royalty fee, generally based on a percentage of room revenue. We recognize franchise and license fee revenue as the fees are earned, which is when all material services or conditions have been performed or satisfied.

- **Franchise sales and change of ownership fees** are fees earned in connection with the sale or change of ownership of a franchise, which includes application and initiation fees for new hotels entering the system and relicensing fees for existing hotels. We also recognize fees from hotel owners for product improvement plans to convert existing hotels to our brand name. Franchise sales and change of ownership fees are recognized as revenue when it is determined that the fees are non-refundable, all material services required to earn the fee have been performed and we have no remaining contractual obligations.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable represents amounts due from franchisees and is presented net of an allowance for doubtful accounts. We record an allowance for doubtful accounts when we specifically identify a receivable balance that we anticipate will not be collected based on management's review of payment and collection activity and the financial condition of the franchisee. In addition to specifically identified receivables, we record an allowance on the general population of accounts receivable when losses are probable based on historical collection activity and current business conditions.

Franchise Deposits

Franchise deposits represent franchise application fees that are collected at the time a hotel owner applies for a franchise license. These amounts are recorded as a liability until the fees are non-refundable, all initial services required to earn the fee have been performed and no other material obligations related to substantial performance exist. As such, the deposits are recognized as revenue when the franchise agreement has been executed or the criteria required for refund has not been met. If the franchise application is not approved, the application fee is refunded to the applicant, less processing fees.
Foreign Currency Transactions

We generally transact business in the local currency of the franchisee with our functional currency being the U.S. dollar ("USD"). Income and expense amounts denominated in foreign currencies are translated to USD at the average exchange rate for the period. Assets and liabilities denominated in foreign currencies are translated to USD at the exchanges rates prevailing as of the financial statement date and the related gains and losses are reflected in the statement of operations and member's capital.

Note 3: Income Taxes

We franchise hotels in various jurisdictions throughout the world. Certain jurisdictions require the taxation of payments made for franchise licensing and certain other fees to foreign domiciled entities. The taxation rates for these payments vary by jurisdiction and in some cases may be exempt from any withholding of taxes based on cross-jurisdictional tax relief agreements. In circumstances where we are subject to a tax on payments made for franchise licensing and certain other fees, the franchisee is responsible for the withholding and remittance of these foreign taxes to the local taxing authority. Taxes related to franchise licensing and certain other fees, if any, are presented as foreign withholding tax expense in the statement of operations and member's capital.

No provision is made in our accounts for income taxes because, for U.S. income tax purposes, we are treated as a disregarded entity and all items of taxable income and expense are included in the computation of taxable income of Hilton. The results of operations reflected in the accompanying statements of operations and member's capital may differ from amounts reported in our federal income tax returns because of differences in accounting policies adopted for financial and tax reporting purposes.

If there is uncertainty in income taxes recognized in Hilton's financial statements, they use a prescribed more-likely-than-not recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in the tax return.

Note 4: Commitments and Contingencies

Prior to October 2013 and as of December 31, 2012, Hilton was party to a senior secured debt agreement and all of our assets and franchise contracts were pledged as non-borrower guarantor and non-borrower franchise pledgor collateral under the terms of the agreement. We were one of many Hilton subsidiaries whose assets and contracts were pledged as collateral under the terms of the senior secured debt agreement. We did not record a guarantee liability related to this guarantee as of December 31, 2012, due to the nature of the parent and subsidiary relationship between us and Hilton.

We are involved in litigation arising from the normal course of business. Accruals are recorded when the outcome is probable and can be reasonably estimated in accordance with applicable accounting requirements regarding accounting for contingencies. While the ultimate results of claims and litigation cannot be predicted with certainty, we expect that the ultimate resolution of all pending or threatened claims and litigation as of December 31, 2013 will not have a material effect on our results of operations, financial position or cash flows.

Note 5: Related Party Transactions

We maintain intercompany balances with Hilton affiliates, which are the result of Hilton's centralized cash management system. One of these balances relates to franchise deposits, which are collected on our behalf by Hilton affiliates and deposited into a lockbox account to which we have no access. Amounts due from Hilton affiliates related to franchise deposits, if any, are reflected as an asset and are payable to us upon demand. The remaining balances due from Hilton affiliates represent amounts that are not expected to be repaid and are reflected as a component of member's capital as of December 31, 2013, 2012 and 2011.

