FRANCHISE DISCLOSURE DOCUMENT

Red Roof Franchising, LLC
a Delaware Limited Liability Company
7815 Walton Parkway
New Albany, Ohio 43054
Telephone (614) 744-2600
ww.redrooffranchising.com

The franchisee will own and operate a guest lodging facility under the Red Roof Inn®, Red Roof Inn & Suites®, Red Roof PLUS+® or Red Roof PLUS+ & Suites® brand (a "Red Roof Inn hotel"). Red Roof Inn hotels offer high quality lodging to business and leisure guests at room rates associated with the economy lodging segment.

The total investment necessary to begin operation of a newly built and a conversion 65-room Red Roof Inn, Red Roof Inn & Suites, Red Roof PLUS+ or Red Roof PLUS+ & Suites lodging facility are set forth in the table below:

Type of Inn	Newly Built	Conversion
Red Roof Inn and Red Roof Inn & Suites	$5,094,000 - $6,949,500	$223,000 - $1,469,000
Red Roof PLUS+	$5,118,000 - $6,983,000	$708,500 - $1,594,000
Red Roof PLUS+ & Suites	$5,121,000 - $6,992,000	$770,500 - $1,691,500

These amounts do not include the cost of land or rent for the hotel location but do include the approximately $53,050 to $60,700 that must be paid to the franchisor or its affiliates.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar-days before you sign a binding agreement with, or make any payment to the franchisor, or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Franchise Development, Red Roof Franchising, LLC, 7815 Walton Parkway, New Albany, Ohio 43054 or call 1-888-473-8861.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read your entire contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "*A Consumer's Guide to Buying A Franchise*," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources on information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

Issuance Date: April 1, 2022

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Exhibit D.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the supplies you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit A includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Red Roof Inn business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved with material litigation or bankruptcy proceedings.
What is it like to be a Red Roof Inn franchisee?	Exhibit D lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

Continuing Responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Supplies restrictions. You may have to buy or lease items from franchisor or limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit B.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About *This* Franchise

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution**. The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration, and/or litigation only in Ohio. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Ohio than in your own state.

2. **Spousal Liability**. Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

RED ROOF INN
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ITEM 1
THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

To simplify the language in this franchise disclosure document (the "Disclosure Document"), "RRF," "we," and "our" mean Red Roof Franchising, LLC, the franchisor. "You" or "your" means the person who buys this franchise (and, for individuals, your spouse), and may include a corporation, a partnership, or a limited liability company. If a corporation, partnership, or limited liability company is the franchisee, "you" will also include the franchisee's owners.

The Franchisor, Parents, Affiliates, and Predecessors

Franchisor

Red Roof Franchising, LLC is a Delaware limited liability company formed in January 2007 with a principal business address of 7815 Walton Parkway, New Albany, Ohio 43054. We offer franchises under the names Red Roof Inn, Red Roof Inn & Suites, Red Roof PLUS+ and Red Roof PLUS+ & Suites. We also sublicense the Reservation Platform Property Management System ("Reservation Platform / PMS") software used in the Red Roof Inn hotel system ("System") to our franchisees. We do business under the names Red Roof Franchising, Red Roof Inn, Red Roof Inn and Suites, Red Roof PLUS+ and Red Roof PLUS+ and Suites. We do not do business under any other names.

The first Red Roof Inn opened in 1973. We and our predecessors have offered Red Roof Inn franchises since August 1996. We have offered franchises under the Red Roof Inn and Red Roof Inn & Suites brands since September 2007 and under the Red Roof PLUS+ and Red Roof PLUS+ & Suites brands since January 2014. We refer to these brands collectively in this Disclosure Document as "Red Roof Inn." As of December 31, 2021, there were 541 franchised Red Roof Inns in the United States and four franchised Red Roof Inns operating internationally. We do not own or operate any Red Roof Inn hotels; however, as of December 31, 2021, our affiliates operated 54 Red Roof Inn hotels ("Affiliate-Owned Inns"). We are not engaged in other business activities. We have never offered franchises under any other brands, although the franchise agreements do not prohibit us from doing so. Our agents for service of process are disclosed in Exhibit C.

Parents

Our parent company is RRF Holding Company, LLC ("RRF Holding"), a Delaware limited liability company that shares our principal business address. RRF Holding does not offer franchises in any line of business and does not provide any services directly to our franchisees.

RRF Holding's parent company is Red Roof Inns, Inc. ("RRI"), a Delaware corporation that shares our principal business address. RRI, through various subsidiaries, owns and/or operates Red Roof Inn hotels. RRI does not currently offer franchises in any line of business; however, it previously offered Red Roof Inn and Red Roof Inn & Suites franchises. RRI does not provide any services directly to our franchisees.

RRI's parent company is WRRH LP, a Delaware limited partnership with a principal business address of 5847 San Felipe, Suite 4650, Houston, Texas 77057. WRRH does not offer franchises in any line of business. An affiliate of WRRH, RRI West Management LLC ("RRI West"), provides general and administrative services to us but does not offer franchises in any line of business. RRI West provides management services for certain Affiliate-Owned Inns and Affiliate-Managed Inns. For purposes of this Disclosure Document, the term "Affiliate" means entities under the direct and indirect control of WRRH LP.

Affiliates

RRI Financial, Inc. ("RRI Financial"), a Nevada corporation formed in April 1996 is a wholly-owned subsidiary of RRF. RRI Financial shares our principal business address. RRI Financial sublicenses the Red Roof Inn trademarks to us for the purpose of granting Red Roof Inn franchises. RRI Financial does not offer franchises in any line of business.

RRI Reservations, LLC ("RRI Reservations"), a Delaware limited liability company formed in September 2008, is a wholly-owned subsidiary of RRF. RRI Reservations shares our principal business address. RRI Reservations offers reservation services to Red Roof Inn franchisees. RRI Reservations does not offer franchises in any line of business.

The Red Collection, LLC ("TRC"), a Delaware limited liability company formed in October 2017, is wholly owned subsidiary of RRF. TRC shares our principal business address. TRC has offered franchises of "The Red Collection®" brand for transient lodging facilities since December 2017 ("Red Collection hotels"). As of December 31, 2021, there were three franchised Red Collection hotels.

HomeTowne Studios, LLC ("HTS"), a Delaware limited liability company formed in October 2017, is a wholly owned subsidiary of RRF. HTS shares our principal business address. HTS has offered franchises of the "HomeTowne Studios by Red Roof®" brand since July 2018 of the "HomeTown Inn®" and "HomeTowne Inn®" brands for extended stay lodging facilities since April 2020, and of the HomeTowne Studios & Suites by Red Roof brand since April 2021 (which are collectively referred to in this franchise disclosure document as "HomeTowne Studios hotels"). As of December 31, 2021, there were 13 franchised HomeTowne Studios hotels and 50 Affiliate-owned HomeTowne Studios hotels.

Predecessors

We do not have any predecessors that must be disclosed in this Item.

The Red Roof Inn Franchised Business

If you submit a franchise application ("Application") (Exhibit E) and you are approved to operate a Red Roof Inn hotel, you will be granted the right to construct or convert and operate a Red Roof Inn hotel at a single, defined location that we approve (the "Approved Location") through a Red Roof Inn Franchise Agreement, the current form of which is attached as Exhibit F. We will grant you a sublicense in your Franchise Agreement to use our proprietary trademarks in connection with your Inn. See Item 13 of this Disclosure Document for further discussion of our trademarks and the licensing arrangements.

We offer franchises to both new operators who will build new hotels at a defined location (a "New Build") and to existing hotel operators, who will convert their existing hotel and renovate such hotel in accordance with our standards ("Standards") as set forth in our confidential set of manuals ("Manuals") and as otherwise required for conversion (a "Conversion"). If you are developing your Inn as a New Build, you will sign the Construction Addendum to the Franchise Agreement, a copy of which is attached as Exhibit G. If you are developing your Inn through a Conversion, you will sign the Renovation Addendum to the Franchise Agreement, a copy of which is attached as Exhibit H. All information in this Disclosure Document applies to both New Builds and Conversions unless otherwise noted.

You will own and operate a Red Roof Inn, Red Roof Inn & Suites, Red Roof PLUS+ or Red Roof PLUS+ & Suites lodging facility. If you operate a Red Roof Inn & Suites, Red Roof PLUS+ or Red Roof PLUS+ & Suites lodging facility, you will sign an Addendum to the Franchise Agreement to reflect the brand requirements, a copy of which is attached as Exhibit I.

A Red Roof Inn lodging facility offers low cost accommodations to all sectors of the traveling public. A Red Roof Inn is generally located at places that attract both business and leisure travelers, such as major highway exit ramps, major intersections, airports, tourist destinations, and business centers. You will operate the business according to our business system and Standards, and under the Red Roof Inn trademarks. You will use our prototype architectural plans and drawings in building a Red Roof Inn, or in renovating an existing building to be a Red Roof Inn. A typical Red Roof Inn does not offer full service and management intensive facilities or services, such as in-house restaurants or cocktail lounges, conference rooms, room service, or banquet centers. However, to meet the needs of guests in certain markets, we offer a Red Roof Inn & Suites lodging facility with enhanced amenities, such as more spacious rooms with refrigerators and coffee makers, exercise facilities, or meeting rooms.

We also offer Red Roof PLUS+ and Red Roof PLUS+ & Suites lodging facilities for those hotels that meet Red Roof PLUS+ standards and service requirements. Red Roof PLUS+ and Red Roof PLUS+ & Suites lodging facilities offer enhanced amenities such as a minimum required number of premium guest rooms as well as other amenities and service requirements and was designed in response to continuing guest demand for an enhanced experience at a value price, positioned to compete in markets attracting experienced business and leisure travelers accustomed to midscale and above accommodations. Candidates for Red Roof PLUS+ and Reds Roof PLUS+ & Suites properties will be considered based on criteria including, but not limited to, an applicant's experience and history in addressing guest satisfaction, proven guest service acumen, past property operating success as well as market qualifications (which may, but are not required to, include the following: a market with midscale as well as limited service competition, a market with appeal to business and leisure travelers, middle to upper middle class, key business demand generators present, i.e.: convention center, university, business parks, hospitals, government centers and the potential to support strong average daily rates.) Property qualifications for Red Roof PLUS+ and Red Roof PLUS+ and Suites include but are not limited to compliance with all Red Roof PLUS+ specifications for both new construction or conversion locations and a commitment to elevated product and service standards. A franchisee operating a Red Roof PLUS+ or Red Roof PLUS+ and Suites property must understand the continuous nature of upgrading their Red Roof PLUS+ or Red Roof PLUS+ & Suites Property as outlined in the Red Roof Inn Standards Manual.

If you intend to build a new franchised Red Roof Inn ("Inn"), you must sign the Non-Disclosure Agreement attached as Exhibit J, in which you agree to keep confidential all information concerning the building plans and related material for our new build NextGen® prototype.

Competition

The economy lodging business market in many geographic areas is highly developed. You will compete with other economy lodges and inns, including economy lodges and inns that may be located directly adjacent to your Red Roof Inn or in the immediate vicinity. Existing or new competitors in your market may offer similar services as your Red Roof Inn, and engage in aggressive promotion and discounting. In some geographic areas, occupancy and rates may vary greatly by season.

Regulation

In addition to federal, state and local laws that apply to a business generally, you must comply with a number of federal, state and local laws that apply specifically to the hotel industry, including, but not limited to, laws and regulations regarding zoning, construction, public accommodations, accessibility by persons with disabilities, occupational health and safety, labor, insurance, advertising, health and sanitation, innkeepers laws (such as posting room rates at a conspicuous place in each room), telephone charges, data privacy, information security, confidentiality and privacy of guest and cardholder data, as well as mandatory disclosures to affected persons in the event of a suspected or actual data breach.. If you elect to serve

alcoholic beverages, you will be subject to state and local licensing requirements and operating regulations. Many of these laws vary from jurisdiction to jurisdiction. It is your responsibility to know these laws and comply with them. You should consult with your attorney concerning these laws and regulations.

ITEM 2
BUSINESS EXPERIENCE

President: George Limbert

George Limbert has served as President to RRF, HTS and TRC since August 2021. Mr. Limbert served as Secretary and Interim President to RRF, HTS and TRC from October 2020 to August 2021. Mr. Limbert served as Secretary and General Counsel to HTS and TRC from October 2017 to October 2020 and to RRF from March 2017 to October 2020. Mr. Limbert served as Secretary and Corporate Counsel of RRI from April 2013 to March 2017. Mr. Limbert is based in New Albany, Ohio.

Chief Development Officer: Matthew Hostetler

Matthew Hostetler has served as Chief Development Officer of HTS, RRF and TRC since July 2020. Mr. Hostetler served as Senior Vice President, Franchise Sales of HTS and TRC from October 2017 to July 2020 and of RRF from January 2014 to July 2020. Mr. Hostetler is based in Elizabethtown, Pennsylvania.

Chief Marketing Officer: Marina MacDonald

Marina MacDonald has served as Chief Marketing Officer of HTS and TRC since October 2017 and of RRF since January 2014. She served as Senior Vice President Sales and Marketing of RRF from November 2007 to January 2014. Ms. MacDonald is based in New Albany, Ohio.

Chief Information Officer: Ted Hutchins

Ted Hutchins has served as Chief Information Officer of HTS, TRC and RRF since April 2018. Mr. Hutchins served as Chief Information Officer for All Aboard Florida, from March 2014 to April 2018. Mr. Hutchins is based in New Albany, Ohio.

Senior Vice President, Franchise Operations: Fouad Malouf

Fouad Malouf has served as Senior Vice President, Franchise Operations of RRF, HTS and TRC since July 2020. He served as Vice President, Franchise Operations for HTS and TRC from October 2017 to July 2020 and of RRF from January 2016 to July 2020. Mr. Malouf served as Regional Vice President, Franchise Operations for RRF from September 2014 to December 2015 and as Franchise Operations Director from June 2007 to September 2014. Mr. Malouf is based in Peoria, Illinois.

Senior Vice President of Revenue Generation: Alex Cisneros

Alex Cisneros has served as Senior Vice President of Revenue Generation of HTS, TRC and RRF since December 2019. From May 2014 to November 2019, he served as Vice President of Revenue Generation for Wyndham Destinations in Parsippany, New Jersey. Mr. Cisneros is based in New Albany, Ohio.

Vice President, Finance: John Park

John Park has served RRF, HTS and TRC as Vice President of Finance since January 2021. From November 2018 to January 2021, Mr. Park served RRF, HTS and TRC as Director of Financial Planning & Analysis. He served as a Director of Global Financial Planning & Analysis for General Cable Corporation in Highland Heights, Kentucky from April 2017 to November 2018. Mr. Park served as Senior Manager of Financial Planning & Analysis for Bob Evans Farms, Inc. in New Albany, Ohio from April 2012 to March 2017. Mr. Park is based in New Albany, Ohio.

Regional Vice President, Franchise Sales and Development: Richard Schaeffer

Richard Schaeffer has served RRF, HTS and TRC as Regional Vice President since August 2018. From February 2005 to August 2018, he served as Senior Development Director for G6 Hospitality in Carrollton, Texas.

Regional Vice President, Franchise Sales and Development: Alex Shamsuddin

Alex Shamsuddin has served RRF, HTS and TRC as Regional Vice President since July 2020. From March 2016 to June 2020, he served as Director, Franchise Development. He served as Director of Franchise Sales for Choice Hotels International in Silver Spring, Maryland from July 2013 to March 2016.

Vice President, Quality, Training & Development: Stephen Woodward

Stephen Woodward has served RRF, HTS and TRC as Vice President, Quality, Training & Development since August 2021. Mr. Woodward served RRF, HTS and TRC as Director of Training from September 2015 to August 2021.

Director and Vice President: Mohamed Thowfeek

Mohamed Thowfeek has served as a Director of HTS and TRC since October 2017, Director of RRF since March 2009 and Vice President of RRF since February 2011. He served as Interim President of RRF, HTS and TRC from October 2020 to February 2021. Mr. Thowfeek is based in Houston, Texas.

Director and Vice President: Dorraine Lallani

Dorraine Lallani has served as Director, Vice President, and Treasurer of HTS and TRC since October 2017 and as Director of RRF since March 2010 and Vice President of RRF since February 2011. Ms. Lallani has served as Director-Asset Management of WRRH, LP since its inception in April 2007. Ms. Lallani is based in Houston, Texas.

ITEM 3
LITIGATION

Concluded Actions

State of Maryland v. Red Roof Franchising, LLC No. 2014-0330 (Securities Commissioner of Maryland, September 24, 2014) As of September 24, 2014 the Securities Division of the Office of the Attorney General of Maryland (the "Securities Division") initiated an inquiry into our franchise related activities under the authority granted under the Maryland Franchise Registration and Disclosure Law, MD.

Code ANN. BUS. REG. sec. 14-201 et seq. (2010 Repl. Vol. and Supp. 2013) (the "Maryland Franchise Law"). Based on information presented to the Securities Division the Maryland Securities Commissioner (the "Commissioner") concluded that grounds exist to allege that we violated the registration and disclosure provisions of the Maryland Franchise Law, in relation to the offer and sale of a Red Roof Inn franchise in Maryland. Before the holding of a hearing in this matter, without trial or final adjudication of any issue of fact or law, and without our admitting or denying any violation of law, the Commissioner and us reached an agreement to enter into a Consent Order (the "Consent Order") providing for the following:

That after April 9, 2014, on June 6, 2014, during a period of time that our Maryland franchise renewal had not been approved by the Securities Division, while our franchise renewal application was under consideration by the Securities Division and we were not registered to offer and sell franchises in Maryland we entered into a franchise agreement with JSK Aberdeen, LLC ("JSK") related to the transfer of ownership to JSK of an existing Red Roof Inn located in Aberdeen, Maryland. We provided JSK with our standard 2014 Franchise Disclosure Document which did not include all of the Maryland specific disclosures required by the Securities Division. We represented to the Securities Division that said offer and sale in violation of the registration and disclosure requirement of the Maryland Franchise Law was inadvertent. Based on that the Commissioner concluded that we violated Sections 14-214, 12-216, 14-223 and 14-228 of the Maryland Franchise Law.