We also have an operator agreement with a Hilton affiliate, whereby we pay a fee of five percent of revenue, as defined in the agreement, to cover our operating expenses. These expenses are recorded in the statements of operations and member's capital as incurred for the years ended December 31, 2013, 2012 and 2011, and operating expenses that are payable are reflected as a reduction of amounts due from Hilton affiliates.
Note 6: Subsequent Events

We have evaluated all subsequent events through June 13, 2014, the date that the financial statements were available to be issued.
EXHIBIT I
# Hampton Brand Standards - Global

<table>
<thead>
<tr>
<th>Main Table of Contents</th>
<th>Summary of Changes</th>
<th>100 Our Brand</th>
<th>200 Quality Assurance and Brand Thresholds</th>
<th>300 Employees</th>
<th>400 Learning and Development</th>
<th>500 Identity and Marketing</th>
<th>600 Reservations and Distribution Experience</th>
<th>700 HHonors, Elite Benefits, CRM, and Guest Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>800 Welcome and Farewell Experience</td>
<td>900 Guestroom/suite and Bathroom Experience</td>
<td>1000 Other Guest Areas and Services</td>
<td>1100 Food and Beverage</td>
<td>1200 Business Center, Meetings, and Events Experience</td>
<td>1300 Recreation Experience</td>
<td>1400 Retail/Concessioneer Experience</td>
<td>1500 Safety, Security and Insurance</td>
<td></td>
</tr>
<tr>
<td>1600 Back of House and Building Operation</td>
<td>1700 Technology</td>
<td>2500 Design &amp; Construction</td>
<td>Design and Construction Glossary</td>
<td></td>
<td></td>
<td></td>
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</tbody>
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CONFIDENTIAL

Effective January 01, 2014
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
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</thead>
<tbody>
<tr>
<td>2013 Summary of Changes</td>
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<tr>
<td><strong>Our Brand</strong></td>
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<tr>
<td>101.00 CORE Brand Standards</td>
<td>100-2</td>
</tr>
<tr>
<td>102.00 Brand Culture</td>
<td>100-3</td>
</tr>
<tr>
<td>103.00 Brand Designations</td>
<td>100-4</td>
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<tr>
<td>104.00 Accessibility</td>
<td>100-5</td>
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<td>105.00 Sustainability</td>
<td>100-11</td>
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<tr>
<td><strong>Quality Assurance and Brand Thresholds</strong></td>
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<tr>
<td>201.00 General Rules</td>
<td>200-2</td>
</tr>
<tr>
<td>202.00 Quality Assurance Program</td>
<td>200-3</td>
</tr>
<tr>
<td>203.00 Brand Performance Thresholds</td>
<td>200-4</td>
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<tr>
<td>204.00 Quality Assurance Improvement Planner</td>
<td>200-4</td>
</tr>
<tr>
<td>205.00 Relicensing / Renovation / Change of Ownership</td>
<td>200-4</td>
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</table>
### 300 Employees

- 301.00 Employee Requirements ................................................................. 300 - 2
- 302.00 Mandatory Positions ...................................................................... 300 - 4
- 303.00 General Rules and Expected Behaviors .......................................... 300 - 4
- 304.00 Employee Appearance ................................................................... 300 - 5
- 305.00 Guest Relations and Service Standards ............................................ 300 - 6

### 400 Learning and Development

- 401.00 General Rules .................................................................................. 400 - 2
- 402.00 Franchisee Training ......................................................................... 400 - 2
- 403.00 Required Employee Training ........................................................... 400 - 2

### 500 Identity and Marketing

- 501.00 Logos ............................................................................................... 500 - 2
- 502.00 Advertising ...................................................................................... 500 - 4
- 503.00 Hotel Collateral .............................................................................. 500 - 4
- 504.00 Signage ............................................................................................ 500 - 4
- 505.00 Graphics – Printed Materials and Supplies ...................................... 500 - 5
# Hampton Brand Standards - Global Table of Contents

## 506.00 Internet Standards

600 Reservations and Distribution Experience

- **601.00 General Rules**
- **602.00 Sales and Marketing Programs**
- **603.00 Reservations Standards**
- **604.00 Room Rates**
- **605.00 Accredited Distributor Participation**
- **606.00 Miscellaneous Charges**

700 HHonors, Elite Benefits, CRM, and Guest Assistance

- **701.00 HHonors**
- **702.00 Not Applicable to this Brand**
- **703.00 Customer Really Matters (CRM) / Service Recovery**
- **704.00 Guest Assistance**

800 Welcome and Farewell Experience

- **801.00 General Rules**
**Hampton Brand Standards - Global Table of Contents**

| 802.00 Not Applicable to this Brand | 800 - 2  
| 803.00 Guest Transportation | 800 - 2  
| 804.00 Exterior Presentation | 800 - 3  
| 805.00 Entrance/Lobby / Public Areas Presentation | 800 - 4  
| 806.00 Arrival Experience | 800 - 5  
| 807.00 Front Desk Presentation | 800 - 5  
| 808.00 Front Desk Service | 800 - 6  
| 809.00 Front Desk Collateral | 800 - 7  
| 810.00 Not Applicable to this Brand | 800 - 8  
| 811.00 Elevators/ Corridors | 800 - 8  
| 812.00 Stairs | 800 - 8  