As a result, the Commissioner ordered and we represented and consented that (A) we immediately cease and desist from the offer and sale of franchises in violation of the Maryland Franchise Law, (B) we diligently pursue the completion of the pending application to register the Red Roof Inn franchise offering in Maryland and, (C) upon notification by the Securities Division that our franchise offering has been effectively registered for use in Maryland, we shall send to JSK the following (i) a copy of an effectively registered Maryland FDD, (ii) a copy of the Consent Order and (iii) a letter notifying JSK that it has the right to rescind its Red Roof Inn franchise agreement. On October 24, 2014 we sent JSK Aberdeen, LLC a letter providing them the opportunity to rescind the Franchise Agreement within 14 days from their receipt of the letter. JSK Aberdeen, LLC did not rescind the Agreement.

The Consent Order is hereby disclosed under Sec. 14-216((c)(9)(i)(4) of the Maryland Franchise Law and Item 3 of the NASAA Franchise Registration and Disclosure Guidelines and Amended FTC Franchise Rule.

Parkersburg Management Company, LLC v Red Roof Inns, Inc. Civil Action No. 14-C-1985; Circuit Court of Wood County, West Virginia. In 2014, Parkersburg Management Company LLC ("Plaintiff") filed suit in West Virginia state court against RRI ("Defendant") seeking a preliminary injunction, permanent injunction, specific performance and damages for the alleged violation of a protective covenant. The Plaintiff also filed a Motion for Preliminary Injunction which was set for hearing on March 31, 2014. After the initial hearing the Court made no ruling on the injunction and permitted the Plaintiff to file an amended complaint. An amended complaint naming RRF ("Additional Defendant") and motion for preliminary injunction was filed on May 12, 2014. A hearing was conducted on May 27, 2014. After a full briefing by the parties, the Court entered an Order July 17, 2014, denying the preliminary injunction. The Plaintiff subsequently appealed the denial of the preliminary injunction to the West Virginia Court of Appeals. Upon joint motion of the parties the appeal was stayed pending further notice of the Court due to a tentative settlement of the parties. Subsequently, the settlement was completed and both actions were dismissed with prejudice.

Lawsuit Filed Against A Franchisee In 2021:

Failure to de-identify following termination*: Red Roof Franchising, LLC and RRI Financial, Inc. v. Ganpati, Inc. et. al*, Case No. 2:20-cv-05843-SDM-EPD (SD OH 2020).

Other than these actions, no litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item.

ITEM 5
INITIAL FEES

Application Fee

When you submit an Application, you must pay us an Application Fee of $3,000. If we reject your Application, we will refund your Application Fee if we or our representatives have not visited your site or the area surrounding your site in connection with your Application or provided you with written architectural drawings or technical information. We do not offer refunds of the Application Fee under any other circumstances.

Initial Franchise Fee

You must pay a lump sum initial franchise fee when you sign the Franchise Agreement in the amount of $27,000. Once the initial franchise fee is paid, there are no refunds under any circumstances. This amount is in addition to the Application Fee.

Cyber Liability Insurance

We procure cyber liability insurance on your behalf and you must reimburse us for our costs of obtaining the coverage for you. You must pay for the first year of coverage prior to opening your Inn, which we estimate to be between approximately $550 to $5,200 depending on the projected Gross Room Revenues of the Inn.

Training Fees

Before your Inn opens, you or your General Manager must complete the first two phases of RED Advantage Training and pay a fee for such training in the amount of $500 to $1,000. Additionally, a trainer will visit your Inn the week before or the week of your opening and provide additional training for a fee of $4,000. In the event the onsite training is rescheduled, any rebooking of travel expenses associated with the rescheduling will be charged back to you. Your owners must attend New Owner Orientation and pay a fee for such training in the amount of $1,000 to $1,500 per person. You must pay the training fees in one lump sum before such training. None of the training fees are refundable under any circumstances.

Reservation Platform / PMS

You must use the Reservation Platform / PMS and use computer systems that support the Reservation Platform / PMS and otherwise meet our standards and specifications. You must sign the Reservation Platform Property Management Software Sublicense Agreement (Exhibit K) and pay us a software license fee for your use of the Reservation Platform / PMS in the amount of $15,000.

Re-Visit Fee

If you notify us that your Inn is ready for opening and our personnel visit your Inn and we determine that your Inn has not satisfied all requirements to open as a Red Roof Inn, you must pay a re-visit fee of $2,000 to $4,000 before we will authorize you to open your Inn. The re-visit fee is not refundable under any circumstances.

Franchise Referral Credit

If a Red Roof Inn franchisee refers a prospective franchisee to us and that prospective franchisee ultimately purchases a franchise for a Red Roof Inn, we currently (1) pay the referring franchisee $5,000 or (2) provide the referring franchisee with a quarter percentage point reduction in Royalty Fees for a period of up to one year (for a maximum value of $3,000). The referring franchisee must be current on all fees to us to be eligible for the Franchise Referral Credit. We may discontinue this practice or change the amount of the Franchise Referral Credit at any time without notice.

Development Incentive Program for Women and Veterans

In order to encourage the development and operation of franchised Red Roof Inns by women and veterans of the United States military, we have implemented a Development Incentive Program for qualified Women-Owned and Veteran-Owned Businesses, as defined below. To be eligible to participate in the Development Incentive Program, you must be a Women-Owned or Veteran-Owned Business, and you must be in full compliance with the terms of the Franchise Agreement and all other agreements with us and/or our affiliates. Under the Development Incentive Program, we will reduce the initial franchise fee by $10,000. You will sign a Development Incentive Program Addendum to the Franchise Agreement, a copy of which is attached as Exhibit N. If, prior to the first anniversary of the opening date of the Inn, you wish to transfer the Inn, you will be required to pay us the portion of the initial franchise fee that was reduced.

A "Woman-Owned Business" means a business entity that is at least 51% owned, operated and controlled on a daily basis by one or more females. A "Veteran-Owned Business" means a business entity that is at least 51% owned, operated and controlled on a daily basis by one or more Veterans. A "Veteran" means a person who has provided a DD Form 214 or other adequate documentation demonstrating honorable discharge from the United States military.

Note:

Unless otherwise stated above, all fees are (i) imposed by and/or payable to RRF, (ii) are non-refundable and (iii) are subject to negotiation. In 2021, our reduced initial franchise fees ranged from $7,000 to $22,500, our reduced software license fees ranged from $0 to $5,000, our reduced training fees ranged from $500 to $4,000, and our reduced transfer training fees ranged from $2,000 to $4,000.

ITEM 6
OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty	4.5% of Gross Room Revenues	Payable 20 days after the invoice date	"Gross Room Revenues" means the gross receipts whether collected or uncollected, attributable to or payable for the rental of guest rooms at the Inn,

Type of Fee	Amount	Due Date	Remarks
			including, without limitation, the gross revenues used in calculation of business interruption, rent loss, or similar insurance with respect to the Inn (provided that insurance proceeds shall be included in Gross Room Revenues only to the extent actually received or due). Currently, we rebate to you an amount up to 0.5% of your Gross Room Revenues for a calendar year if your Red Roof Inn meets or exceeds our written standards for that period and you are not in default of the Franchise Agreement. Currently, we determine whether your Inn has achieved superior results for the relevant period by using a guest satisfaction tracking system. This program is within our sole discretion, and may be modified or discontinued at any time. You must be open and operating as a Red Roof Inn for the entire rebate period (i.e. a 12 month period designated by us) to receive the rebate.
Marketing and Reservation Fee	4% of Gross Room Revenues	Payable 20 days after the invoice date	The monthly Marketing and Reservation Fee may be used for the development and operation of the Reservation System and the Marketing Program. The fee is subject to increase (maximum of 5%). (See Item 11.)
RediRewards™ Member Program	4% of Gross Room Revenues received from RediRewards Members.	Payable 20 days after the invoice date	This Program provides members with express check-in, daily delivery of bottled water to the room, guaranteed late check-in, a discount on premium room rates at select locations and the opportunity for guests to earn points redeemable for free room nights and points redeemable for discounts at Red Roof Inns, HomeTowne Studios hotels and members of The Red Collection as well as merchandise and gift cards on the RediRewards site. The fee

Type of Fee	Amount	Due Date	Remarks
			is currently 4% but is subject to increase (maximum of 5%) on written notice from us.
Distribution Listing Fees, Commissions and Rebates	0-25% of any applicable net booking	Payable 20 days after the invoice date	You must reimburse us or our supplier for the amount of travel agency commissions, online travel agency commissions, affiliate commissions, processing fees, corporate rebates, distribution listing fees, and request for proposal program fees paid on your behalf to third parties for reservations at your Inn; or similar fees to be used for the development support, and maintenance of direct connectivity to third party distribution channels. If we institute a centralized billing program where participation is required by franchisees under our system standards, you must pay us the fees assessed for participation in the program.
Booking Fees	$6.60 to $7.00 per GDS booking, $3.30 to $3.60 per third party internet booking, $1.75 per direct connect booking	Payable 20 days after the invoice date	All Red Roof Inns are represented in all major GDS systems and select Third Party Internet systems. The current fees are listed. These fees may change during the term of the franchise. Additional third-party internet systems are offered for optional participation.
Mobile Booking Fee	$1.75 per net booking	Payable 20 days after the invoice date	The Mobile Booking Fee will be used for the development, operation and ongoing cost of mobile reservations.
Consortia Participation Fee	Up to 20% of gross room revenues generated on qualifying reservations	When we or an agency invoice you	The fee is for our consortia agency program that incurs fees based on consumption versus advance subscription fee

Type of Fee	Amount	Due Date	Remarks
RingRedi	$59	Payable 20 days after the invoice date	RingRedi is our mystery shopper program created to assist our properties in providing more effective sales efforts when talking to guests on the phone. RingRedi is optional if your Inn participates in RediCall, allowing the contact center's reservation team to handle all reservation calls redirected from your Inn.
RediCall	$2.00 per call or $5.00 per confirmed reservation	Payable 20 days after the invoice date	RediCall allows calls placed to your Inn to be transferred to our reservation agents. RediCall also includes a centralized auto attendant, customized for your Inn, at no additional charge. As long as your Inn is meeting the established goals in the RingRedi program, the RediCall program is optional. Should your Inn fall below the RingRedi standards, the RediCall program may be mandatory.
Credit Card Payment Surcharge	2.8%	Per transaction	If you choose to make payments to us via credit card, we will assess this surcharge.
Reservation Platform / PMS Fee; Help Desk; Hardware and Software Support and Maintenance	Until April 30, 2022: $465 plus $25 to $50 for additional PMS Modules Effective May 1, 2022: $200 to $275 plus $3.00 to $3.75 per room	Payable 20 days after the invoice date	This fee is payable to us, but we provide these services through a combination of in-house IT resources and outside suppliers. See Items 8 and 11. Per room charges are based on the number of rooms at the Inn when you sign the Franchise Agreement.
Desktop Protection and Maintenance Fee	$200 per machine	Annually	This fee covers service related to the installation of anti-virus, patching and web filtering software as well as the monitoring and proactive maintenance of the computers at the front desk and back office.

Type of Fee	Amount	Due Date	Remarks
PCI-DSS Compliance	Our costs and expenses	Upon demand	If you are unable to demonstrate full PCI-DSS (as defined in Item 11) compliance: (i) we may require you to engage the services of an approved vendor to assist you to demonstrate full compliance on an ongoing basis; (ii) we may cut off your ability to process reservations and check-ins until compliance is proven; and (iii) you must reimburse us for any costs and expenses incurred by us in verifying your compliance and/or securing a vendor to assist you.
Meetings and Conferences	Currently, $500 to $2,500, plus expenses	Upon demand	You, your Manager or other approved executive, owner or employee may be required to attend our Annual Conference or Annual Brand Meeting and pay an attendance fee. We may conduct the Red Roof Inn conference in conjunction with or as part of the annual conferences for the HomeTowne Studios and the Red Collection hotel systems. In addition to paying a fee for such Conference/Brand Meeting, you are responsible for your expenses and those of any of your employees that attend. We may charge a fee for attendance at regional conferences and brand meetings (which may be charged regardless of attendance) or a fee for your failure to appear at such conferences or brand meetings and you are responsible for all travel costs, meals, lodging and wages for all attendees of these conferences/meetings. The current fee for failure to attend a regional or an annual conference is between $500 and $2,500.
RED Advantage Non-Completion Fee	$500 per quarter for non-completion	Upon demand	We may charge a RED Advantage non-completion fee for not completing all RED Advantage courses within 90 days of the Opening Date.

Type of Fee	Amount	Due Date	Remarks
On-Site Quality Training Fee	$2,000 - $4,000	Upon demand	If you fail to meet our quality and guest satisfaction standards, you or your certified Manager along with the property staff will be required to attend and participate in onsite quality training. The fee for the training will be based on the number of training days required.
On-Site Audit	$1,000	Quarterly	If you fail to meet our quality and guest satisfaction standards we may conduct unannounced onsite quality and property improvement plan ("PIP") audits. This is the fee for a company representative to come on site and complete an audit each quarter.
Continuing Education	$800 - $1,200	Upon demand	We will require you or your employees to attend additional or refresher training programs hosted on the Red Roof Learning Management System as well as live Webinars. An example of such training might include, but is not limited to Human Trafficking prevention training, continuing education courses or training you receive if your quality or service metrics fall to a level that is negatively impacting the business. Such costs are subject to change.. When training is conducted at any other location, you are responsible for your own expenses and those of your employees.
General Manager Training (Other than Pre-Opening or Transfer Training)	$500 - $1,000	Upon demand	If you add or replace a General Manager, the new General Manager must complete RED Advantage virtual training within 90 days of hire.
Third Party Training	Varies	Varies	We may require you to participate in and pay a fee for training conducted by a third party.
On-Site Quality Training Rescheduling Fee	$500 per occurrence	Upon demand	We may charge a Quality Training Rescheduling Fee (currently $500) if you do not comply with the scheduling of the On-Site Quality Training once those dates have been set by our Trainers.

Type of Fee	Amount	Due Date	Remarks
New Owner Orientation	$1,000 - $1,600 per person	Upon demand	Payable prior to opening for your owners and payable when there is a majority ownership change and the new majority owner attends the New Owner Orientation. Attendance is mandatory within six months of a property opening or transfer.
Guest Relations Intervention Fee	Currently, $75 to $100 per escalation	Upon demand	If we have to intervene to resolve a guest complaint, we will assess this fee, which we may modify at our discretion. You also must reimburse us for any payment or other consideration we may furnish the guest to resolve the complaint.
One Call Guest Relations Intervention Fee	Currently, $150 to $200 per intervention	Upon demand	For properties ranking in the bottom 20% of all Red Roof Inns for Negative Responses (NR), Guest Relations will automatically resolve their negative issues when reported to Guest Relations. You also must reimburse us for any payment or other consideration we may furnish the guest to resolve the complaint.
Dedicated Online Contact Center Numbers	$1.50 to $2.50 per call or $5.00 to $7.00 per confirmed reservation	Payable 20 days after the invoice date	Inns are charged a fee for consumed reservations booked via unique call center numbers generated from search engines, local business review and social websites, other internet websites, mobile sites and applications.
Transfer Application Fee	$2,500	Upon application to transfer your franchise	We have the right to approve all transfers. We will evaluate your proposed transferee when we receive this fee.
Transfer Fee	$15,000	Upon the transfer of your Franchise	Payable when the transaction closes; we will not recognize the transfer until this fee is paid.
Reinstatement Fee	Currently, $5,000	Upon reinstatement of your Franchise	Payable in addition to all applicable amounts owed to restore your Franchise after termination or after removing the Inn from the Reservation System.
Renewal Fee	50% of the then-current initial franchise fee	Upon renewal	Payable upon approval of your renewal application.

Type of Fee	Amount	Due Date	Remarks
Audit Fee	If audit finds underpayment of 2% or more, all costs and expenses we incur in connection with the audit; if you fail to produce required documents at audit, all costs and expenses we incur in connection with a re- audit	Upon demand	Amounts payable include travel expenses and room and board for our representatives conducting the audit or re-audit.
Returned Payment Fee	$50 or the amount allowed by applicable law, whichever is less	Upon demand	Payable if a payment (check, ACH or credit card) for any fees or any other payment due us fails to clear.
Late Fee; Interest on Overdue Amounts	$50 plus the lesser of 1.5% per month or the maximum rate permitted by law	Upon demand	Interest accrues on all overdue amounts from the date payment was due until such amount is paid.
Cyber Insurance	Premium price of the insurance (approximately $550 to $5,200 depending on the Gross Room Revenues of the Inn)	Payable annually 20 days after the invoice date	We procure cyber liability insurance on your behalf and you must reimburse us for our costs of obtaining the coverage for you.
Insurance Procurement	The premium price of any insurance we procure for you, plus a $2,500 administrative fee	Upon demand	Payable only if you fail to procure insurance and we do it for you. We are not obligated to procure insurance for you.
Public Securities Offering	$10,000 or any greater amount needed to reimburse us for our reasonable costs and expenses of reviewing the proposed offering, including legal and accounting fees.	Upon demand	We limit our review to the subject of our relationship. This fee is in addition to the fees otherwise payable upon transfer.
Cooperative Contribution	A maximum of 1% of Gross Room Revenues	If charged, same as Royalty Fee	We do not currently have any approved advertising cooperatives. If such a cooperative is created and your Inn is within the territory of cooperative, you contribute to the cooperative.
Supplier Testing Fee	$1,000 to $2,500	Upon demand	Payable only when you request that we approve an unapproved supplier. The amount of the fee will depend on the time we must spend on investigating the supplier and if we need to visit the supplier's facilities.

Type of Fee	Amount	Due Date	Remarks
Indemnification	Varies based on the circumstances	Upon demand	You must reimburse us for dealing with claims we defend and expenses we incur arising from your operation of the Inn.
Liquidated Damages	Pre-opening: $100,000; Post-opening: the greater of (a) $100,000 or (b) the average of the monthly Royalty Fee, Marketing and Reservations Fee and Preferred Members Program Fee required by the Franchise Agreement for the 36 months preceding termination (or if you have been operating the Inn as a franchisee of RRF for less than 36 months, the average of the months you operated the Inn as a franchisee of RRF before termination), multiplied by the lesser of (i) 36, or (ii) the number of months remaining in the term of the Franchise Agreement	Within five days of termination or our request	You must pay us liquidated damages if the Franchise Agreement is terminated prior to the expiration date, unless otherwise specified in the Franchise Agreement.
De-Identification Fee	$5,000 per day that you continue to use our intellectual property following the expiration or termination of the Franchise Agreement	Upon demand	If you continue to use our intellectual property after the expiration or termination of the Franchise Agreement, you must pay this fee to compensate us for damage to our ownership interest in our intellectual property.
RediPromise® Penalty Fee	$75	Upon demand	All inns are required to participate in the RediPromise Redroof.com Best Rate Guarantee Program, which ensures guests the best rate is always available at redroof.com. Inns must make available all rates and availability to the general public through our proprietary booking channels, such as redroof.com and Red Roof Central Reservations. Inns may set their own rates for distribution to online channels, as long as those rates are in conformity with the Brand Standard on Rates. If an Inn violates the Brand Standard on

Type of Fee	Amount	Due Date	Remarks
			Rates, an Inn will be notified and the issue must be immediately corrected. We will assess the RediPromise Penalty fee for continued violations of the Brand Standard on Rates or failure to correct a violation after several notices. The fee may be assessed in response to a RediPromise claim or rate shops conducted by us or our affiliates.
RediBill®	4% to 5% of all RediBill room revenue that is billed centrally to a client.	Varies	You will be required to participate in the RediBill program, which offers centralized nationwide billing privileges to companies who utilize an approved volume of room nights annually. It provides companies with the option to maintain the privilege by making advanced reservations or to allow their employees to use the account upon walk in providing they provide the VolumePlan Plus® number for their company along with the company name associated with the account. Members are billed for all stays weekly on one invoice. You may also participate in similar, optional property level direct billing programs if the account is only using your one property.
American Hotel & Lodging Membership ("AH&LA")	$3.00 per room per year	Annually	You must pay this fee for membership to the AH &LA unless you opt out.
Rooms Addition Fee	$450 per additional guest room	Upon signing amendment to Franchise Agreement	Payable for rooms added to the Inn. We will require you sign an amendment to the Franchise Agreement to include the additional rooms.
Accelerated Pathways Program	$500	Upon employee acceptance into the program	We offer a debt-free education program for hourly Inn employees. The coursework must be toward a GED, or Associates Degree and offered through the participating education institutions. You will be required to pay a $500 fee when one of

Type of Fee	Amount	Due Date	Remarks
			your employees is accepted into the program and we will provide a $500 credit to you on your next invoice, once the payment is received and confirmed by our education vendor, Pearson Education. Participation in the program is on a first come first serve basis.
Experience Page and Local Listings Fee	Initial Fee of $500 to $750 Annual fee of $500 to $750 beginning the following year	Payable on the date specified on the invoice	We will create and maintain on an ongoing basis, a property Experience Page with a custom website address specific to the property and with content focusing on the property experience to drive organic search traffic. This may include images, video, local attractions, reviews and special offers available at or near the property. We will create and maintain on an ongoing basis all local listings thru a third party partner to include all relevant external local listing databases including Google My Business, Bing, Apple Maps for example. This includes publishing all pertinent information on property location and images where applicable.
REDvenue Optimizer Program	$348 to $1,250	Payable 20 days after the invoice date	Your participation in this program is generally optional unless your Inn operates as a dual branded hotel with one of our Affiliate's hotel brands, in which case, this program is required Participation requires a separate agreement. The REDvenue Optimizer Program provides you with the services of a Revenue Manager. Performance varies by Inn, location, market and experience of the Operator. We do not represent or warrant that your Inn's performance will improve and we are not liable for poor performance.

Type of Fee	Amount	Due Date	Remarks
Digital Performance Marketing Program	Currently, the fee is no less than 10% of Gross Room Revenues for an applicable stay, but we have the right to increase the fee to no more than 15% of applicable Gross Room Revenues.	Payable 20 days after the invoice date	A fee on Gross Room Revenues from the Inn stays that result from digital marketing tactics through page search, metasearch, key words, banner display ads, and textual links.
RediResponse	$100 to $250	Payable 20 days after the invoice date	RediResponse is a program dedicated to reputation management by monitoring and replying to online customer reviews. The agents will monitor the primary travel sites like Expedia, Booking.com, Agoda, TripAdvisor, and Google Hotels to converse with reviewers and respond to inquiries within 24 business hours.

NOTES:

1. Unless otherwise stated in the "Remarks" column, all fees are (i) imposed by and/or payable to RRF, (ii) are non-refundable and (iii) are subject to negotiation when business circumstances warrant, in our sole discretion.

ITEM 7
ESTIMATED INITIAL INVESTMENT

TABLE 1 - YOUR ESTIMATED INITIAL INVESTMENT FOR A 65-ROOM NEW BUILD RED ROOF INN OR RED ROOF INN & SUITES

TYPE OF EXPENDITURE	AMOUNT (LOW)	AMOUNT (HIGH)	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Application Fee/Initial Franchise Fee (Note 1)	$30,000	$30,000	Lump Sum	$3,000 Application Fee due upon submission of Franchise Application and $27,000 due upon execution of the Franchise Agreement	RRF

TABLE 1 - YOUR ESTIMATED INITIAL INVESTMENT FOR A 65-ROOM NEW BUILD RED ROOF INN OR RED ROOF INN & SUITES

TYPE OF EXPENDITURE	AMOUNT (LOW)	AMOUNT (HIGH)	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Market Study (Note 2)	$0	$10,000	Lump Sum	Before submission of a Franchise Application	Consultants
Phase I Environmental Survey (Note 3)	$0	$6,000	Lump Sum	Before signing commitment for land acquisition	Consultants
Design, Testing & Fees (Note 4)	$135,000	$190,000	As Arranged	Prior to Opening	Architects, Engineers, Local Municipalities and other Vendors
Site and Civil Work (Note 5)	$205,000	$306,000	As Arranged	Prior to Opening	Contractors/ Vendors
Landscaping and Irrigation (Note 6)	$37,000	$75,000	As Arranged	Prior to Opening	Contractors/ Vendors
Facility Construction (Note 7)	$3,965,000	$5,135,000	As Arranged	Prior to Opening	Contractors, Subcontractors, Construction Managers, Vendors
Construction Contingency (Note 8)	$0	$130,000	As Arranged	Prior to Opening	Contractors/ Vendors
Owner Project Management (Note 9)	$45,000	$91,000	As Arranged	Prior to Opening	Contractors/ Vendors
Furniture, Fixtures, Equipment and Soft Goods (Note 10)	$455,000	$520,000	As Ordered	Prior to Opening	Vendors
Signage (Note 11)	$14,000	$101,000	Lump Sum	Prior to Opening	Installers/Vendors
Opening Inventory and Supplies (Note 12)	$11,000	$25,000	Lump Sum	As Arranged	Vendors
Utility Deposits (Note 13)	$9,000	$27,000	Lump Sum	Prior to Opening	Utility Companies

TABLE 1 - YOUR ESTIMATED INITIAL INVESTMENT FOR A 65-ROOM NEW BUILD RED ROOF INN OR RED ROOF INN & SUITES					
TYPE OF EXPENDITURE	**AMOUNT (LOW)**	**AMOUNT (HIGH)**	**METHOD OF PAYMENT**	**WHEN DUE**	**TO WHOM PAYMENT IS TO BE MADE**
Guest Wi-Fi System (Note 14)	$15,000	$30,000	Lump Sum	Prior to Opening	Vendors
Voice Telephone System (Note 15)	$16,000	$24,000	Lump Sum	Prior to Opening	Vendors
Reservation Platform / PMS Software License Fee and Computer Systems including Front Desk and Back-Office (Note 16)	$16,500	$22,000	Lump Sum	Prior to Opening	RRF, Installers/ Vendors
Insurance (Note 17)	25,000	$66,000	Lump Sum	Prior to Opening	Insurers and Us
Training Expenses (Note 18)	$3,500	$7,500	Lump Sum	Upon Commencement of Training	RRF
Additional Funds – 3 months (Note 19)	$112,000	$154,000	As Arranged	As Incurred	Vendors/Employees
TOTAL (excludes land acquisition costs) (Note 20)	$5,094,000	$6,949,500			

TABLE 2 - YOUR ESTIMATED INITIAL INVESTMENT FOR A 65-ROOM NEW BUILD RED ROOF PLUS+					
TYPE OF EXPENDITURE	**AMOUNT (LOW)**	**AMOUNT (HIGH)**	**METHOD OF PAYMENT**	**WHEN DUE**	**TO WHOM PAYMENT IS TO BE MADE**
Application Fee/Initial Franchise Fee (Note 1)	$30,000	$30,000	Lump Sum	$3,000 Application Fee due upon submission of Franchise Application and $27,000 due upon execution of the Franchise Agreement	RRF

TABLE 2 - YOUR ESTIMATED INITIAL INVESTMENT FOR A 65-ROOM NEW BUILD RED ROOF PLUS+					
TYPE OF EXPENDITURE	**AMOUNT (LOW)**	**AMOUNT (HIGH)**	**METHOD OF PAYMENT**	**WHEN DUE**	**TO WHOM PAYMENT IS TO BE MADE**
Market Study (Note 2)	$0	$10,000	Lump Sum	Before submission of a Franchise Application	Consultants
Phase I Environmental Survey (Note 3)	$0 to	$6,000	Lump Sum	Before signing commitment for land acquisition	Consultants
Design, Testing & Fees (Note 4)	$135,000	$190,000	As Arranged	Prior to Opening	Architects, Engineers, Local Municipalities and other Vendors
Site and Civil Work (Note 5)	$205,000	$306,000	As Arranged	Prior to Opening	Contractors/ Vendors
Landscaping and Irrigation (Note 6)	$37,000	$88,000	As Arranged	Prior to Opening	Contractors/ Vendors
Facility Construction (Note 7)	$3,965,000	$5,135,000	As Arranged	Prior to Opening	Contractors, Subcontractors, Construction Managers, Vendors
Construction Contingency (Note 8)	$0	$135,000	As Arranged	Prior to Opening	Contractors/ Vendors
Owner Project Management (Note 9)	$45,000	$91,000	As Arranged	Prior to Opening	Contractors/ Vendors
Furniture, Fixtures, Equipment and Soft Goods (Note 10)	$465,000	$530,000	As Ordered	Prior to Opening	Vendors
Signage (Note 11)	$19,500	$103,000	Lump Sum	Prior to Opening	Installers/Vendors
Opening Inventory and Supplies (Note 12)	$19,000	$28,000	Lump Sum	As Arranged	Vendors
Utility Deposits (Note 13)	$9,000	$27,000	Lump Sum	Prior to Opening	Utility Companies
Guest Wi-Fi System (Note 14)	$15,500	$30,500	Lump Sum	Prior to Opening	Vendors
Voice Telephone System (Note 15)	$16,000	$24,000	Lump Sum	Prior to Opening	Vendors

TABLE 2 - YOUR ESTIMATED INITIAL INVESTMENT FOR A 65-ROOM NEW BUILD RED ROOF PLUS+					
TYPE OF EXPENDITURE	**AMOUNT (LOW)**	**AMOUNT (HIGH)**	**METHOD OF PAYMENT**	**WHEN DUE**	**TO WHOM PAYMENT IS TO BE MADE**
Reservation Platform / PMS Software License Fee and Computer Systems including Front Desk and Back-Office (Note 16)	$16,500	$22,000	Lump Sum	Prior to Opening	RRF, Installers/Vendors
Insurance (Note 17)	$25,000	$66,000	Lump Sum	Prior to Opening	Insurers and Us
Training Expenses (Note 18)	$3,500	$7,500	Lump Sum	Upon Commencement of Training	RRF
Additional Funds 3 months (Note 19)	$112,000	$154,000	As Arranged	As Incurred	Vendors/ Employees
TOTAL (excludes land acquisition costs) (Note 20)	$5,118,000	$6,983,000			

TABLE 3 - YOUR ESTIMATED INITIAL INVESTMENT FOR A 65-ROOM NEW BUILD RED ROOF PLUS+ & SUITES					
TYPE OF EXPENDITURE	**AMOUNT (LOW)**	**AMOUNT (HIGH)**	**METHOD OF PAYMENT**	**WHEN DUE**	**TO WHOM PAYMENT IS TO BE MADE**
Application Fee/Initial Franchise Fee (Note 1)	$30,000	$30,000	Lump Sum	$3,000 Application Fee due upon submission of Franchise Application and $27,000 due upon execution of the Franchise Agreement	RRF
Market Study (Note 2)	$0	$10,000	Lump Sum	Before submission of a Franchise Application	Consultants

TABLE 3 - YOUR ESTIMATED INITIAL INVESTMENT FOR A 65-ROOM NEW BUILD RED ROOF PLUS+ & SUITES					
TYPE OF EXPENDITURE	**AMOUNT (LOW)**	**AMOUNT (HIGH)**	**METHOD OF PAYMENT**	**WHEN DUE**	**TO WHOM PAYMENT IS TO BE MADE**
Phase I Environmental Survey (Note 3)	$0	$6,000	Lump Sum	Before signing commitment for land acquisition	Consultants
Design, Testing & Fees (Note 4)	$135,000	$190,000	As Arranged	Prior to Opening	Architects, Engineers, Local Municipalities and other Vendors
Site and Civil Work (Note 5)	$205,000	$306,000	As Arranged	Prior to Opening	Contractors/Vendors
Landscaping and Irrigation (Note 6)	$37,000	$88,000	As Arranged	Prior to Opening	Contractors/Vendors
Facility Construction (Note 7)	$3,965,000	$5,135,000	As Arranged	Prior to Opening	Contractors, Subcontractors, Construction Managers, Vendors
Construction Contingency (Note 8)	$0	$135,000	As Arranged	Prior to Opening	Contractors/Vendors
Owner Project Management (Note 9)	$45,000	$91,000	As Arranged	Prior to Opening	Contractors/Vendors
Furniture, Fixtures, Equipment and Soft Goods (Note 10)	$468,000	$533,000	As Ordered	Prior to Opening	Vendors
Signage (Note 11)	$19,500	$109,000	Lump Sum	Prior to Opening	Installers/Vendors
Opening Inventory and Supplies (Note 12)	$19,000	$28,000	Lump Sum	As Arranged	Vendors
Utility Deposits (Note 13)	$9,000	$27,000	Lump Sum	Prior to Opening	Utility Companies
Guest Wi-Fi System (Note 14)	$15,500	$30,500	Lump Sum	Prior to Opening	Vendors
Voice Telephone System (Note 15)	$16,000	$24,000	Lump Sum	Prior to Opening	Vendors

TABLE 3 - YOUR ESTIMATED INITIAL INVESTMENT FOR A 65-ROOM NEW BUILD RED ROOF PLUS+ & SUITES					
TYPE OF EXPENDITURE	**AMOUNT (LOW)**	**AMOUNT (HIGH)**	**METHOD OF PAYMENT**	**WHEN DUE**	**TO WHOM PAYMENT IS TO BE MADE**
Reservation Platform / PMS Software License Fee and Computer Systems including Front Desk and Back-Office (Note 16)	$16,500	$22,000	Lump Sum	Prior to Opening	RRF, Installers/ Vendors
Insurance (Note 17)	$25,000	$66,000	Lump Sum	Prior to Opening	Insurers and Us
Training Expenses (Note 18)	$3,500	$7,500	Lump Sum	Upon Commencement of Training	RRF
Additional Funds 3 months (Note 19)	$112,000	$154,000	As Arranged	As Incurred	Vendors/Employees
TOTAL (excludes land acquisition costs) (Note 20)	$5,121,000	$6,992,000			

NOTES TO TABLE 1, 2 AND 3 FOR NEW BUILDS

1. Application Fee/Initial Franchise Fee. See Item 5 for the conditions when the Application Fee is refundable. The Initial Franchise Fee is not refundable. We and our affiliates do not finance any portion of the Application Fee or Initial Franchise Fee. This amount is in addition to the Application Fee.

2. Market Study. A market study is optional. The purpose of a market study is to gauge demand, rate potential, and appropriateness of the location and other aspects of the proposed project. We do not require a market study or recommend any particular consultant, but we recommend a market study. Your lender may require a market study as a condition to financing.

3. Phase I Environmental Survey. We do not require proof that your intended site is environmentally appropriate. However, we recommend that you undertake an environmental study and your lender may make an environmental study a condition to financing.

4. Design, Testing & Fees. This estimate is for architectural services and civil engineers both before and during construction. You should discuss with your consultants and obtain renovation or construction plans that meet the Americans with Disabilities Act and other legal requirements.

5. Site and Civil Work. This includes site preparation, grading, earthwork, paving, surfacing and site utilities, for a typical site (that does not have difficult or peculiar land use, design, and/or grading aspects).

6. Landscaping and Irrigation. This includes the cost of design and installation of landscaping and irrigation suitable to the site. Costs will vary depending on the site and local codes.

7. Facility Construction. This estimate is based on RRI's previous experience in building Red Roof Inns and estimates based on the design and development, permits, fees and testing of our new prototype in 2011. It includes construction costs for one building. This estimate assumes that you do not construct a manager's apartment (approximately $10,000 extra) or a swimming pool (approximately $35,000 extra), but includes construction of an on-site laundry at an approximate cost of $17,000. We recommend a laundry facility unless suitable alternate facilities are available.

8. Construction Contingency. The construction contingency is for unforeseen costs and difficulties when constructing your Inn.

9. Owner Project Management. This amount includes the cost for owner supervision of the construction process at the owner's discretion.

10. Furniture, Fixtures, Equipment and Soft Goods. This includes equipment such as televisions, furniture, carpet, soft goods and fixtures for guest rooms, lobbies, common areas and back-of-house areas. It does not include taxes or freight, nor does it include furnishing a manager's apartment.

11. Signage. We recommend the largest exterior pole-mounted or pylon sign that local authorities will allow. This estimate includes building signage and smaller directional signage.

12. Opening Inventory and Supplies. You must purchase linens and towels, forms, uniforms, collateral materials and cleaning supplies. Uniforms and collateral materials must be purchased prior to opening.

13. Utility Deposits. Utility costs vary widely. You should check with your local utility companies.

14. Guest Wi-Fi System. You are required to provide Wi-Fi services to guests. This is the estimated cost of installing such a system.

15. Voice Telephone System. You will need a voice telephone system to provide telephone service to the front desk, back office, and guest rooms. The cost of such systems varies widely by geographic area and vendor.