### 900 Guestroom/suite and Bathroom Experience

| 901.00 General Rules | 900 - 2  
| 902.00 Guestroom | 900 - 2  
| 903.00 Bathroom/Dressing Area | 900 - 41  
| 904.00 Not Applicable to this Brand | 900 - 50  
| 905.00 Dual Brand Linen/Terry | 900 - 50  

### 1000 Other Guest Areas and Services
# Hampton Brand Standards - Global Table of Contents

## 1200 Business Center, Meetings, and Events Experience

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1201.00</td>
<td>Self Service Business Center</td>
</tr>
<tr>
<td>1202.00</td>
<td>Not Applicable to this Brand</td>
</tr>
<tr>
<td>1203.00</td>
<td>Lobby Computers</td>
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<tr>
<td>1204.00</td>
<td>Meetings &amp; Events</td>
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## 1300 Recreation Experience

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<tbody>
<tr>
<td>1301.00</td>
<td>Swimming Pool/Whirlpool (Indoor/Outdoor)</td>
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<tr>
<td>1302.00</td>
<td>Fitness Center</td>
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## 1400 Retail/Concessionaire Experience

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<thead>
<tr>
<th>Section</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>1401.00</td>
<td>Suite Shop</td>
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<tr>
<td>1402.00</td>
<td>Not Applicable to this Brand</td>
</tr>
<tr>
<td>1403.00</td>
<td>Not Applicable to this Brand</td>
</tr>
<tr>
<td>1404.00</td>
<td>Third-Party Concessionaires</td>
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## 1500 Safety, Security and Insurance
## 1706.00 Entertainment

1707.00 Mobile Telephone and Wireless Devices

<table>
<thead>
<tr>
<th>2500</th>
<th>Design &amp; Construction</th>
</tr>
</thead>
<tbody>
<tr>
<td>2501.00 Exterior</td>
<td>................................. 2500 - 14</td>
</tr>
<tr>
<td>2502.00 Lobby Area</td>
<td>........................................... 2500 - 24</td>
</tr>
<tr>
<td>2503.00 Public Restrooms</td>
<td>............................................... 2500 - 36</td>
</tr>
<tr>
<td>2504.00 Food And Beverage</td>
<td>.................................................. 2500 - 39</td>
</tr>
<tr>
<td>2505.00 Not Applicable to this Brand</td>
<td>.................................................... 2500 - 51</td>
</tr>
<tr>
<td>2506.00 Commercial Facilities</td>
<td>...................................................... 2500 - 52</td>
</tr>
<tr>
<td>2507.00 Meeting Facilities</td>
<td>.......................................................... 2500 - 55</td>
</tr>
<tr>
<td>2508.00 Recreational Facilities</td>
<td>........................................................... 2500 - 63</td>
</tr>
<tr>
<td>2509.00 Circulation</td>
<td>............................................................ 2500 - 72</td>
</tr>
<tr>
<td>2510.00 Guestroom/Suites</td>
<td>.............................................................. 2500 - 79</td>
</tr>
<tr>
<td>2511.00 Not Applicable to this Brand</td>
<td>............................................................ 2500 - 96</td>
</tr>
<tr>
<td>2512.00 Guest Bathroom</td>
<td>............................................................. 2500 - 96</td>
</tr>
<tr>
<td>2513.00 Back-of-House</td>
<td>.............................................................. 2500 - 105</td>
</tr>
<tr>
<td>2514.00 Technical Criteria</td>
<td>.............................................................. 2500 - 119</td>
</tr>
<tr>
<td>2515.00 Furnishings, Fixtures and Equipment</td>
<td>............................................................ 2500 - 163</td>
</tr>
<tr>
<td>2516.00 Fire Protection and Life Safety Requirements</td>
<td>..................................................... 2500 - 176</td>
</tr>
</tbody>
</table>
EXHIBIT J
Ladies and Gentlemen:

HILTON WORLDWIDE FRANCHISING LP, a United Kingdom limited partnership ("Franchisor") and ______________, a _____________ ("Franchisee") are parties to a franchise agreement dated ______________, including all amendments, riders, supplemental agreements and assignments (collectively, "Franchise Agreement"). Franchisee operates [ will operate ] the [INSERT] brand hotel [ to be ] located at _________________ ("Hotel") under the terms of the Franchise Agreement.