16. Reservation Platform / PMS Software License Fee and Computer Systems including Front Desk and Back-Office. This estimate includes: (i) a software license fee for use of the Reservation Platform / PMS required to operate your Inn (payable to us); (ii) fees for the computer systems required to support the Reservation Platform / PMS and access the Reservation System; and (iii) fees for the installation of such items and related costs (payable to third parties). This estimate does not include taxes and shipping costs for the computer system, which will vary by location. At a minimum, you will be required to pay $15,000, which covers your PMS software license fee. In addition, you will be required to purchase a smart card credit card terminal (Ingenico iSC480 or other terminal as designated by us) and a bar code scanner (Motorola DS4208 or other scanner as designated by us) at a cost that ranges between $1,500 and $3,000 per set. Whether you will incur additional costs will depend on whether you have the required computer hardware/software needed to support the Reservation Platform / PMS and otherwise meeting our specifications. See Items 8 and 11 for more information regarding the computer system and data communication capability requirements.

17. Insurance. The figures represent an estimated payment of one year's insurance premiums in advance, with coverage meeting our insurance requirements. Insurance costs vary widely depending on location, prior business history, size of the Inn and prior loss experience. You should obtain a quote from your insurance company for the required coverage. Insurance requirements are summarized in Item 8. We

procure cyber-liability insurance on your behalf and you must pay for the first year of coverage prior to opening your Inn.

18. Training Expenses. This amount covers the cost of your required training prior to/during opening and within 90 days of opening, including the current fee of $500 to $1,000 for the initial virtual training of one Owner/Operator and the current fee of $1,000 to $1,500 (per person) for New Owner Orientation hosted in New Albany, Ohio. Such amounts are subject to change. This estimate does not include the costs associated with such training for which you are responsible, including, but not limited to, meals and travel expenses of the individual(s) attending the training programs. You are responsible for the wages of all persons that attend our training programs and who are part of the initial onsite training but such amounts are not included in this estimate. In addition to the fees disclosed above, if you notify us that your property is ready for opening and our personnel visit your Inn and we determine that your Inn has not satisfied all requirements to open, you must pay a re-visit fee of $2,000 to $4,000 before we will authorize your Inn to open. The re-visit fee is not refundable under any circumstances.

19. Additional Funds (3 Months). This is an estimate of your additional startup expenses for a three month period. These estimates were prepared by relying on our own experience and, in part, on information from our predecessors based on RRI's experience in building Red Roof Inns. These expenses include payroll costs. These figures are estimates and we cannot guarantee that you will not have additional expenses starting the business. Your costs will depend on factors such as: how much you follow our methods and procedures; your management skill, experience and business acumen; local economic conditions; the local market for our services; the prevailing wage rate; competition; and the occupancy level reached during the initial period.

20. Estimated Initial Investment. Your estimated initial investment will vary widely in each individual situation based on the size and the physical condition of the property, fixtures, equipment, furnishings, furniture, signage, and similar items already present on the property. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. Except as otherwise described above, all payments are non-refundable. We do not offer financing for any part of your initial investment. We do not estimate the cost of real estate due to wide variations among geographic areas and at different sites. The typical Red Roof Inn, Red Roof Inn & Suites, Red Roof PLUS+, and Red Roof PLUS+ & Suites requires approximately two acres of land.

TABLE 4 - YOUR ESTIMATED INITIAL INVESTMENT FOR A 65 ROOM CONVERSION PROPERTY RED ROOF INN OR RED ROOF INN & SUITES

TYPE OF EXPENDITURE	AMOUNT (LOW)	AMOUNT (HIGH)	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Application Fee/Initial Franchise Fee (Note 1)	$30,000	$30,000	Lump Sum	$3,000 Application Fee due upon submission of Franchise Application and $27,000 due upon execution of the Franchise Agreement	RRF

TABLE 4 - YOUR ESTIMATED INITIAL INVESTMENT FOR A 65 ROOM CONVERSION PROPERTY RED ROOF INN OR RED ROOF INN & SUITES					
TYPE OF EXPENDITURE	**AMOUNT (LOW)**	**AMOUNT (HIGH)**	**METHOD OF PAYMENT**	**WHEN DUE**	**TO WHOM PAYMENT IS TO BE MADE**
Landscaping (Note 2)	$0	$75,000	As arranged	Prior to Opening	Contractors/ Vendors
Facility Construction and/or Renovation (Note 3)	$15,000	$600,000	As arranged	Prior to Opening	Contractors, Subcontractors , Construction Managers, Vendors
Furniture, Fixtures, Soft Goods and Equipment (Note 4)	$25,000	$382,000	As Ordered	Prior to Opening	Vendors
Guest Wi-Fi System (Note 5)	$0	$25,000	Lump Sum	Prior to Opening	Vendors
Signage (Note 6)	$10,000	$51,000	Lump Sum	Prior to Opening	Installers/ Vendors
Opening Inventory and Supplies (Note 7)	$11,000	$25,000	Lump Sum	As Arranged	Vendors
Voice Telephone System (Note 8)	$0	$24,000	Lump Sum	Prior to Opening	Vendors
Reservation Platform / PMS Software License Fee and Computer Systems including Front Desk and Back-Office (Note 9)	$16,500	$22,000	Lump Sum	Prior to Opening	RRF, Installers/ Vendors
Insurance (Note 10)	$0	$73,500	Lump Sum	Prior to Opening	Insurers and Us
Training Expenses (Note 11)	$3,500	$7,500	Lump Sum	Upon Commencement of Training	RRF
Additional Funds (3 Months) (Note 13)	$112,000	$154,000			

TABLE 4 - YOUR ESTIMATED INITIAL INVESTMENT FOR A 65 ROOM CONVERSION PROPERTY RED ROOF INN OR RED ROOF INN & SUITES					
TYPE OF EXPENDITURE	**AMOUNT (LOW)**	**AMOUNT (HIGH)**	**METHOD OF PAYMENT**	**WHEN DUE**	**TO WHOM PAYMENT IS TO BE MADE**
TOTAL (Note 12)	$223,000	$1,469,000			

TABLE 5 - YOUR ESTIMATED INITIAL INVESTMENT FOR A 65 ROOM CONVERSION PROPERTY - RED ROOF PLUS+					
TYPE OF EXPENDITURE	**AMOUNT (LOW)**	**AMOUNT (HIGH)**	**METHOD OF PAYMENT**	**WHEN DUE**	**TO WHOM PAYMENT IS TO BE MADE**
Application Fee/Initial Franchise Fee (Note 1)	$30,000	$30,000	Lump Sum	$3,000 Application Fee due upon submission of Franchise Application and $27,000 due upon execution of the Franchise Agreement	RRF
Landscaping (Note 2)	$1,000	$88,000	As arranged	Prior to Opening	Contractors/ Vendors
Facility Construction and/or Renovation (Note 3)	$262,000	$673,000	As arranged	Prior to Opening	Contractors, Subcontractors, Construction Managers, Vendors
Furniture, Fixtures, Soft Goods and Equipment (Note 4)	$253,000	$414,000	As Ordered	Prior to Opening	Vendors
Guest Wi-Fi System (Note 5)	$500	$25,500	Lump Sum	Prior to Opening	Vendors
Signage (Note 6)	$11,000	$53,000	Lump Sum	Prior to Opening	Installers/Vendors

TABLE 5 - YOUR ESTIMATED INITIAL INVESTMENT FOR A 65 ROOM CONVERSION PROPERTY - RED ROOF PLUS+					
TYPE OF EXPENDITURE	**AMOUNT (LOW)**	**AMOUNT (HIGH)**	**METHOD OF PAYMENT**	**WHEN DUE**	**TO WHOM PAYMENT IS TO BE MADE**
Opening Inventory and Supplies (Note 7)	$19,000	$28,000	Lump Sum	As Arranged	Vendors
Voice Telephone System (Note 8)	$0	$25,500	Lump Sum	Prior to Opening	Vendors
Reservation Platform / PMS Software License Fee and Computer Systems including Front Desk and Back-Office (Note 9)	$16,500	$22,000	Lump Sum	Prior to Opening	RRF, Installers/Vendors
Insurance (Note 10)	$0	$73,500	Lump Sum	Prior to Opening	Insurers
Training Expenses (Note 12)	$3,500	$7,500	Lump Sum	Upon Commencement of Training	RRF
Additional Funds (3 Months) (Note) 13	$112,000	$154,000	As Arranged	As Incurred	Vendors/Employees
TOTAL (Note 12)	$708,500	$1,594,000			

TABLE 6 - YOUR ESTIMATED INITIAL INVESTMENT FOR A 65 ROOM CONVERSION PROPERTY - RED ROOF PLUS+ & SUITES					
TYPE OF EXPENDITURE	**AMOUNT (LOW)**	**AMOUNT (HIGH)**	**METHOD OF PAYMENT**	**WHEN DUE**	**TO WHOM PAYMENT IS TO BE MADE**
Application Fee/Initial Franchise Fee (Note 1)	$30,000	$30,000	Lump Sum	$3,000 Application Fee due upon submission of Franchise Application and $27,000 due upon execution of the Franchise Agreement	RRF
Landscaping (Note 2)	$1,000	$88,000	As arranged	Prior to Opening	Contractors/Vendors
Facility Construction and/or Renovation (Note 3)	$262,000	$685,000	As arranged	Prior to Opening	Contractors, Subcontractors, Construction Managers, Vendors
Furniture, Fixtures, Soft Goods and Equipment (Note	$315,000	$495,000	As Ordered	Prior to Opening	Vendors
Guest Wi-Fi System (Note 5)	$500	$25,500	Lump Sum	Prior to Opening	Vendors
Signage (Note 6)	$11,000	$59,000	Lump Sum	Prior to Opening	Installers/Vendors
Opening Inventory and Supplies (Note 7)	$19,000	$28,000	Lump Sum	As Arranged	Vendors
Voice Telephone System (Note 8)	$0	$24,000	Lump Sum	Prior to Opening	Vendors
Reservation Platform / PMS Software License Fee and Computer Systems including Front Desk and Back-Office (Note	$16,500	$22,000	Lump Sum	Prior to Opening	RRF, Installers & Vendors
Insurance (Note 10)	$0	$73,500	Lump Sum	Prior to Opening	Insurers

TABLE 6 - YOUR ESTIMATED INITIAL INVESTMENT FOR A 65 ROOM CONVERSION PROPERTY - RED ROOF PLUS+ & SUITES					
TYPE OF EXPENDITURE	**AMOUNT (LOW)**	**AMOUNT (HIGH)**	**METHOD OF PAYMENT**	**WHEN DUE**	**TO WHOM PAYMENT IS TO BE MADE**
Training Expenses (Note 11)	$3,500	$7,500	Lump Sum	Prior to Opening	RRF
Additional Funds (3 Months) (Note 12)	$112,000	$154,000	As Arranged	As Incurred	Vendors/Employees
TOTAL (Note 13)	$770,500	$1,691,500			

Notes to Tables 4, 5 and 6 for Conversion Properties

1. Application Fee/Initial Franchise Fee. See Item 5 for the conditions when the Application Fee is refundable. The Initial Franchise Fee is not refundable. We and our affiliates do not finance any portion of the Application Fee or the Initial Franchise Fee. This amount is in addition to the Application Fee.

2. Landscaping. You are required to landscape your property in accordance with Red Roof Inn Standards and as determined by local climate. Such costs will vary depending on the site, local code and the condition of the landscaping prior to conversion.

3. Facility Construction and/or Renovation. All franchisees converting to a Red Roof Inn, Red Roof Inn & Suites, Red Roof PLUS+, and Red Roof PLUS+ & Suites are required to make updates, upgrades and/or renovations to their Inns in some manner. The cost of such updates, upgrades and/or renovations will vary widely, however, depending on the size and the physical condition of the property. See Note 12 below regarding further explanation of the timing and costs of such updates/upgrades/renovations.

4. Furniture, Fixtures, Soft Goods and Equipment. This includes equipment such as televisions, furniture, carpet, flooring, soft goods and fixtures for guest rooms, lobbies, common areas and back-of-house areas. The cost of such items will vary widely depending on size of the property and the quality and condition of such items already equipped at the Inn. See Note 12 below regarding further explanation of the timing and costs of such updates/upgrades/renovations.

5. Guest Wi-Fi System. You are required to provide Wi-Fi services meeting our standards and specifications to guests. This is the estimated cost of installing such a system (see Item 8). Such cost will vary depending on whether you already have Wi-Fi services in place that meet our standards and specifications.

6. Signage. We recommend the largest exterior pole-mounted or pylon sign that local authorities will allow. This estimate includes building signage and smaller directional signage.

7. Opening Inventory and Supplies. You must purchase linens and towels, forms, uniforms, collateral materials and cleaning supplies. Costs will vary depending on how many towels and cleaning

supplies you already have in stock in operation of your Inn. Uniforms and collateral materials must be purchased prior to opening.

8. Voice Telephone System. You are required to have a voice telephone system to provide telephone service to the front desk, back office, and guest rooms. Such cost will vary depending on whether you already have such a system prior to conversion. If such system must be purchased, the cost of such systems varies widely by geographic area and vendor.

9. Reservation Platform / PMS Software License Fee and Computer Systems including Front Desk and Back-Office. This estimate includes: (i) a software license fee for use of the Reservation Platform / PMS required to operate your Inn (payable to us); (ii) fees for the computer systems required to support the Reservation Platform / PMS and access the Reservation System; and (iii) fees for the installation of such items and related costs (payable to third parties). This estimate does not include taxes and shipping costs for the computer system, which will vary by location. At a minimum, you will be required to pay $15,000, which covers your PMS software license fee. In addition, you will be required to purchase a smart card credit card terminal (Ingenico iSC480 or other terminal as designated by us) and a bar code scanner (Motorola DS4208 or other scanner as designated by us) at a cost that ranges between $1,500 and $3,000 per set. Whether you will incur additional costs will depend on whether you have the required computer hardware/software needed to support the Reservation Platform / PMS and otherwise meeting our specifications. See Items 8 and 11 for more information regarding the computer system and data communication capability requirements.

10. Insurance. You must purchase insurance meeting our coverage requirements. In the event you have insurance for your property that already meets our requirements, you will not be required to purchase insurance prior to opening and can simply renew. However, in the event you do not have insurance or must revise your insurance to meet our coverage requirements, the figures represent an estimated payment of one year's insurance premiums in advance, with coverage meeting our insurance requirements. Insurance costs vary widely depending on location, prior business history, size of the Inn, and prior loss experience. You should obtain a quote from your insurance company for the required coverage. Insurance requirements are summarized in Item 8. We procure cyber-liability insurance on your behalf and you must pay for the first year of coverage prior to opening your Inn.

11. Training Expenses. This amount covers the cost of your required training prior to/during opening and within 90 days of opening, including the current fee of $500 to $1,000 for the initial virtual training of one Owner/Operator and the current fee of $1,000 to $1,500 (per person) for New Owner Orientation hosted in New Albany, Ohio. Such amounts are subject to change. This estimate does not include the costs associated with such training for which you are responsible, including, but not limited to, meals and travel expenses of the individual(s) attending the training programs. You are responsible for the wages of all persons that attend our training programs and who are part of the initial onsite training but such amounts are not included in this estimate. In addition to the fees disclosed above, if you notify us that your property is ready for opening and our personnel visit your Inn and we determine that your Inn has not satisfied all requirements to open, you must pay a re-visit fee of $2,000 to $4,000 before we will authorize you to open your Inn. The re-visit fee is not refundable under any circumstances.

12. Additional Funds (3 Months). This is an estimate of your additional initial startup expenses for a three month period. These estimates were prepared by relying on our own experience and, in part, on information from our predecessors based on RRI's experience in building Red Roof Inns. These expenses include payroll costs. These figures are estimates and we cannot guarantee that you will not have additional expenses starting the business. Your costs will depend on factors such as: how much you follow our methods and procedures; your management skill, experience and business acumen; local economic

conditions; the local market for our services; the prevailing wage rate; competition; and the occupancy level reached during the initial period.

13. Estimated Initial Investment. This amount represents the range of initial investment for a 65-room conversion property. Although all costs listed in this table are referred to as your "Estimated Initial Investment", you may not actually incur some of the costs covered by the titles "Facility Construction and/or Renovation" and "Furniture, Fixtures, Soft Goods and Equipment", until a period of time after your hotel has converted to a Red Roof Inn, Red Roof Inn & Suites Red Roof PLUS+, or Red Roof PLUS+ & Suites. More specifically, as part of your Franchise Agreement, you will receive a property improvement plan which sets forth your Inn's requirements for construction/renovation and required furniture, fixtures, soft goods and equipment, as well as a schedule for completion of such items. However, depending on the condition of your hotel prior to conversion, we may permit you to complete such renovations/revisions in phases over a period of time. Therefore, you may incur such costs over a period of time rather than prior to converting your hotel to a Red Roof Inn, Red Roof Inn & Suites, Red Roof PLUS+, and Red Roof PLUS+ & Suites.

For a Conversion, you will incur costs to bring the property into conformity with the System. Such costs will vary widely in each individual situation based on the size and the physical condition of the property, fixtures, equipment, furnishings, furniture, signage, and similar items already present on the property. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. Except as otherwise described above, all payments are non-refundable. We do not offer financing for any part of your initial investment. We do not estimate the cost of real estate due to wide variations among geographic areas and at different sites. The typical Red Roof Inn, Red Roof PLUS+, and Red Roof PLUS+ & Suites requires approximately two acres of land.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

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

You are required to operate your Inn in accordance with our procedures, policies, specifications and standards (including, but not limited to, product, service and operational standards). You must build, furnish, equip and supply the Inn with products as designated by us, including but not limited to fixtures, furnishings, equipment, signs, materials and supplies. These specifications include, but are not limited to, standards for delivery, performance, design and appearance. The sources of such obligations are the Franchise Agreement and our Manuals, which may be amended by us in our sole discretion at any time.

We estimate that our standards and specifications will apply to 80-90% of your purchases and leases in the development and operation of your Inn.

Items That Must Be Purchased From RRF And Our Affiliates

You are required to use the Reservation System, which is currently provided by our affiliate, RRI Reservations. In order for your Inn to interface with the Reservation System and operate the Inn generally, you must use the Reservation Platform / PMS with computer hardware and software that supports the Reservation Platform / PMS and otherwise meets our standards and specifications. We sublicense the Reservation Platform / PMS software to our franchisees. In 2021, RRI Reservations earned $25,327,171 from our franchisees. In 2021, we received revenue for the Reservation Platform / PMS from our franchisees in the amount of $4,144,185, which was 4.91% of our annual revenues of $84,448,945.

Items That Must Be Purchased From Designated Suppliers

We require you to purchase certain items or services from specific suppliers ("Designated Suppliers") which we identify from time to time. In instances in which there is a Designated Supplier, we do not permit you to purchase such items or services from alternative sources. You must purchase certain brand specific and Red Roof Inn logoed items, marketing materials, exterior and interior signage, the computer system, Reservation Platform / PMS, technology equipment, furnishings, fixtures and equipment for your Inn from our Designated Suppliers. We will provide you with a list of our Designated Suppliers. The estimated proportion of any purchases and leases required to be made by franchisees from us or from Designated Suppliers is (a) 58% of total purchases and leases in establishing the franchised business and (b) 39% of total purchases and leases in operating the franchised business.

Supplier Approval Process

If you want to purchase items from suppliers other than Designated Suppliers, you must submit a request to us in writing, together with any evidence of conformity to our specifications that we may reasonably require. When approving suppliers, we consider the durability, quality and aesthetics of the supplier's products, the supplier's ability to meet our Standards and specifications, and its maintenance and service capability. We may require that our representatives be permitted to inspect the supplier's facilities, and that samples from the supplier be delivered for evaluation and testing to us or to an independent testing facility we designate. You must pay for the reasonable cost of the evaluation and testing, whether or not we approve the supplier. We will notify you of our approval or disapproval of the proposed supplier after the completion of the evaluation and testing. The Franchise Agreement does not specify any time within which we must notify you of our approval or disapproval of a proposed supplier. Our current practice is to notify you within 30 days after completion of the evaluation and testing. We may revoke our approval of particular items or suppliers if we determine that the items or suppliers no longer meet our Standards. When you receive written notice that we have revoked our approval of a supplier, you must stop purchasing from that supplier.

Items that Must Meet Our Standards and Specifications

You are required to provide high speed internet access via a wireless network in order to provide guests with internet access. Your Wi-Fi service must meet our standards and specifications and must be provided to guests free of charge in each guest room and otherwise as designated by us. We currently do not designate a particular supplier for Wi-Fi service at your Inn but reserve the right to do so in the future. You are required to provide flat screen televisions that meet our standards and specifications in all guest rooms and provide at least two feeds of HBO programming services in every guest room. You must otherwise purchase items meeting our Standards and Specifications as outlined in our Standards Manual and our Master Design Specifications Manual. You must provide free of charge, one 12 - 20 ounce bottle of water per day for any RediRewards Member's stay at your Inn.

Insurance

Before the commencement of any activities under the Franchise Agreement, you must procure, and maintain in full force and effect at all times during the term of the Franchise Agreement, insurance policies with the following coverage limits and you must name us an our affiliates as additional insureds as we require. The insurance coverage shall be placed with an insurance company or companies having a Bests Key Rating Guide of A-IV or better and be satisfactory to us. Any and all deductibles and/or self-insured retentions are your sole responsibility. No such required policy may have a deductible that exceeds $25,000, which such deductible shall be your responsibility.

Commercial Property Insurance	100% of the replacement value of your Inn and recovery of net profits and continuing expenses of the Inn for a 12-month period
Commercial General Liability	$2,000,00 per occurrence with a $2,000,000 Aggregate
Commercial Umbrella Liability	$5,000,000 aggregate
Automobile Liability	$1,000,000 per occurrence
Dram Shop/Liquor Liability	$1,000,000 per occurrence and $1,000,000 aggregate (required only if you serve alcohol at your Inn)
Workers Compensation	Not less than $500,000 per occurrence
Cyber Liability	$1,000,000 per occurrence with a $1,000,000 limit for regulatory fines, 250,000 limit for PCI DSS fines, $1,000,000 limit for legal services, public relations and crisis management expenses, and a $50,000 limit for notified individuals to whom notification, call center and credit or identity monitoring services will be provided
Employment Practices	$1,000,000 per occurrence / $50,000 deductible

You must provide us with evidence of coverage. If you fail to procure or maintain the insurance required we have the right and authority (but not the obligation) to procure such insurance and to charge the cost of such policy thereof to you, which charge, plus a reasonable fee for our efforts in so acting (not to exceed $2,500), shall be payable by you immediately upon notice.

Other Related Issues

We have negotiated purchase arrangements (including price terms) with suppliers for the benefit of our franchisees. We do not have any purchasing or distribution cooperatives. We do not provide material benefits to a franchisee based on that franchisee's purchase of particular products or services or the use of particular suppliers.

We may earn money from suppliers based on your purchases in the form of rebates, commissions, sponsorships, or other payments. These payments compensate us for the cost of negotiating and maintaining the purchasing arrangements with the suppliers. In exchange for these fees, we may provide each vendor with certain services, which may include one or more of the following: marketing services from our procurement and marketing personnel, listing on our procurement website, access to our brand conference, listing and promotion in our online and electronic publications and notifications and sponsorship opportunities, among other benefits. In 2021, RRF received revenue from HBO in the amount of $141,309, which was 0.2% of our annual revenues of $84,448,945.

None of our officers own an interest in any of our suppliers.

ITEM 9
FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the Franchise Agreement and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.

Obligation	Section in Agreement	Item in Disclosure Document
a. Site selection and acquisition/lease	Section 5.1 of Franchise Agreement; Section 1 of Renovation and Construction Addenda	Items 7 and 11
b. Pre-opening purchases/leases	Sections 5.1.1, 5.8, and 11.1 of Franchise Agreement; Section 5 of Renovation and Construction Addenda	Items 5, 7 and 8
c. Site development and other pre-opening requirements	Section 5 of Franchise Agreement; Sections 2 and 3 of Renovation and Construction Addenda	Items 7, 8 and 11
d. Initial and ongoing training	Section 5.6 of Franchise Agreement	Items 6, 7 and 11
e. Opening	Section 6 of Renovation and Construction Addenda	Items 5, 7 and 11
f. Fees	Sections 2.2.6, 4, 5.6, 5.10.3, 8.2.2, 9.2, 10.2, 10.3.3, 12, 13.1, 13.3, 14.1.7, 15.2.2, and 17.8.4 of Franchise Agreement and 6.6.2 of Renovation and Construction Addenda	Items 5, 6 and 7
g. Compliance with standards and policies/operating manual	Sections 5, 6, 7, 8, and 10 of Franchise Agreement; Sections 2, 4.1 and 4.2 of Renovation and Construction Addenda	Items 8, 11 and 16
h. Trademarks and proprietary information	Sections 5.2, 5.9, 6, 7, 8, 14 and 15 of Franchise Agreement; Section 7.2 of Renovation and Construction Addenda; Non-Disclosure Agreement	Items 13 and 14
i. Restrictions on products/services offered	Section 5.3 of Franchise Agreement	Items 8 and 16
j. Warranty and customer service requirements	Section 5.10 of Franchise Agreement	Not Applicable
k. Territorial development and sales quotas	Section 1 of Franchise Agreement	Item 12
l. Ongoing product/service purchases	Section 5.3 and 5.8 of Franchise Agreement	Item 6 and 8
m. Maintenance, appearance and remodeling requirements	Sections 5.1, 5.2, 5.8, and 5.9 of Franchise Agreement and Sections 4 and 5 of the Renovation and Construction Addenda	Items 7 and 8
n. Insurance	Section 11 of Franchise Agreement	Item 7

Obligation	Section in Agreement	Item in Disclosure Document
o. Advertising	Section 10 of Franchise Agreement; Section 7.2 of the Renovation and Construction Addenda	Items 6 and 11
p. Indemnification	Section 11.4.4 and 15 of Franchise Agreement; Guarantee	Not Applicable
q. Owner's participation / Management/Staffing	Sections 5.5, 5.10, 15.1 of Franchise Agreement	Item 15
r. Records and reports	Section 9 of Franchise Agreement	Not Applicable
s. Inspections and Audits	Section 9 of Franchise Agreement; Section 6.6.1 of Renovation and Construction Addenda	Items 6 and 11
t. Transfer	Section 12 of Franchise Agreement	Item 17
u. Renewal	Section 2.2 of Franchise Agreement	Item 17
v. Post-termination obligations	Section 14 of Franchise Agreement; Section 8.3 of Renovation and Construction Addenda	Item 17
w. Non-competition covenants	Section 16.2.2 of Franchise Agreement	Item 17
x. Dispute resolution	Section 17.6 of Franchise Agreement	Item 17
y. Taxes/Permits	Sections 5.18 of Franchise Agreement	Item 1

ITEM 10
FINANCING

We do not offer direct or indirect financing to franchisees. We will not guarantee your note, lease, or other obligation.

ITEM 11
FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

Except as listed below, RRF is not required to provide you with any assistance.

General Description of Services and Other Support.

Before you open your Inn, we will:

1. Approve the site for your Inn prior to approving your Application. We do not locate a site for you or negotiate the purchase or lease of the site. You own or lease the site and you are responsible for the renovation or construction of your Inn at the approved site. See the discussion under Site Selection, below (Exhibit A to the Franchise Agreement; Section 1 of the Renovation and Construction Addenda).

2. Provide you training (Franchise Agreement, Section 3.1.1). You are required to pay a fee for such training, in addition to expenses (see discussion under "Training" below).

3. Loan to you one set of our Manuals or post them electronically in a form accessible by you (Franchise Agreement, Section 3.1.2).

4. Designate the computer and data communication hardware, software, and communications facilities and services to be used in connection with operating your Inn. (Franchise Agreement, Section 3.1.5).

5. Review your Renovation or Construction Plans for the Inn (Section 3 of the Renovation and Construction Addenda). We do not assist you in conforming the premises to local ordinances and building codes or in obtaining required permits.

6. Inspect your Inn and, if in our sole judgment you have renovated or constructed the Inn in strict compliance with our Standards, authorize you to open as a Red Roof Inn (Sections 6.6.1 and 7.1 of the Renovation and Construction Addenda). Although we provide the Standards with which you must comply, we do not assist you in constructing, remodeling or decorating the premises. We generally do not provide equipment, signs, fixtures, opening inventory, or supplies directly, but we provide written specifications and Designated Suppliers for these items (See Item 8).

During your operation of the Inn, we will:

1. Provide initial and continuing training, consultation and advisory assistance to you in the management and operation of the Inn. Consultation and advisory assistance will be as we deem appropriate (Franchise Agreement, Section 3.1.1). You are required to pay a fee for such training, in addition to expenses.

2. Establish and maintain a Reservation System (Franchise Agreement, Section 3.1.3) and Marketing Program (Franchise Agreement, Section 10.1).

3. Provide marketing, advertising and promotions which, in our sole opinion, best supports the Red Roof System. (Franchise Agreement, Section 10)

We may, but are not obligated to, improve the System or develop new products or services that you will offer your customers but we make a practice of doing so. If we make improvements to the System or adopt new products or services as a Red Roof Inn Standard, you will be required to offer them. We may, but are not obligated to, provide advice or assistance to you in establishing room rates and managing unsold room inventory. The required computer system establishes procedures necessary for interface with our technology and reservation systems. If you do not timely resolve guest disputes, we reserve the right to intervene and resolve the dispute to maintain the positive public image and goodwill of the Red Roof Inn System.

We may delegate the responsibility for any of these services or other support activities to others, including to our Affiliates.

You are solely responsible for the recruitment, selection, training, compensation, discipline, assignments, scheduling, work environment and termination of the Inn employees. We may designate training requirements for certain management positions. We do not directly or indirectly control or supervise your employees or monitor your compliance with applicable laws and regulations governing your workplace. You must notify your employees at the time of hiring that they are employed and supervised by you and not by us or any Affiliate.

Other than set forth above, we have no obligation to provide any assistance in developing products or services you will offer to your Inn's customers, hiring or training employees, improving and developing the franchised business, establishing prices or room rates, establishing and using administrative, bookkeeping, accounting and inventory control procedures, or resolving operating problems you may encounter in operating the Inn.

Marketing and Reservation (Including Advertising)

We provide advertising, marketing and promotional programs as more fully described below. The advertising and marketing may be done nationally, regionally or locally and we may use all types of media determined to be appropriate at our discretion, including print, television, radio, the internet, mobile, voice assistance technology, social media, newspapers, magazines and/or collateral materials. We may use a combination of in-house staff and national advertising agencies to create and place such materials. Funding for the marketing and advertising program comes from a portion of the monies collected for the Marketing and Reservation Fee which is described in Item 6. Monies from the Marketing and Reservation Fee are otherwise used for the purposes described below. All franchisees must pay the Marketing and Reservation Fee. Affiliate-Managed Inns and Affiliate-Owned Inns contribute to the marketing effort and pay for reservation services, but they may not pay the Marketing and Reservation Fee at the same rate as Franchised Inns.

We reserve the right to use Marketing and Reservation Fees to fund advertising, marketing and reservation support activities separately for Red Roof Inns or together, in whole or in part, with other brands owned by RRI when business circumstances warrant. Such combined activity may be on a specific advertising effort in one or more markets, joint campaign or longer-term commitment basis, in our sole discretion. We cannot assure that the benefits from joint activities will be proportional to relative contributions of RRF and the other RRI-owned hotel brands. Any jointly funded advertising will position Red Roof Inns as a co-equal brand with the other RRI-owned brands.

The Marketing and Reservation Fee will be spent as we, in our sole discretion, determine to be necessary or appropriate for the development, promotion and operation of the System, including but not limited to (a) marketing, advertising, reservation confirmations, the development of new guests, repeat visits by guests, and systems designed for such purposes (including any and all costs associated with developing, preparing and administering reservation services, such as the computer system and software, phone lines and phone operations), (b) developing, preparing, producing, directing, administering, conducting, maintaining and disseminating advertising, marketing, telemarketing, promotional and public relations materials, programs and campaigns, (c) creating and maintaining internet advertising and marketing for the System (through a Red Roof Inn website or otherwise), (d) conducting market research, (e) developing, operating, supporting and/or administering other marketing programs and (f) developing, operating, supporting and/or administering the Reservation System.

We may use a portion of the amounts collected for the Marketing and Reservation Fee to defray the reasonable administration costs and overhead costs we and/or an affiliate incur in providing and/or administering the Reservation System and Marketing Program, including, but not limited to, the cost of providing accounting, collection, bookkeeping, reporting and legal services. We (or an affiliate) may provide products or services to develop, operate, direct, provide and/or administer the Reservation System and Marketing Program. Any such products or services provided by us (or an affiliate) will be provided at a cost comparable to those costs that would have been otherwise incurred if such products or services were obtained from unaffiliated third parties.

The aggregate of the Reservation and Marketing Fee we collect from franchisees does not constitute a trust and we are not a fiduciary with respect to such amounts. We are not obligated to expend funds for the marketing and reservation programs in excess of the Marketing and Reservation Fee received from all franchisees. We are not obligated to administer the aggregate of the Reservation and Marketing Fee we collect to make expenditures for you, which are equivalent or proportionate to your contribution, to spend money on advertising in your local area, or to ensure that any particular franchisee benefits directly or pro rata from expenditures for the marketing and reservation programs. Amounts spent from the Marketing and Reservation Fee are used to promote the System and the products and services sold by Red Roof Inns and are not used to sell additional franchises. During 2021, the portion of the Reservation and Marketing Fees collected and allocated to Marketing were spent as follows: 1.95% on production, 58.35% on media placement, 26.23% on sales and branding, and 13.47% on administrative expenses.

Any portion of the amounts received from the Marketing and Reservation Fee but not spent is carried over to the following year. An annual unaudited financial report relating to the Marketing and Reservation Fee is available to any franchisee upon request. We are not required to spend any amount on marketing in your territory.

There is no advertising council that advises RRF about the use of the Marketing and Reservation Fee. We do from time to time review marketing and advertising plans and programs with the Red Roof Inn Franchise Advisory Council (the "FAC"), a council we established to advise us on a wide range of issues. The FAC currently consists of ten franchisees and four corporate representatives. The FAC meets at least once a year at a location of our choosing. Recommendations made by the FAC on any subject are not binding on us. We can change or dissolve the FAC at our discretion.

We may establish cooperative advertising, marketing and sales programs, loyalty programs, marketing and sales promotions and other similar programs or activities as we deem appropriate. You must participate in such programs and activities as we determine. Such programs and activities may cause you to incur expenses and/or pay fees to us.

Cooperatives. Currently, there are no local or regional advertising cooperatives ("Cooperatives"). However, we may authorize the establishment of local or regional advertising cooperatives ("Cooperatives") in designated geographic areas, and may require you to join and contribute monies to the Cooperative. Affiliate-Owned Inns will be members of any Cooperative in areas where such Inns are located and will contribute at the same rate as other franchisees. Contributions to the Cooperative are in addition to the Marketing and Reservation Fee described above. If established, you and other members of the Cooperative must contribute a monthly amount determined by the membership, but your contribution may not be greater than 1% of the Gross Room Revenues of the Inn. You must begin contributing to the Cooperative the first month the Cooperative commences operation. If your Inn is within the area of an existing Cooperative when the Inn opens for business, you must immediately join the Cooperative. If a Cooperative is established during the term of your Franchise Agreement, you must join no later than 30 days after written notification by us that the Cooperative has commenced operation. You will not be required to be a member of more than one Cooperative for the Inn.

Each Cooperative must be organized and governed in a form and manner, and must begin operations on a date we approve in advance in writing. Each Cooperative must adopt written governing documents. If your Inn is within an area for which a Cooperative has been established, the Cooperative's governing documents will be available upon request. No changes in the bylaws or other governing documents of a Cooperative will be made without our prior written consent. Each Cooperative will be organized for the exclusive purpose of administering regional advertising programs and developing, subject to our approval, promotional materials for use by the members in local advertising. Each Cooperative may determine its own voting procedures. No advertising or promotional plans or materials may be used by a Cooperative or furnished to its members without our prior approval.

RediRewards. You must participate in the RediRewards Member Program and any other guest loyalty program that we require. Currently, the RediRewards Member Program provides members with express check-in, daily delivery of bottled water to the room, guaranteed late check-in, a discount on premium rooms (where available) and the opportunity for guests to earn points redeemable for free room nights and discounts at Red Roof Inns in addition to merchandise available on the RediRewards site. In the future, the guest loyalty program may involve additional expenses to you and may require your reimbursement to us or a designated supplier for expenses incurred on your behalf.