This letter agreement is being entered into in connection with a mortgage loan in the amount of $_______________ dated ______________, 2014, as such mortgage loan may be periodically amended, modified, supplemented, extended or restated ("Loan"), from ________________ [IF NOT A BANK: , a [State] [Type of Entity] ("Lender") to Franchisee [IF NOT FRANCHISEE: ]_________________, a [State] [Type of Entity] ("Borrower") ] to be used [IF MULTIPLE PROPERTIES: , in part, ] for the direct benefit of the Hotel. [IF FRANCHISEE IS NOT BORROWER: Borrower is the owner of the real property on which the Hotel is located, which Borrower leases to Franchisee, its affiliate. ]

[IF MULTIPLE LENDERS: ALTERNATIVE 1: Franchisor is entitled to presume conclusively that notice to and actions or failures to act by ________________ ("Lead Lender") are sufficient for all purposes under this letter agreement and that rights under this letter agreement may only be exercised by and the obligations under this letter agreement only run to Lead Lender. Lead Lender may designate in writing a different party to this letter agreement to represent the lenders, provided that one party must be designated to represent all lenders. ALTERNATIVE 2: First Lender, Second Lender and Third Lender will be collectively referred to as "Lender." First Lender, Second Lender and Third Lender have represented to Franchisor that they have entered into an intercreditor agreement that establishes priorities among the lenders. Franchisor is not a party to the intercreditor agreement and is relying on the representations of First Lender, Second Lender and Third Lender. Franchisor is entitled to presume conclusively that the rights and obligations under this letter agreement will run to the Lender who contacts Franchisor and represents that it is entitled by the terms of the intercreditor agreement to exercise the rights of Lender under this letter agreement. Lender agrees that Franchisor shall have no obligation to resolve inconsistent instructions if it receives instructions from more than one lender and Franchisor shall have no liability to any lender as a result of any action that Franchisor takes in good faith at the direction of another lender, or any failure of Franchisor to act in the face of inconsistent instructions. ]

[IF PRIOR LCL: Reference is also made to a letter agreement dated ______________, by and among Franchisor [CONFIRM], Franchisee [CONFIRM] and Lender [CONFIRM] ("Existing Comfort Letter"). ]

[IF SAME LENDER: This letter agreement amends and restates in its entirety the Existing Comfort Letter, which is of no further force or effect. ]

1. **Cure Period.**

   (a) **Notice and Cure Period.** Franchisor will concurrently provide Lender a copy of any default notice sent to Franchisee under the Franchise Agreement. The notice will be sent to Lender at the address set forth above or such other address designated by Lender in writing, provided that only a
single address may be designated and it may not be a P.O. Box. Lender shall have the right, but not the
obligation, to cure the default within a cure period of fifteen (15) calendar days beyond the expiration of
the cure period, if any, given to Franchisee ("Lender's Cure Period").

(b) Non-Monetary Default Requiring Possession to Cure. If the default is for failure to
comply with physical standards or other non-monetary default which could only be cured by Lender
acquiring possession and/or ownership of the Hotel (an "Acquisition"), Lender may have an additional
period not to exceed one hundred eighty (180) calendar days ("Additional Period") commencing at the
expiration of Lender's Cure Period. The Additional Period is for Lender to complete its Acquisition,
through foreclosure or other appropriate proceedings, and may be extended by Franchisor in its
determination if requested by Lender. If Lender wants the Additional Period, Lender must: (i) notify
Franchisor no later than the date it commences proceedings that Lender wants the Additional Period;
(ii) commence proceedings within Lender's Cure Period and diligently prosecute such proceedings to
completion; and (iii) comply with the obligations of Franchisee under the Franchise Agreement not being
performed by Franchisee during the Additional Period including payment of all monetary obligations but
excluding those obligations which can only be performed by Franchisee or which Lender cannot perform
without possession and/or ownership of the Hotel.

If Lender commences a foreclosure or other proceeding intended to result in the
Acquisition but Franchisor has not issued a default notice to Franchisee or Lender has cured
Franchisee’s default during Lender's Cure Period, Lender may exercise the rights under this letter
agreement if Lender (i) notifies Franchisor of its proceeding as required by this letter agreement and
confirms its intention to proceed under the terms of this letter agreement and (ii) subsequently completes
its Acquisition within one hundred eighty (180) calendar days of the date Lender commenced its
proceeding (as such one hundred eighty (180) day period may be extended by Franchisor in its
determination if requested by Lender). Lender must also comply with the obligations in
Subparagraph 1(b)(iii) while the Acquisition is pending. Franchisor acknowledges and agrees that an
Acquisition shall not be deemed a sale or lease of the Hotel under the Franchise Agreement, nor a
violation of any control or transfer provisions of the Franchise Agreement, and shall not be subject to any
right of first refusal or right of first offer contained in the Franchise Agreement.

(c) Franchisor's Rights to Terminate Franchise Agreement. Notwithstanding any
other provision of this letter agreement, Franchisor may terminate the Franchise Agreement if any of the
following occur: (i) Franchisee's default or any subsequent default, in the sole opinion of Franchisor,
damages the image or reputation of Franchisor or any brand name owned and/or licensed by Hilton
Worldwide Holdings Inc., a Delaware corporation, or its subsidiaries or affiliates (collectively, "Hilton
Worldwide"); (ii) Franchisor is required to terminate the Franchise Agreement by court order or action of
any trustee in bankruptcy or debtor in possession of the Hotel; or (iii) the Additional Period expires without
other arrangements, satisfactory to Franchisor in its sole discretion, having been entered into between
Franchisor and Lender.

(d) Expiration of Franchise Agreement. Nothing in this letter agreement will extend
the Franchise Agreement beyond its stated expiration date.

(e) Receiver Appointment. If a receiver is appointed to operate the Hotel at the
request of Lender, Franchisor may require the receiver to enter into Franchisor’s then-current form of
receiver agreement or other documentation that Franchisor considers reasonably necessary.

2. Acquisition and Assumption.

(a) Election to Terminate. [DELETE ¶ 2(a) IF HOTEL IS COMPANY-MANAGED
WITH A FRANCHISE OR GIVEN FOR A PORTFOLIO LOAN AND THE NUMBER OF HOTELS
OPERATING UNDER THE SAME BRAND EXCEEDS THE LESSER OF 15 HOTELS OR 1.5% OF THE
TOTAL NUMBER OF HOTELS OPERATING UNDER THE BRAND: If Lender completes its Acquisition before the expiration of the applicable time periods set forth in Paragraph 1, Lender may elect to terminate the Franchise Agreement. Lender must give written notice to Franchisor within twenty (20) calendar days after the Acquisition of its election to terminate. The termination will be effective twenty (20) calendar days after receipt by Franchisor of the notice. If Lender elects to terminate the Franchise Agreement, Lender shall not be liable for any termination fees or liquidated damages for early termination. Lender shall be solely liable for all fees and obligations of Franchisee that accrue during the time period from the date of the Acquisition through the termination date and the de-identification obligations following termination of the Franchise Agreement.

(b) Assumption. [DELETE FIRST SENTENCE IF ¶ 2(a) IS DELETED:] If Lender does not elect to terminate the Franchise Agreement, then the Franchise Agreement will continue in full force and effect. Lender will be deemed to have assumed the Franchise Agreement as of the date of the Acquisition for the remainder of the term and will be obligated to perform all of the obligations of “Franchisee” under the Franchise Agreement existing at or accruing after the Acquisition date ("Assumption"). Lender must, at Franchisor’s request, enter into Franchisor’s then current form assumption agreement ("Assumption Agreement") to document the Assumption. Lender will within ten (10) business days after the request by Franchisor provide Franchisor all information necessary for Franchisor to determine that Lender is not a Sanctioned Person (as defined in Paragraph 7(a) of this letter agreement) and prepare the Assumption Agreement. If Franchisor confirms that Lender is not a Sanctioned Person, Franchisor will deliver the Assumption Agreement to Lender, and Lender will execute and return the Assumption Agreement to Franchisor within ten (10) business days after Franchisor delivers it. Lender’s failure to timely execute and deliver to Franchisor the Assumption Agreement shall be a default under the Franchise Agreement entitling Franchisor to terminate the Franchise Agreement. The conditions contained in the transfer provisions of the Franchise Agreement relevant to a new Franchisee as determined appropriate by Franchisor shall apply with respect to the Assumption, including but not limited to submission by Lender of its ownership structure, organizational documents and evidence of insurance. Any renovation requirements imposed by Franchisor in connection with the Assumption will not exceed those which Franchisor could have imposed had Franchisee remained as the Franchisee under the Franchise Agreement. No transfer fee will be imposed. However, Lender agrees to pay Franchisor a processing fee for the Assumption equal to the fee for a permitted transfer in the Franchise Agreement. If the Franchise Agreement does not reference a permitted transfer fee, then the fee will be Five Thousand Dollars ($5,000). In connection with the Assumption, Lender must diligently cure all defaults which it could not cure before the Acquisition under the terms of Subparagraph 1(b), except for personal and non-curable defaults as defined below, within the time period determined by Franchisor based on the nature of the default and/or the condition of the Hotel at the time of Lender’s Acquisition. The term “personal and non-curable defaults” as used in this Subparagraph shall collectively mean such default (i) occurred before the date of Lender’s Acquisition; (ii) is a non-curable default; (iii) is purely personal to Franchisee (e.g., failure to provide adequate notice or past failure to maintain Franchisee’s company status); and (iv) is unrelated to the operation of the Hotel.