Other Advertising. You may, at your expense, conduct local and regional marketing programs and related activities subject to our prior written approval. You may not advertise, promote, post or list information about your Red Roof Inn on the internet, except as permitted by the Manuals. We include information about your Inn on a website that is maintained by us or one of our Affiliates.

Volume Plan Plus® Program. This program offers room rates to corporate partners that achieve a specific volume annually. Room rates for this program are set by us. All Inns must participate in the Volume Plan Plus Program.

RediBill. The RediBill program offers centralized nationwide billing privileges to companies who utilize an approved volume of room nights annually. It provides companies with the option to maintain the privilege by making advanced reservations or to allow their employees to use the account upon walk-in providing they provide the Volume Plan Plus number for their company along with the company name associated with the account. Members are billed for all stays weekly on one invoice. All Inns must participate in the RediBill program.

Computer Systems

We require you to use our Reservation Platform / PMS. You must enter into a Reservation Platform / PMS software license agreement with us or our affiliate and pay the software license fee of $15,000. You are required to have computer hardware and software that supports our PMS and otherwise meets our standards and specifications. If you do not have such items, you will be required to purchase them at an estimated cost of up to $2,000 per computer (includes peripherals), which will vary on which components you are required to or otherwise decide to purchase (not including tax and shipping).

The Reservation Platform / PMS is a "front office" computer system designed to handle routine front desk functions and to be an interface with the central Reservation System. The PMS software automates check-in and payment, messages, rooms control and housekeeping scheduling, and various revenue and statistical reports on your business activity. The front desk hardware usually consists of two workstations, and associated credit card swipe devices and printers.

If you decide to use a back office system, we designate hardware and software for such system. Your back office system is used to access management and productivity tools not typically accessed from

the front office system, for example, our extranet that provides on-line access to the Manuals and our e-mail system. The back office hardware consists of one personal computer and associated hardware and software, including a printer. We may require that you add a back office system.

We require you to obtain a data circuit with internet access. Ongoing costs of the data communication lines are approximately $400 to $1,000 per month with sufficient download and upload bandwidth as designated by us. Such costs depend on your location and whether you install fiber or cable modem. In addition to the above system, you must purchase a credit card reader and retain the services of a supplier designated by us to interface your credit card processing with the Reservation Platform / PMS. The cost of such interface is approximately $25 to $30 a month. You must purchase a voice circuit to facilitate in-coming and out-bound calls to and from the Inn at a cost of approximately $200 to $800 a month. You are also required to pay a fee for IT support, which includes a help desk, hardware and software support and maintenance. Fees for such support are currently $200 per month plus $2.90 per room, but will change to $200 to $275 per month plus $3.00 to $3.75 per room effective May 1, 2022. You also will pay a Desktop Protection and Maintenance Fee in the amount of $20 per machine. These fees are payable to us, but we provide these services through a combination of an in-house IT department and outside suppliers.

You have an obligation under the Franchise Agreement to update or upgrade the hardware and the software when it is necessary and when updates become available. We cannot predict the cost of future upgrades. There are no contractual limitations on the frequency or cost of this obligation. We currently do not have plans to replace the Reservation Platform / PMS in the near future. However, when we convert to a different property management system, you will be responsible for all costs of such conversation/replacement.

In addition, you will be required to purchase EMV compliant credit card reader that is approved by us and a bar code scanner as designated by us at a cost that ranges between $1,500 and $3,000 per set.

You must have a facsimile machine and you will be responsible for the cost of a dedicated analog telephone line for this machine.

The Reservation Platform / PMS stores data from your Inn, including occupancy and rate information, pricing information, reservations traffic and other statistical information. There is no contractual limitation to our right to receive and access this information. We may use this information for our own statistical, audit and marketing purposes, but will not disclose the information about your Inn in any way, which might be disseminated to the public and identified with your specific Inn, unless required to do so by law.

You must comply with all applicable legal, regulatory, payment card brand requirements and brand standards regarding the use of information technology. You must comply with the then-current Payment Card Industry Data Security Standards ("PCI/DSS") as those standards may be revised by the PCI Security Standards Council, LLC or any successor organization, including (1) implementing (at your expense) all security requirements that the PCI Security Standards Council, LLC (or its successor) requires of a merchant that accepts payment cards, and (2) participating in (at your expense) a standardized PCI/DSS compliance program that is provided by a PCI/DSS vendor, in each case, approved by us in our discretion. You must, at your expense, demonstrate full compliance through means which may include having an independent third party qualified security assessor conduct a PCI/DSS audit and upload an attestation of compliance to a portal or vendor designated by us. In the event you are unable to demonstrate full compliance: (1) we may require you to engage the services of an approved vendor to assist you to demonstrate full compliance on an ongoing basis; (2) we may cut off your ability to process reservations and check-ins until compliance is proven; and (3) you must reimburse us for any costs and expenses incurred by us in verifying your compliance and/or securing a vendor to assist you. We may require you to

use, and directly contract with, certain approved third-party vendors, and in some cases a single approved third-party vendor, for some or all of your managed firewall, other technology security compliance and/or card brand or government requirements related to the transmission and processing of payment card transactions and information. You must immediately notify us if you become aware of any breach, or suspected breach, of card holder data or personally identifiable information, whether notice is provided by your credit card processor, law enforcement or any other party.

You are responsible for implementing all safeguards reasonably necessary for protecting customer and cardholder data from unauthorized disclosures and addressing data security risks that could arise from network connections between your technology systems and ours. You also are responsible for assessing the vulnerability of your own computer systems and implementing industry standard practices for maintaining data privacy and information security appropriate to the nature of that data. This responsibility includes your use of data security protection measures to prevent unauthorized access to and use of such data via your on-site technology as well as any technology hosted by third parties on your behalf, including your property management system.

Manuals

We will make the Manuals available in electronic format. The Manuals are our confidential and proprietary property and contains mandatory and suggested specifications, standards, operating procedures and rules periodically prescribed by us for use in the operation of an Inn. We have the right to modify the Manuals periodically and to supplement with revised bulletins. You must return the Manuals and any copies you have made of the electronic Manuals to us upon the expiration or termination of your Franchise Agreement or at any time we request. You must treat the Manuals confidentially and you may share only the parts of the Manuals with those in your employ on a "need-to-know" basis. As of the issuance date of this disclosure document, the Manuals have 335 pages. The Table of Contents of the Manuals are attached as Exhibit L.

Site Location, Opening, and Operational Assistance

You must submit to us a proposed site for the Inn when you submit your Application. We require information about the proposed site that will help us evaluate it, including location and maps; ownership and control; and market information. We do not have specific site selection or site approval criteria. However, the factors we will evaluate in considering whether to approve a site for a Red Roof Inn include demand in the immediate market, the number and type of competitive properties (including existing System hotels), the quality and physical condition of the property, service levels, location, visibility and accessibility, marketing efforts and effectiveness, prevailing rates in the market, facility reputation, convenience to destinations or generators of travelers and other factors. You must deliver to us satisfactory evidence that you have secured the right to possess the site by ownership or lease, within 90 days from the effective date of the Franchise Agreement or before opening your Inn as a Red Roof Inn, whichever occurs earlier. Failure to do so is a default under the Franchise Agreement and we may terminate the Franchise Agreement as a result.

Our approval of your site is not a guaranty, representation or warranty of the potential for success or revenues at the Inn, or as any assurance that you can obtain financing for the Inn. Our site approval is only an indication that the site meets the minimum requirements for a Red Roof Inn site.

We estimate the time period between signing the Franchise Agreement and the opening of your Inn will be 12 to 18 months if you construct a newly built inn, and three to nine months if you are renovating an existing property to become a Red Roof Inn. The time needed to open an Inn will vary depending on the time needed to obtain the site, the availability of financing, the time required to obtain

necessary zoning and construction permits and licenses for the construction and operation of the Inn, and successful completion of our initial training, weather, and the availability of labor, materials and supplies.

Although the Franchise Agreement does not obligate us to do so, after your Franchise Agreement is signed, we assign a Regional Vice President of Operations ("RVPO") or Franchise Operations Director ("FOD") to your Inn. The RVPO/FOD will work with you during the construction or renovation of the Inn as applicable; to provide you information and answer questions you may have about the Standards or the opening process. The RVPO/FOD will visit your property just prior to your projected opening date to confirm whether you have completed the required construction or renovation to our Standards. The RVPO/FOD will assist in the opening process and throughout the term of the Franchise Agreement. Your RVPO/FOD will be your primary source of field support. We may assign different RVPO/FODs to your Inn from time to time at our discretion.

Training

We provide a training program relating to your Red Roof Inn franchise. As of the date of this Disclosure Document, the training program is as follows:

1. RED Advantage Training.

Owner/Operator Training is a blended learning solution consisting of OnDemand learning modules in the Red Roof Learning Management System and a series of live webinars divided into three phases: Learning the Brand, Managing the Brand, and Growing the Brand. The identified General Manager must complete the first two phases of the RED Advantage series of Webinars and OnDemand training to our satisfaction before you open your Inn and must complete the third phase within 90 days of opening or transfer of ownership. Subsequent managers must also complete the RED Advantage Training to our satisfaction within 90 days of being designated as the General Manager. You are required to pay a fee as outlined in Item 7 for each manager (and subsequent managers) that attend this training. You are responsible for travel, lodging and meal expense and wages for your manager(s) attending the training. A second person may also attend this program during the same time with a discount of 50% for the second person. In the event training is not competed within the required timeline, a re-occurring quarterly fee will be assessed until all training is completed.

Instructional methods include online lectures, discussion, role-plays, exercises, and skill checks. Instructional materials include the Manuals and other written digital resources on products and services that will be available to you during your operation of your Inn. RED Advantage Training is continually offered throughout the year.

Item 11 Table 11-2
RED ADVANTAGE TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The Job Training	Location
Orientation / Mission / Philosophy	.5	0	Live Webinar
Technology	.5	0	Live Webinar
Opening Process	.5	0	Live Webinar
Human Trafficking Prevention	.5	0	OnDemand Learning Module
Diversity and Inclusion Training	.5	0	OnDemand Learning Module

Subject	Hours of Classroom Training	Hours of On-The Job Training	Location
Human Resources	.5	0	OnDemand Learning Module
GSR Training Program	.5	0	OnDemand Learning Module
Pet Policy	.5	0	OnDemand Learning Module
Loyalty Program	.5	0	OnDemand Learning Module
Brand Standards Service and Cleaning expectations	.5	0	OnDemand Learning Module
Brand Standards	1.0	0	Live Webinar
Room Inspections	.5	0	New Albany, OH Live Webinar
Room Inspections	.5	0	OnDemand Learning Module
Quality Expectations	.5	0	Live Webinar
Front Desk Service and Quality Expectations	.5	0	OnDemand Learning Module
Guest Recovery	.5	0	OnDemand Learning Module
Maintenance Service and Quality	.5	0	Live Webinar
Laundry Service and Quality	.75	0	OnDemand Learning Module
Crisis Communication	.5	0	Live Webinar
PMS Introduction	.5	0	Live Webinar
PMS Training	2	0	OnDemand Learning Module
Guest Relations / Social Feedback	.75	0	Live Webinar
Accounting / National Account Management	.75	0	Live Webinar
Accounting / National Account Managements	.5	0	OnDemand Learning Module
Revenue Management Introduction	.5	0	Live Webinar
Revenue Management	2	0	OnDemand Learning Module
Sales Introduction	.5	0	Live Webinar
Sales and Marketing	1.25	0	OnDemand Learning Module
Distribution Services	.5	0	OnDemand Learning Module
Guest Relations / Feedback	1	0	OnDemand Learning Module
Franchise Billing – Reservation Platform/PMS	.5	0	OnDemand Learning Module
Shift4	.5	0	OnDemand Learning Module
Total	21.5	0	

2. Field Training. In addition to RED Advantage Training, a trainer will visit your Inn in the week before or the week of your opening in order to assist with training your front desk, housekeeping and maintenance employees and set up your computer system and front desk. This training takes place at your Inn and is required for every guest service representative at your Inn and the management team. You are required to pay a fee as outlined in Item 7 for such training. The computer training program covers the basic operations of the Reservation Platform / PMS software for management and front desk Guest Service Representatives. Brand standard programs, customer service training, and accounts receivable training will also be provided. This training commences approximately two to six days before your opening and lasts through your first night audit.

Item 11 Table 11-2
FIELD TRAINING

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Reservation Platform / PMS (including customer service skills) (Managers and Front Desk Personnel)	16-24	4 (live night audit training)	Your Inn
Direct Billing-Accounts Receivable, Back Office Computer, Outlook Express, Purchasing, RingRedi, Intranet, Medallia, Guest Redi	0	3 to 5	Your Inn
Total	16-24	7-9	

1. OnSite Quality Training. Each quarter, Inns will be ranked according to their quality performance, using a "Q" Score and Inn Ranking which includes Financial and Quality metrics. If your Inn scores in the third, fourth, or fifth quintile of the "Q" Score, a trainer will partner with your Inn to conduct virtual training and coaching. If your guest feedback metrics do not improve the trainer will travel to your location and conduct onsite training. The purpose of this training is to provide you and your employees with information, resources and coaching to improve the quality of service and/or guest experience at your Inn. You are required to pay a fee for this training and are responsible for this fee regardless of whether the full staff can be in attendance. In the event that your training is scheduled by our trainers, and you have to reschedule, you will be responsible for paying a rescheduling fee.

2. OnSite Quality Audit. Twice a year, Inns will be ranked according to their overall Inn Ranking Performance. Properties that rank in the fifth quartile for both Financial Performance and Quality Performance will receive a quarterly visit from either their Operations Director or a Regional Training Manager. These visits are above and beyond standard support from the Brand and a fee of $1,000 to $2,000 will be assessed per audit visit.

3. New Owner Orientation. New franchise owners are required to participate in New Owner Orientation at our corporate offices in New Albany, Ohio or a location defined by us within six months of opening the Inn or transfer. This training will be offered on a quarterly basis.

4. Continuing Education. Franchisees are required to participate in a Continuing Education Program, whereas the Franchisee will be expected to complete a predetermined amount of continuing education training on an annual basis. You are required to pay a fee for this mandatory continuing education, currently in the amount of $800 to $1,000 per year, and you are responsible for all travel costs, meals, lodging and wages for all persons attending on behalf of your Inn. This training will be provided through a variety of training mediums, location, and dates throughout the year. The hour requirement may vary from year to year and will be communicated to our franchisees each year.

5. Conferences, Meetings and Additional Training. We may hold regional conferences to discuss a variety of hotel operations topics. We will designate the location of the conferences, and they will be held in various cities throughout the United States. We also hold periodic brand meetings, giving franchisees and managers of our Affiliate-Owned Inns an opportunity to be introduced to brand initiatives and results. We typically hold these meetings every other year but may hold these meetings every year in the future. We may charge a fee for attendance at such conferences and brand meetings (which may be

charged regardless of attendance) or a fee for your failure to appear at such conferences or brand meetings and you are responsible for all travel costs, meals, lodging and wages for all attendees of these conferences/meetings.

Stephen Woodward, our Director of Training, directs our training program. The trainers are responsible for onsite opening, transfer and/or quality training will be one of the following.

Name	Title	Years of Training Experience with us and our Affiliates	Years of Training Experience with other Brands
Stephen Woodward	Vice President, Quality, Training & Development	6	21
Corian Zirwes	Field Trainer	12	0
Erica Smith	Quality Specialist	4	9
Erra Cleveland	Quality Specialist	5	15
Michael Garner	Quality Specialist	3	23
Michelle Wehrle	Manager of Training	31	0
Brenna Worl	Director of Training	11	4

We may offer or require additional training during the term of the Franchise Agreement and charge a fee for attendance (which may be charged regardless of attendance). If you attend the additional training, you will be obligated to pay for the travel costs (including meals and lodging) and wages for all attendees.

ITEM 12
TERRITORY

You will operate your Inn from the Approved Location that we approve as part of the application process and specify in the Franchise Agreement. You must receive our permission before relocating your Inn. We will review any alternate location you propose using the same process as described under Site Location, Opening, and Operational Assistance in Item 11.

We will designate a geographic area around your Inn that we will negotiate with you and that will be specified in the Franchise Agreement (the "Exclusive Territory"). We base our negotiations on factors that include the number of competing motels or hotels in the area, the population density, the proximity of major highways and exit ramps, traffic patterns, access and visibility, and our future development plans. The Exclusive Territory may be as small as one or two blocks or as large as a small town. If we approve an alternate location for your Inn, our approval may be conditioned on changing the boundaries of the Exclusive Territory. The Exclusive Territory applies during the term of your Franchise Agreement (assuming that you meet certain requirements, as outlined in the Franchise Agreement).

We will not grant a Red Roof Inn franchise within your Exclusive Territory and none of our affiliates may operate a Red Roof Inn within your Exclusive Territory, except for any Red Roof Inn existing at the time you sign your Franchise Agreement (assuming that you meet certain requirements, as outlined in your Franchise Agreement). The Franchise Agreement does not prohibit us or our Affiliates from operating or granting franchises for competitive lodging facilities under a different trademark in your Exclusive Territory. As of the date of this Disclosure Document, we and our Affiliates offer and operate hotels under the Red Roof Inn, Red Roof Inn and Suites, Red Roof PLUS+, Red Roof PLUS+ and Suites, The Red Collection, HomeTowne Studios by Red Roof, HomeTown Inn, and HomeTowne Inn. The HomeTowne Studios by Red Roof brand targets extended stay lodging guests, which may affect some of your business. Like our other brands, these facilities offer transient lodging in addition to extended stay

lodging. Generally, HTS will be able to franchise or operate the HomeTowne Studios System brands, and TRC will be able to franchise or operate The Red Collection brand, within your Exclusive Territory.

We and our Affiliates also retain the right to establish or operate, or to franchise others to establish or operate, hotels under our trademarks and/or the System at any location outside your Exclusive Territory, including locations adjacent, adjoining or proximate to the Exclusive Territory. These hotels may compete directly with the operation of your Inn.

There are no restrictions on us, our Affiliates or our franchisees from advertising in your Exclusive Territory and RRI can accept reservations made from any other franchisee's Exclusive Territory without special payment other than the reservation fee.

The Franchise Agreement does not grant you options, rights of refusal or other similar rights to acquire additional franchises, either within or outside your Exclusive Territory. It only grants you the right to operate a franchised Inn at the Approved Location.