(c) Subsequent Sale. The transfer provisions of the Franchise Agreement will apply to any sale, assignment or transfer by Lender after an Assumption. If the transfer is to a third party who desires to continue to operate the Hotel, these provisions require a change of ownership application, approval of the third party, and payment of an application fee.

3. Notice. Lender agrees to notify Franchisor (a) contemporaneously with commencement of any action (such as a foreclosure proceeding) that may result in an Acquisition, (b) contemporaneously with the filing of a petition for appointment of a receiver or any other action initiated by Lender that impacts possession of the Hotel, (c) promptly after any Acquisition of the date the Acquisition occurred, or (d) promptly after Lender no longer has a security interest in the Hotel or the Loan is paid in full, but Lender’s failure to give notice under this Subparagraph 3(d) will not affect the automatic termination of
this letter agreement under Paragraph 13. Lender further agrees to promptly provide to Franchisor a copy of any order appointing a receiver or of foreclosure, or any other judicial or administrative order from an action initiated by Lender that impacts possession of the Hotel. All notices to Franchisor should be sent to the following address or such other address periodically designated by Franchisor in writing:

Hilton Worldwide Holdings Inc.
Attention: General Counsel
7930 Jones Branch Drive, Suite 1100
McLean, Virginia 22102

4. **Subordination.** Franchisor acknowledges and agrees that the Franchise Agreement, to the extent that it creates any interest in the Hotel, is and shall be subordinate to the mortgage or deed of trust of Lender placed or to be placed on the Hotel in accordance with the terms of the Loan.

5. **Confidentiality and Non-Disclosure.** The provisions of this letter agreement shall not be disclosed by Lender or Franchisee to any third party, excepting Franchisee’s or Lender’s respective employees, directors, officers, agents, regulators or legal and financial representatives on a need-to-know basis, and/or unless as required by law or as mutually agreed to by the parties and/or as part of any due diligence performed as a part of a sale or participation of the Loan by Lender. As part of such disclosure, except for disclosure required by government regulation, Lender or Franchisee must ensure that third parties are advised of, and agree to be bound by, the terms of this confidentiality provision. Except as provided above, Franchisee and Lender agree not to copy, reproduce or otherwise make available in any form whatsoever to any other person, firm, corporation, or business the provisions of this letter agreement.

6. **Franchisee Estoppel and Release.** As consideration for this letter agreement relating to the Loan, Franchisee hereby:

   (a) certifies to Franchisor that the Franchise Agreement is in full force and effect, and no default, claim, breach, offset, defense to full and strict enforcement, waiver, or estoppel (collectively, a “Claim”), or condition that could with passage of time, giving notice or otherwise become a Claim, currently exists or has existed against Franchisor or Hilton Worldwide under the Franchise Agreement [IF APPLICABLE] or the Existing Comfort Letter.

   (b) [IF APPLICABLE]: represents that the loan referenced in the Existing Comfort Letter has been paid in full and agrees that the Existing Comfort Letter is null and void and of no further force and effect, and Hilton Worldwide has no obligations of any kind under the Existing Comfort Letter.

   (c) agrees that this letter agreement will remain in full force and effect in favor of Lender with respect to the Loan, as the Loan may periodically be modified, amended, extended, supplemented, or restated.

   (d) agrees that this letter agreement was provided to Lender at Franchisee’s request.

   (e) fully and forever releases, discharges, and agrees to indemnify, defend, and hold harmless Franchisor, its predecessors, successors and assigns and each of their respective former and present officers, employees, directors, shareholders, partners, members, parents, subsidiaries, affiliates, alter egos, representatives, agents, and attorneys (collectively, the “Released Parties”), from any and all Claims, demands, liens, actions, agreements, suits, causes of action, obligations, controversies, debts, costs, attorney’s fees, expenses, damages, judgments, orders, and liabilities of whatever kind or nature in law, equity, or otherwise, whether now known or suspected which have, may or do exist (“Released Claims”), based on any facts, events, or omissions occurring before the execution of this letter agreement.
agreement which arise out of, concern, pertain, or relate in any way to the Franchise Agreement \[IF APPLICABLE:\] or the Existing Comfort Letter. Franchisee acknowledges that it may hereafter discover Claims presently unknown or unsuspected, or facts in addition to or different from those which it now knows or believes to be true, with respect to the matters released by this letter agreement. Nevertheless, Franchisee fully and finally settles and releases all such matters, and all Claims relative thereto, which do now, may or have existed between the Released Parties and Franchisee.

7. **Lender Estoppel and Release.** As consideration for this letter agreement relating to the Loan, Lender hereby:

(a) certifies to Franchisor that Lender is not a Sanctioned Person. “Sanctioned Person” means any person or entity (including financial institutions): (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; and (c) identified by any government or legal authority under applicable Trade Restrictions as a person with whom dealings and transactions 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.

(b) agrees that this letter agreement shall remain in full force and effect in favor of Lender with respect to the Loan, as the Loan may periodically be modified, amended, extended, supplemented or restated.

(c) \[IF LENDER IS A PARTY TO EXISTING LCL:\] certifies to Franchisor that no Claim, or condition that could with the passage of time, giving notice or otherwise become a Claim by or through Lender, currently exists or has existed against Hilton Worldwide under the Existing Comfort Letter.

(d) \[IF LENDER IS A PARTY TO EXISTING LCL:\] agrees that the Existing Comfort Letter is null and void and of no further force and effect, and Hilton Worldwide has no obligations of any kind under the Existing Comfort Letter.

(e) \[IF LOAN ORIGINATED AT AN EARLIER DATE:\] represents and warrants as of the date of its signature below that Lender has not issued a notice of default with respect to the Loan and is not aware of any issue that currently constitutes or with the passage of time would constitute a default under the Loan and that Lender has not taken any action intended to result in Lender acquiring possession and/or ownership of the Hotel.

(f) \[IF LENDER IS NOT A BANK OR ENTITY PRIMARILY ENGAGED IN THE BUSINESS OF MAKING LOANS:\] represents and warrants in favor of Franchisor that it is solely controlled by [INSERT NAME] as of the Effective Date of this letter agreement. Franchisor has entered into this letter agreement based on Lender’s representation. Lender acknowledges that any change of control of Lender will be deemed to be an assignment of this letter agreement that is subject to Paragraph 11. If Franchisor’s consent is required, Franchisor may require that assignor and assignee enter into an Assignment in accordance with Subparagraph 11(c).

(g) fully and forever releases, discharges, and agrees to indemnify, defend and hold harmless the Released Parties from any and all Released Claims by or through Lender based on any facts, events, or omissions occurring before the execution of this letter agreement which arise out of,
8. **Communication with Lender.** Franchisee agrees that Franchisor may discuss with Lender or its designee the status of the Hotel, the Franchise Agreement, or any matter to which Lender is entitled to notice under the terms of this letter agreement. Franchisee agrees that the Released Parties shall not be liable to Franchisee for taking any action or providing any information required or contemplated by this letter agreement.

9. **Management.** Any change to the general manager or the management company for the Hotel (collectively, "Management") made by Lender or a receiver is subject to Franchisor's prior written approval. Franchisor will use its business judgment in determining whether to approve the new Management. After an Assumption, the terms of the Franchise Agreement will govern with respect to Management.

10. **Collateral Assignment.** If the Franchise Agreement is being pledged by Franchisee to Lender as security for Franchisee's obligations to Lender under the Loan, issuance of this letter agreement evidences Franchisor's consent to the collateral assignment. Lender's rights in connection with the Franchise Agreement as assigned are governed by the terms and conditions in this letter agreement.

11. **Assignment.** This letter agreement may not be assigned by Lender without the written consent of Franchisor; provided, however, Franchisor's consent is not required for any assignment to:

   (a) a direct or indirect subsidiary of Lender in connection with an Acquisition.

   (b) the trustee in a securitization if Lender (i) directly transfers the Loan to the trustee of a securitized pool of loans and (ii) gives notice to Franchisor within thirty (30) days of the transfer, identifying the new “Lender” and the new address for notice. If Lender fully complies with the provisions of this Subparagraph, Franchisor will recognize the trustee as “Lender” under this letter agreement; but Franchisor may, in its discretion, reject any notice that is not sent by Lender or that is not sent in a timely manner in accordance with this Subparagraph.

   (c) any subsequent holder or holders of the Loan (“Assignee”) if (1) the Loan is not in default when notice is given; (2) Lender gives notice to Franchisor, identifying Assignee and the new address for notice, within thirty (30) days of the transfer; and (3) the Assignee (i) is a commercial bank, investment bank, pension fund, finance company, insurance company, or other financial institution engaged in the business of making loans or any fund managed by any of the foregoing, (ii) is not a competitor of Franchisor, and (iii) does not own directly or indirectly, any equity interest in Franchisee or its constituent owners; provided, however, that Franchisor may, in its discretion, reject a notice if the Loan is in default when notice is given, or if the notice is not sent by Lender, or if notice is not sent in a timely manner in accordance with this Subparagraph. On receipt and acceptance of the notice, Franchisor will promptly prepare its then-current form of Assignment and Assumption Agreement (“Assignment”) and Lender and Assignee must promptly execute and return the Assignment. Franchisor may charge a nominal fee for processing the Assignment. If there is more than one Assignee, the Assignees must (i) designate a single representative to receive notices, negotiate on behalf of and bind each Assignee in connection with this letter agreement and any assignment thereof, and (ii) acknowledge that Franchisor shall be entitled to rely on such designation and deal solely with such representative without the necessity of notifying, negotiating with, or obtaining the consent of, each Assignee.