ITEM 13
TRADEMARKS

We grant you the right to operate an Inn under the name "Red Roof Inn," "Red Roof Inn and Suites," "Red Roof PLUS+," or "Red Roof PLUS+ and Suites." You may also use our other trademarks to operate your Inn. By trademark, we mean trade names, trademarks, service marks and logos used to identify your Inn ("Trademarks"). The Trademarks are owned by our affiliate RRI Financial. The following Trademarks are registered with the United States Patent and Trademark Office ("USPTO") on the Principal Register.

TRADEMARK	REGISTRATION NO.	REGISTRATION DATE
RED ROOF	73810619	7/3/1989
RED ROOF INN	72452494	3/26/1973
RED ROOF INN & SUITES	75548752	9/4/1998
RED ROOF INN & SUITES Stylized	78841891	3/21/2006
RED ROOF INN and Design	78454389	7/21/2004
RED ROOF INN PLUS	85596923	4/13/2012
RED ROOF INN PLUS +	85596929	4/13/2012

TRADEMARK	REGISTRATION NO.	REGISTRATION DATE
RED ROOF INN Stylized lined for color red	75635682	2/5/1999
RED ROOF INNS	75396879	11/26/1997
RED ROOF INNS and Design	75396880	11/26/1997
RED ROOF PLUS	85596926	4/13/2012
RED ROOF PLUS +	86108130	11/1/2013
RED ROOF PLUS + & SUITES	86194520	2/14/2014

As of the date of this Disclosure Document, all affidavits of use required to be filed under Section 8 of the Lanham Act and all renewal registrations to maintain these Trademarks have been timely filed.

RRI Financial has applied to register the following Trademarks with the USPTO on the Principal Register:

TRADEMARK	SERIAL NUMBER	FILING DATE
RED ROOF EXTENDED STAY	88599366	8/30/2019
RED ROOF INN & STUDIOS	87756217	1/16/2018
RED ROOF STUDIOS	87756216	1/16/2018

These pending Trademarks do not have any legal benefit and rights as a federally registered trademark. If your right to use these Trademarks is challenged, you may have to change to an alternative Trademark which may increase expenses.

As of the date of this Disclosure Document, we know of no superior rights or infringing uses that could materially affect your use of the principal Trademarks.

You must follow our rules when you use these Trademarks. You cannot use a name or Trademark as part of a corporate name or with modifying words, designs or symbols except for those which we license to you. You may not use the Trademarks in connection with the sale of unauthorized products or services or in a manner not authorized in writing by us.

There are currently no effective determinations of the USPTO, the Trademark Trial and Appeal Board, the Trademark administrator of any state or any court, no pending Trademarks which may be relevant to their use in any other state. We do not know of any infringing uses, or any person or entity with superior rights that could materially affect your use of the Trademarks.

RRI Financial grants us a perpetual license to use, and to grant others the right to use, the Trademarks for the purpose of franchising. The license agreement can only be terminated if we misuse the Trademarks, or willfully allow our franchisees to misuse the Trademarks. Other than the license agreement with RRI Financial, there are no agreements that limit our right to use or license the use of the Trademarks.

We reserve the right to substitute different Trademarks to identify Red Roof Inns. If we do, you must promptly substitute any new Trademarks, and bear the costs associated with the substitution.

You must use each Trademark in full compliance with the Franchise Agreement and the Manuals.

You must promptly notify us of any unauthorized use of the Trademarks, any challenge to the validity of the Trademarks, or challenge to our ownership of the Trademarks, any challenge to the right to use and to license others to use the Trademarks, or any challenge to your right to use the Trademarks. We have the right to direct and control any administrative proceeding or litigation involving the Proprietary Marks, including any settlement. We have the right, but not the obligation, to take action against uses by others that may constitute infringement of the Trademarks. We will defend you against any third-party claim, suit or demand arising out of your proper use of the Trademarks in compliance with our Standards.

If we determine that you have used the Trademarks in the manner required by the Franchise Agreement, we will bear the cost of defense, including the cost of any judgment or settlement. If we determine that you have not used the Trademarks in the manner required by the Franchise Agreement, you must bear the cost of defense, including the cost of any judgment or settlement. If there is any litigation relating to your use of the Trademarks, you must execute all documents and do all things necessary to carry out a defense or prosecution, including becoming a nominal party to any legal action.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

As of the date of this disclosure document, we do not own any patents or patent applications that are material to your Inn.

We claim copyright protection in our building prototype plans and specifications, advertising and promotional materials, software, websites, social media sites, artistic designs and a variety of forms and programs. The information contained in these items may be used only with our permission, and at our direction. We also own business and technical information, such as our Manuals, training materials, market research, formulas, patterns, programs, devices, compilations of information, methods, techniques, and processes that we maintain as trade secrets. For additional information regarding the Manuals, please refer to Item 11 of this disclosure document.

We own the following copyrights that have been registered with the United States Copyright Office. We intend to renew each copyright.

Copyright Name	Reg. No.	Reg. Date	Duration
LEAF COVERLET DESIGN	VAu00130781	17-Jul-2017	95 years
RECTANGLES COVERLET DESIGN	VAu001307821	17-Jul-2017	95 years

There are currently no effective material determinations of the United States Copyright Office or any court regarding these copyrights. We do not know of any infringing uses, or any person or entity with superior rights that could materially affect your use of these copyrighted materials.

You must notify us immediately if you learn about an infringement on our and your use of any item that may be copyrighted by us. However, we are not obligated by the Franchise Agreement, nor otherwise, to protect any rights that may be granted to you or to protect you against claims of infringement or unfair competition with respect to them.

ITEM 15
OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

We do not require that you personally supervise the franchised business. The business must be directly supervised "on-premises" by a manager who has successfully completed our RED Advantage Training Program described in Item 11. The manager need not have an ownership interest in a corporate or partnership franchise, but we do require prior approval for your use of third party managers and we have the right to require all managers to sign a confidentiality and non-competition agreement. The manager must devote his or her full time and best efforts to managing your Inn and may not work for any competitor. We require your owners and their spouses to sign a Guarantee, Indemnification and Acknowledgement, a copy of which is attached to the Franchise Agreement.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may offer and sell only those goods and services that we have approved (see Item 8). You must use the Inn premises solely to operate the Inn unless you have our prior written consent.

You must offer products and services that we designate as required for all franchisees. The required products and services generally are lodging, internet service for guests, and telephone and television facilities with each room but are set more in greater detail in the Manuals. All products and services offered by your Inn must be approved by us (see Item 8).

We have the right to change the decor and Standards of your Inn. We also have the right to require renovations. There are no limits on these rights. However, we cannot change the nature of your business, in that your business will always offer lodging services.

We do not restrict you from soliciting customers, no matter whom they are or where they are located. However, you may not sell goods or services over the internet except in accordance with our internet policy in the Manuals.

ITEM 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

This table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this disclosure document.

THE FRANCHISE RELATIONSHIP

Provision	Section in Franchise Agreement	Summary
a. Length of the franchise term	Section 2.1	20 years. We may provide for an earlier termination date under certain conditions.
b. Renewal or extension of the term	Section 2.2	10 years
c. Requirements for you to renew or extend	Section 2.2	We will allow you to renew for a period of ten years if you are not in default, have paid all monetary obligations, submit a renewal application, complete certain training and upgrading requirements, execute a general release, pay a renewal fee in an amount equal to 50% of the then-current initial franchise fee and execute our then-current form of franchise agreement (which may contain materially different terms and conditions from your original Franchise Agreement).
d. Termination by you	Not Applicable	
e. Termination by us without cause	Not Applicable	We may not terminate your Franchise Agreement without cause.
f. Termination by us with cause	Section 13 and Section 8 of Renovation and Construction Addendum	We can terminate if you default.
g. "Cause" defined – defaults which can be cured	Section 13.2.12 through 13.2.17 and Section 13.3	You have 30 days to cure violation of any law or ordinance; failure to upgrade the Inn; failure to operate according to the Franchise Agreement; failure to comply with any quality measurement, standard or Manual procedure; failure to promptly pay monies owed to us; failure of any inspection or quality standard; or listing the Inn on the internet in violation of the relevant Franchise Agreement provisions or any breach of indemnification provisions.
h. "Cause" defined - defaults which cannot be cured	Sections 13.2.1 through 13.2.11 and Section 13.3	Insolvency; bankruptcy; dissolution; foreclosure; ceases to operate; threat to public health or safety; conviction of a felony; engages in an activity which in our sole judgment adversely impacts the Marks, the System or our goodwill; transfer without approval; disclosure of trade secrets; failure to transfer following incompetence of the owner; false statements or omissions; misuse of the Proprietary Marks; repeated defaults of the Franchise Agreement; or failure to comply with the terms of the Renovation or Construction Addendum by the required dates including opening without written authorization.

Provision	Section in Franchise Agreement	Summary
i. Your obligations on termination/non-renewal	Sections 13.1 and 14	Obligations include de-identification; cease to operate as a Red Roof Inn; cease to use the Proprietary Marks; payment of amounts due including any damages or attorneys' fees; cancel trade, fictitious or assumed name registrations; turn over all Manuals and records provided by us. If you default, you will be liable to us for damages caused by the premature termination.
j. Assignment of contract by us	Section 12.1	We may transfer or assign the Franchise Agreement, provided that the transferee is an entity to which we transfer all or substantially all of the Franchise Agreements under the System.
k. "Transfer" by you--defined	Sections 12.2, 12.4 and 12.5	Includes transfer of any interest in Franchise Agreement, Franchisee, or all or substantially all of the assets of the Inn.
l. Our approval of Transfer by you	Sections 12.3 and 12.5	We have the right to approve transfers.
m. Conditions for our approval of Transfer	Sections 12.3, 12.4 and 12.5	Payment of money owed; non-default; execution of then-current Franchise Agreement; transferee has proper qualifications; written assignment; payment of Transfer Application Fee and Transfer Fee; sign Transfer Addendum to the Franchise Agreement (Exhibit M); Owners of transferee execute guarantee; signing of general release; evidence of continued liability for all obligations arising before transfer; training for transferee's manager; and conform to current Standards under the System.
n. Our right of first refusal to acquire your business	Section 12.6	If you or your owners receive and wish to accept a *bona fide* offer to sell any interest in the Inn or you, you must notify us of the offer and we will have a right to purchase that interest on the same terms as the *bona fide* offer.
o. Our option to purchase your business	Section 14.2	Upon expiration or termination of your franchise, we can purchase all furnishings, signs, fixtures, supplies or inventory bearing the Proprietary Marks at fair market value.
p. Your death or disability	Section 12.5	Your executor, administrator, trustee or personal representative may operate the Inn until transfer. Interest in Inn must be transferred to a third party we have approved within 12 months.
q. Non-competition covenants during the term of the franchise	Section 16.2.2	You must not divert business away from Red Roof Inns.

Provision	Section in Franchise Agreement	Summary
r. Non-competition covenants after the franchise is terminated or expires	Not Applicable	Not Applicable
s. Modification of the Franchise Agreement	Section 17.2	Must be in writing executed by both parties.
t. Integration/merger clause	Section 17.2	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises made outside this Disclosure Document and your Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 17.6	All disputes relating to the Franchise Agreement or our relationship (excluding disputes concerning failure to commence construction, failure to commence operations, insurance, insurance requirements, monetary obligations, indemnification or quality inspection ratings, abandonment or failure to continue operations, unauthorized use of Trademarks or failure to de-identify) must be submitted to non-binding mediation where the Inn is located, except that we can bring an action for injunctive or extraordinary relief (including specific performance), or actions involving the Inn premises elsewhere.
v. Choice of forum	Sections 17.6, 17.7 and 17.8	All disputes must be filed in Columbus, Ohio subject to applicable state law.
w. Choice of law	Section 17.5	Ohio law applies, subject to applicable state law.

ITEM 18
PUBLIC FIGURES

We do not use any public figures to promote the Red Roof Inn franchise.

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the Disclosure Document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

Tables 1, 2 and 3 below contain information regarding the average performance figures for selected Red Roof Inns, including Daily Room Rate, Occupancy Rate, Revenue per Available Room ("RevPAR") and Brand Contribution. The results in the table below are based on performance information for all Red Roof Inns open and operating for at least one year and for the period of January 1, 2021 through December 31, 2021 with any temporary closures being less than 90 days. There were 54 total Affiliate-Owned Red Roof Inns and 511 franchised Red Roof Inns which met these criteria (the "2021 Inns"). There were 40 franchised Red Roof Inns that did not meet these criteria, and which were excluded from the tables below.

TABLE 1

2021 DAILY ROOM RATE, OCCUPANCY RATE, REVPAR AND BRAND CONTRIBUTION OF 54 AFFILIATE-OWNED INNS

Affiliate-Owned Inns	Average Results	No. and % of Inns that Met or Exceed the Average Results	Median Results
Daily Room Rate	$72.62	23 / 42.6%	$70.03
Occupancy Rate	61.17%	29 / 53.7%	61.45%
Average RevPAR	$44.42	23 / 42.6%	$43.44
Average Brand Contribution	76.2%	27 / 50.9%	76.5%

TABLE 2

2021 DAILY ROOM RATE, OCCUPANCY RATE, REVPAR AND BRAND CONTRIBUTION OF 511 FRANCHISED HOTELS

Franchised Inns	Average Results	No. and % of Inns that Met or Exceed the Average Results	Median Results
Daily Room Rate	$66.22	224 / 43.8%	$64.60
Occupancy Rate	61.00%	247 / 48.3%	60.39%
Average RevPAR	$40.39	236 / 46.2%	$38.94
Average Brand Contribution	52.4%	234 / 45.7%	52.4%

TABLE 3

2021 SYSTEMWIDE DAILY ROOM RATE, OCCUPANCY RATE, REVPAR AND BRAND CONTRIBUTION OF 565 AFFILIATED-OWNED AND FRANCHISED HOTELS

Affiliate-Owned and Franchised Inns	Average Results	No. and % of Inns that Met or Exceed the Average Results	Median Results
Daily Room Rate	$67.11	239 / 42.3%	$64.81
Occupancy Rate	61.02%	277 / 49.0%	60.70%
Average RevPAR	$40.95	257 / 45.5%	$39.17
Average Brand Contribution	57.6%	249 / 44.1%	54.9%

Tables 4, 5, and 6 below demonstrate the performance of the 2021 Inns based on the type of location in which the hotels were located.

TABLE 4

2021 PERFORMANCE BY PROPERTY TYPE
54 AFFILIATE-OWNED INNS

Location Type	No. of Inns	Average RevPar	No. and % of Inns that Met or Exceeded the Average RevPar	Median RevPar
Airport	7	$41.57	4 / 57.1%	$44.06
Interstate	9	$34.38	4 / 44.4%	$31.35
Resort	2	$56.64	1 / 50.0%	$55.95
Small Metro/Town	2	$51.83	1 / 50.0%	$50.69
Suburban	30	$47.17	14 / 46.7%	$45.29
Urban	4	$40.82	2 / 50.0%	$40.43

TABLE 5

2021 PERFORMANCE BY PROPERTY TYPE
511 FRANCHISED INNS

Location Type	No. of Inns	Average RevPar	No. and % of Inns that Met or Exceeded the Average RevPar	Median RevPar
Airport	26	$39.12	10 / 38.5%	$36.05
Interstate	139	$36.23	65 / 46.8%	$35.22
Resort	8	$54.10	4 / 50.0%	$53.02
Small Metro/Town	77	$39.42	36 / 46.8%	$38.94
Suburban	247	$41.85	116 / 47.0%	$40.85
Urban	14	$45.77	8 / 57.1%	$48.04

TABLE 6

2021 SYSTEMWIDE PERFORMANCE BY PROPERTY TYPE
565 AFFILIATE-OWNED AND FRANCHISED INNS

Location Type	No. of Inns	Average RevPar	No. and % of Inns that Met or Exceeded the Average RevPar	Median RevPar
Airport	33	$39.78	14 / 42.4%	$37.27
Interstate	148	$36.06	70 / 47.3%	$35.21
Resort	10	$54.83	5 / 50.0%	$55.95
Small Metro/Town	79	$40.04	37 / 46.8%	$39.21
Suburban	277	$42.58	129 / 46.6%	$41.02
Urban	18	$44.01	9 / 50.0%	$45.68

Tables 7, 8 and 9 below shows the performance of the 2021 Inns against the Compset Scale Index.

TABLE 7

2021 PERFORMANCE OF 54 AFFILIATE-OWNED INNS AGAINST COMPSET SCALE INDEX

Location Type	2021 RevPAR Index	RevPAR Index Year Over Year Change vs. 2020
All Affiliate-Owned Inns	108.5	-8.5%
Airport	109.5	3.1%
Interstate	109.3	-11.8%
Resort	136.5	-7.6%
Small Metro/Town	84.6	-9.8%
Suburban	114.3	-9.9%
Urban	85.5	-13.3%

TABLE 8

2021 PERFORMANCE OF 511 FRANCHISED INNS AGAINST COMPSET SCALE INDEX

Location Type	2021 RevPAR Index	RevPAR Index Year Over Year Change vs. 2020
All Franchised Inns	102.7	-2.8%
Airport	108.0	2.6%
Interstate	99.7	-1.8%
Resort	114.8	-1.8%
Small Metro/Town	94.0	-2.0%
Suburban	105.0	-3.6%

TABLE 9

2021 SYSTEMWIDE PERFORMANCE OF 565 AFFILIATE-OWNED AND FRANCHISED INNS AGAINST COMPSET SCALE INDEX

Location Type	2021 RevPAR Index	RevPAR Index Year Over Year Change vs. 2020
All Affiliate-Owned and Franchised Inns	103.6	-3.7%
Airport	108.5	2.6%
Interstate	100.1	-3.0%
Resort	118.7	-0.6%
Small Metro/Town	94.0	-2.6%
Suburban	106.4	-4.5%
Urban	96.4	4.0%

NOTES

1. The Average Daily Room Rate is calculated by dividing the total number of room revenue for the Inns by the total number of occupied rooms for the Inns.

2. The Average Occupancy Rate is calculated by dividing the number of occupied rooms in the Inns for the applicable period by the total number of available rooms in the Inns for the same period.

3. RevPAR is the average amount of revenue generated per day from each available room in the Inns, and is calculated by multiplying the Average Daily Rate by the Average Occupancy Rate.