12. **Execution.** Franchisee and Lender must sign three (3) duplicate originals of this letter agreement and return them to Franchisor to the attention of Shelley Weatherbie, Legal Department, at
Lender  
Re: [Name of Hotel (City, State) – Facility No. ______]  
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Hilton Worldwide Holdings Inc., 7930 Jones Branch Drive, Suite 1100, McLean, VA 22102. An authorized representative of Franchisor will countersign on behalf of Franchisor when all conditions are fulfilled, and will provide fully-executed originals for Lender and Franchisee. This letter agreement may be signed in counterparts, each of which will be considered an original.

13. **Effectiveness and Termination.** This letter agreement will be effective only when Franchisor receives signatures indicating acceptance by Lender and Franchisee and Franchisor’s authorized representative countersigns on the signature page. If Franchisor does not receive signed copies from Lender and Franchisee within thirty (30) days from the date indicated on the first page of this letter agreement, Franchisor’s offer to enter into this letter agreement will be automatically withdrawn. Once effective, this letter agreement will automatically terminate if (a) Lender no longer has a security interest in the Hotel or the Loan is paid in full, (b) Lender transfers the Loan to another entity unless this letter agreement is assigned in compliance with its terms, (c) Lender breaches this letter agreement, (d) Lender has been taken over in any manner by any state or federal agency, (e) Franchisee transfers the Franchise Agreement, or (f) Franchisor terminates the Franchise Agreement in accordance with the terms of this letter agreement.

14. **General.** No entity may exercise any rights as Lender under this letter agreement if the entity or any affiliate is or becomes the owner of a direct or indirect beneficial interest (except a strictly passive interest) in Franchisee, other than through the exercise of rights under the Loan. The provisions of this letter agreement are applicable only for the Hotel and the parties to this letter agreement. Issuance and execution of this letter agreement or the granting of any conditions provided in this letter agreement does not constitute an obligation on Franchisor’s part to provide the same at any future date. This letter agreement sets forth the entire agreement of the parties to this letter agreement in regard to the matters addressed in this letter agreement.

Sincerely,

HILTON WORLDWIDE FRANCHISING LP

Signature Blocks on Following Page
LENDER:

[NAME]

By: ____________________________
Name: __________________________
Title: __________________________
Accepted and agreed to _____________, 2014

FRANCHISEE:

[NAME]

By: ____________________________
Name: __________________________
Title: __________________________
Accepted and agreed to _____________, 2014

FRANCHISOR:

HILTON WORLDWIDE FRANCHISING LP,
a United Kingdom limited partnership

By: HILTON WORLDWIDE MANAGE LIMITED,
   Its General Partner

   By: ____________________________
   Name: __________________________
   Title: __________________________
   Authorized Signatory

Effective Date: ________________, 2014
EXHIBIT K
HILTON WORLDWIDE FRANCHISING LP
HAMPTON INN® BY HILTON AND
HAMPTON INN & SUITES® BY HILTON

RECEIPT BY PROSPECTIVE FRANCHISEE

I, on my behalf and/or as an officer, shareholder and/or director, member or partner of the corporation or other legal entity which is the prospective franchisee, acknowledge receipt of a Disclosure Document dated July 1, 2014. This disclosure document included the following exhibits.

- Exhibit A Franchise Agreement with Addendum
- Exhibit A-1 Development Incentive Note
- Exhibit B Hilton Information Technology System (HITS) Agreement
- Exhibit B-1 Hilton Information Technology System (HITS) Agreement for Quebec
- Exhibit C Franchise Application
- Exhibit D Guaranty of Franchise Agreement
- Exhibit E Current Franchisees
- Exhibit F Former Franchisees
- Exhibit G Voluntary Termination Agreement
- Exhibit H Financial Statements
- Exhibit I Table of Contents – Brand Standards Manual
- Exhibit J Lender Comfort Letter
- Exhibit K Receipt

Issuance Date: July 1, 2014

Signature

Printed Name

Address

City, Province, Postal Code

Area Code and Telephone Number

Date Signed