4. The Brand Contribution is the percentage of room revenue generated for the Inns, the reservations for which were generated by the Red Roof Inn website, the Red Roof call center, group booking, National Sales, Global Distribution System ("GDS"), third party websites and reservations by RediRewards members booked directly with the Inns. This is calculated by dividing the total room revenue generated by the channels referenced above for the Inns by the total room revenue generated by all occupied rooms at the Inns.

5. Median is defined as the middle value of a sorted list of numbers.

6. Smith Travel Research (STR) is the leading global provider of competitive benchmarking information services and research to the hotel industry. Compset is a group of approximately five hotels that most closely resemble Red Roof Inns. Hotels in a Compset are typically located within the same geographical area, selling similar rates, offering similar amenities and services, and targeting the same type of guests. STR gathers and reports Compset data allowing hotels to compare performance against a set of similar hotels. The report is usually released every Tuesday and delivered in a digital format weekly, monthly and annually.

Some outlets have earned this amount. Your individual results may differ. There is no assurance that you will earn as much.

The Red Roof Inns reflected in this financial performance representation offer services for sale that are substantially similar to the services that you will offer for sale in your Inn. This financial performance representation was compiled using our records and information provided to us by our franchisees. The data has not been audited. Written substantiation for the financial performance representation will be made available to you upon reasonable request.

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. If you are purchasing an existing Red Roof Inn, however, we may provide you with the actual records of that Inn. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting George Limbert, President, Red Roof Franchising, LLC, 7815 Walton Parkway, New Albany, OH 43054, (614) 744-2600, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
For Years 2019 to 2021

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised Outlets	2019	448	487	+39
	2020	487	523	+36
	2021	523	541	+18
Affiliate – Owned Outlets	2019	116	93	-23
	2020	93	65	-28
	2021	65	54	-11
Total Outlets	2019	564	580	+16
	2020	580	588	+8
	2021	588	595	+7

Note:
All numbers are as of December 31 for each year. See Item 1 for further explanation regarding the breakdown of types of franchisees.

Table No. 2
Transfers of Outlets from Franchisees to New Owners
(Other than the Franchisor)
For Years 2019 to 2021

Outlet Type	Year	Number of Transfers
Alabama	2019	2
	2020	0
	2021	1
Arizona	2019	2
	2020	1
	2021	1
Arkansas	2019	2
	2020	0
	2021	0
California	2019	0
	2020	2
	2021	0
Colorado	2019	0
	2020	0
	2021	1
Florida	2019	0
	2020	0
	2021	3

Outlet Type	Year	Number of Transfers
Georgia	2019	3
	2020	1
	2021	6
Illinois	2019	6
	2020	4
	2021	0
Indiana	2019	1
	2020	2
	2021	5
Iowa	2019	0
	2020	0
	2021	0
Kansas	2019	1
	2020	0
	2021	1
Kentucky	2019	1
	2020	4
	2021	1
Louisiana	2019	3
	2020	1
	2021	0
Maryland	2019	3
	2020	0
	2021	2
Massachusetts	2019	2
	2020	1
	2021	0
Michigan	2019	1
	2020	4
	2021	2
Mississippi	2019	0
	2020	4
	2021	0
Missouri	2019	0
	2020	0
	2021	1

Outlet Type	Year	Number of Transfers
New Jersey	2019	0
	2020	0
	2021	1
New York	2019	2
	2020	3
	2021	2
North Carolina	2019	2
	2020	6
	2021	2
North Dakota	2019	1
	2020	0
	2021	0
Ohio	2019	7
	2020	2
	2021	1
Pennsylvania	2019	6
	2020	5
	2021	0
Rhode Island	2019	0
	2020	0
	2021	0
South Carolina	2019	3
	2020	1
	2021	3
South Dakota	2019	0
	2020	0
	2021	1
Tennessee	2019	1
	2020	3
	2021	3
Texas	2019	7
	2020	1
	2021	5
Virginia	2019	3
	2020	1
	2021	1

Outlet Type	Year	Number of Transfers
West Virginia	2019	0
	2020	0
	2021	1
Wisconsin	2019	0
	2020	0
	2021	0
Total	2019	59
	2020	46
	2021	44

Table No. 3
Status of Franchised Outlets
For Years 2019 to 2021*

State	Year	Outlets at Start of Year	Outlets Opened	Termin-ations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of Year
Alabama	2019	16	3	0	0	0	0	19
	2020	19	2	0	0	0	0	21
	2021	21	1	0	0	0	0	22
Arizona	2019	3	3	0	0	0	0	6
	2020	6	1	1	0	0	0	6
	2021	6	1	0	0	0	1	6
Arkansas	2019	9	0	1	0	0	0	8
	2020	8	0	1	0	0	0	7
	2021	7	0	0	0	0	0	7
California	2019	21	1	3	0	0	0	19
	2020	19	2	5	0	0	0	16
	2021	16	0	1	0	0	0	15
Colorado	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Connecticut	2019	7	0	1	0	0	0	6
	2020	6	1	0	0	0	0	7
	2021	7	0	0	0	0	0	7

State	Year	Outlets at Start of Year	Outlets Opened	Termin-ations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of Year
Delaware	2019	2	1	0	0	0	0	3
	2020	3	1	0	0	0	0	4
	2021	4	0	0	0	0	0	4
Florida	2019	25	4	3	0	0	0	26
	2020	26	0	1	0	0	1	24
	2021	24	4	1	0	0	0	27
Georgia	2019	33	3	0	0	0	0	36
	2020	36	7	1	0	0	1	41
	2021	41	4	4	0	0	0	41
Illinois	2019	15	2	0	0	0	0	17
	2020	17	2	0	0	0	0	19
	2021	19	0	0	0	0	0	19
Indiana	2019	20	0	1	0	0	0	19
	2020	19	0	0	0	0	0	19
	2021	19	2	0	0	0	0	21
Iowa	2019	4	0	0	0	0	0	4
	2020	4	0	1	0	0	0	3
	2021	3	0	0	0	0	0	3
Kansas	2019	4	1	1	0	0	0	4
	2020	4	0	0	0	0	0	4
	2021	4	0	1	0	0	0	3
Kentucky	2019	18	0	1	0	0	0	17
	2020	17	4	0	0	0	0	21
	2021	21	2	0	0	0	0	23
Louisiana	2019	13	6	4	0	0	0	15
	2020	15	2	1	0	0	3	13
	2021	13	1	3	0	0	0	11
Maryland	2019	8	2	0	0	0	0	10
	2020	10	0	2	0	0	0	8
	2021	8	4	0	0	0	0	12
Massachusetts	2019	0	0	0	0	0	0	0
	2020	0	2	0	0	0	0	2
	2021	2	0	0	0	0	0	2

State	Year	Outlets at Start of Year	Outlets Opened	Termin-ations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of Year
Michigan	2019	21	0	1	0	0	0	20
	2020	20	4	0	0	0	1	23
	2021	23	1	1	0	0	0	23
Minnesota	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Mississippi	2019	10	2	0	0	0	0	12
	2020	12	0	0	0	0	0	12
	2021	12	0	0	0	0	0	12
Missouri	2019	9	0	1	0	0	0	8
	2020	8	1	0	0	0	0	9
	2021	9	0	0	0	0	0	9
Nebraska	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Nevada	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
New Jersey	2019	9	1	0	0	0	0	10
	2020	10	2	0	0	0	0	12
	2021	12	1	0	0	0	0	13
New Mexico	2019	2	0	0	0	0	0	2
	2020	2	1	0	0	0	0	3
	2021	3	0	0	0	0	0	3
New York	2019	9	4	0	0	0	0	13
	2020	13	5	0	0	0	0	18
	2021	18	1	0	0	0	0	19
North Carolina	2019	17	0	1	0	0	0	16
	2020	16	7	0	0	0	0	23
	2021	23	1	0	0	0	0	24
North Dakota	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2

State	Year	Outlets at Start of Year	Outlets Opened	Termin-ations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of Year
Ohio	2019	29	7	0	0	0	0	36
	2020	36	3	0	0	0	1	38
	2021	38	2	1	0	0	1	38
Oklahoma	2019	5	0	1	0	0	0	4
	2020	4	0	0	0	0	0	4
	2021	4	0	1	0	0	0	3
Oregon	2019	0	1	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Pennsylvania	2019	13	5	0	0	0	0	18
	2020	18	5	0	0	0	0	23
	2021	23	3	1	0	0	0	25
Rhode Island	2019	0	0	0	0	0	0	0
	2020	0	1	0	0	0	0	1
	2021	1	0	0	0	0	0	1
South Carolina	2019	16	1	0	0	0	0	17
	2020	17	1	0	0	0	0	18
	2021	18	0	0	0	0	0	18
South Dakota	2019	2	0	0	0	0	0	2
	2020	2	0	1	0	0	0	1
	2021	1	0	0	0	0	0	1
Tennessee	2019	25	4	1	0	0	0	28
	2020	28	0	0	0	0	0	28
	2021	28	0	0	0	0	0	28
Texas	2019	51	7	4	0	0	0	54
	2020	54	2	1	0	0	1	54
	2021	54	9	3	0	0	0	60
Utah	2019	0	1	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Virginia	2019	22	4	1	0	0	0	25
	2020	25	4	1	0	0	0	28
	2021	28	1	1	0	0	0	28

State	Year	Outlets at Start of Year	Outlets Opened	Termin-ations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of Year
Washington	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	1	0	0	0	0
West Virginia	2019	1	1	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	1	0	0	0	0	3
Wisconsin	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
Total	2019	448	64	25	0	0	0	487
	2020	487	60	16	0	0	8	523
	2021	523	39	19	0	0	2	541

* As of December 31 of each year. States not listed had no activity to report.

Table No. 4
Status of Affiliate-Owned Outlets
For Years 2019 to 2021

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of Year
Arizona	2019	5	0	0	0	1	4
	2020	4	0	0	0	1	3
	2021	3	0	0	0	1	2
California	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
Connecticut	2019	1	0	0	0	0	1
	2020	1	0	0	0	1	0
	2021	0	0	0	0	0	0
Delaware	2019	1	0	0	0	1	0
	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0
Florida	2019	7	0	0	0	1	6
	2020	6	0	0	0	0	6
	2021	6	0	0	0	2	4

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of Year
Georgia	2019	1	0	0	0	1	0
	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0
Illinois	2019	5	0	0	0	1	4
	2020	4	0	0	0	2	2
	2021	2	0	0	0	0	2
Indiana	2019	2	0	0	0	0	2
	2020	2	0	0	0	0	2
	2021	2	0	0	0	1	1
Kentucky	2019	5	0	0	0	0	5
	2020	5	0	0	0	3	2
	2021	2	0	0	0	1	1
Louisiana	2019	2	0	0	0	2	0
	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0
Maryland	2019	7	0	0	0	2	5
	2020	5	0	0	0	0	5
	2021	5	0	0	0	2	3
Massachusetts	2019	7	0	0	0	0	7
	2020	7	0	0	0	1	6
	2021	6	0	0	0	0	6
Michigan	2019	5	0	0	0	0	5
	2020	5	0	0	0	4	1
	2021	1	0	0	0	0	1
Mississippi	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0
Missouri	2019	2	0	0	0	0	2
	2020	2	0	0	0	0	2
	2021	2	0	0	1	0	1
New Jersey	2019	2	0	0	0	0	2
	2020	2	0	0	0	0	2
	2021	2	0	0	1	0	1
New York	2019	9	0	0	0	2	7
	2020	7	0	0	0	4	3
	2021	3	0	0	0	0	3

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of Year
North Carolina	2019	8	0	0	0	0	8
	2020	8	0	0	0	6	2
	2021	2	0	0	0	0	2
New Hampshire	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
Ohio	2019	12	0	0	0	3	9
	2020	9	0	0	0	2	7
	2021	7	0	0	0	1	6
Pennsylvania	2019	12	0	0	0	4	8
	2020	8	0	0	0	4	4
	2021	4	0	0	0	0	4
South Carolina	2019	6	0	0	0	1	5
	2020	5	0	0	0	0	5
	2021	5	0	0	0	0	5
Tennessee	2019	2	0	0	0	1	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
Texas	2019	4	0	0	0	1	3
	2020	3	0	0	0	0	3
	2021	3	0	0	0	0	3
West Virginia	2019	4	0	0	0	0	4
	2020	4	0	0	0	0	4
	2021	4	0	0	0	1	3
Washington	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
Wisconsin	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0
Virginia	2019	4	0	0	0	2	2
	2020	2	0	0	0	0	2
	2021	2	0	0	0	0	2
Total	2019	116	0	0	0	23	93
	2020	93	0	0	0	28	65
	2021	65	0	0	2	9	54

Table No. 5
Projected Openings as of December 31, 2021

STATE	FRANCHISE AGREEMENTS SIGNED BUT OUTLET NOT OPENED	PROJECTED NEW FRANCHISED OUTLETS IN NEXT FISCAL YEAR	PROJECTED COMPANY OWNED OUTLETS IN NEXT FISCAL YEAR
Alabama	1	1	0
Florida	3	3	0
Georgia	1	1	0
Illinois	3	3	0
Indiana	1	1	0
Kentucky	2	2	0
Maryland	1	1	0
Massachusetts	1	1	0
Michigan	1	1	0
New Jersey	1	1	0
New York	3	3	0
North Carolina	4	4	0
Ohio	1	1	0
Pennsylvania	4	4	0
South Carolina	1	1	0
Tennessee	1	1	0
Texas	5	3	0
Virginia	2	1	0
West Virginia	1	1	0
Total	36		0

A list of names, business addresses, and business telephone numbers of all Franchised Inns as of December 31, 2021 are attached to this Disclosure Document as Exhibit D. The name, city and state and last known business or home telephone number of every franchisee who has had an outlet terminated, canceled, not renewed, sold their franchise or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this Disclosure Document is included in Exhibit D. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the Red Roof Inn System.

No Red Roof Inn franchisees have signed agreements with confidentiality clauses in the last three fiscal years. We may in the future ask terminated franchisees to sign confidentiality clauses to resolve

termination of their franchises. In that case, current and former franchisees will sign provisions restricting their ability to speak openly about their experience with us and Red Roof Inns. You may wish to speak with current or former franchisees but be aware that not all such franchisees will be able to communicate with you.

As of the date of this Disclosure Document, we are not aware of any trademark-specific franchisee organization associated with the Red Roof Inn franchise system and no trademark-specific franchisee organizations have asked to be disclosed.

ITEM 21
FINANCIAL STATEMENTS

Attached to this Disclosure Document as Exhibit A is a copy of our consolidated audited financial statements for the fiscal years ended December 31, 2021, December 31, 2020 and December 31, 2019.

ITEM 22
CONTRACTS

Attached to this Disclosure Document are copies of the following agreements regarding the offering of the Red Roof Inn franchise:

Exhibit E	Franchise Application
Exhibit F	Franchise Agreement
Exhibit G	Construction Addendum to the Franchise Agreement
Exhibit H	Renovation Addendum to Franchise Agreement
Exhibit I	Addendum to Franchise Agreement for Red Roof Inn & Suites, Red Roof PLUS+ or Red Roof PLUS+ & Suites
Exhibit J	Non-Disclosure Agreement (Building Plans)
Exhibit K	Reservation Platform /PMS Software Sublicense Agreement
Exhibit M	Transfer Addendum to Franchise Agreement
Exhibit N	Development Incentive Program for Women and Veterans
Exhibit O	State Required Agreement Addenda

ITEM 23
RECEIPTS

Duplicate pages of the detachable document acknowledging receipt of the Disclosure Document by the prospective franchisee appear at the end of this Disclosure Document.

ADDITIONAL STATE REQUIRED DISCLOSURES

FOR THE STATE OF CALIFORNIA

SECTION 31125 OF THE CALIFORNIA CORPORATIONS CODE REQUIRES US TO GIVE YOU A DISCLOSURE DOCUMENT, IN A FORM CONTAINING THE INFORMATION THAT THE COMMISSIONER MAY BY RULE OR ORDER REQUIRE, BEFORE A SOLICITATION OF A PROPOSED MATERIAL MODIFICATION OF AN EXISTING FRANCHISE

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

SEE THE COVER PAGE OF THE DISCLOSURE DOCUMENT FOR OUR URL ADDRESS. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENTS OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT WWW.DFPI.CA.GOV.

Neither Red Roof Franchising, LLC nor any person listed in Item 2 is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a *et seq*., suspending or expelling such parties from membership in such association or exchange.

The California Franchise Relations Act, Business and Professions Code Sections 20000 to 20043, provides the Franchisee with certain rights on termination or non-renewal of a franchise. The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. 101, *et seq*.). If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control. The Franchise Agreement requires application of the law of the State of Ohio. This provision may not be enforceable under California law. The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable. Prospective franchisees are encouraged to consult legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

FOR THE STATE OF ILLINOIS

Illinois law shall apply to and govern the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Franchisees' right upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

FOR THE STATE OF MARYLAND

Item 5 is amended to state that based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, we secured a surety bond in the amount of $150,000 from Travelers Casualty and Surety Company of America. A copy of the bond is on file at the Maryland Office of the Attorney General, Securities Division, 200 St. Paul Place, Baltimore, Maryland 21202. A copy is attached as Attachment 1 to these Additional State Required Disclosures.

Item 17 is amended to provide that, pursuant to COMAR 01.01.08.16L, the general release required as a condition of renewal and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law, and to provide that the Franchisee may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise. The provision in the Franchise Agreement that provides for termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C.A. Section 101, *et seq.*).

This Amendment also applies to non-residents of Maryland who will operate a Red Roof Inn franchise in the state of Maryland.

FOR THE STATE OF MICHIGAN

NOTICE REQUIRED BY THE STATE OF MICHIGAN

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

(a) A prohibition of the right of a franchisee to join an association of franchisees.

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years; and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark,

service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchisee on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchisee for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

THE FACT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.

Any questions regarding this Notice shall be directed to the Department of Attorney General, Consumer Protection Division, 670 Law Building, 525 West Ottawa Street, Lansing, Michigan 48913, (517) 373-7117.

FOR THE STATE OF MINNESOTA

Item 13 is amended to provide that:

Minnesota law requires that a franchisor indemnify Minnesota franchisees against liability to third parties resulting from claims by third parties that the Franchisee's use of the Trademark infringes Trademark rights of the third party. We do not indemnify against the consequences of your use of our Trademark except in accordance with the requirements of the Franchise Agreement, and, as a condition to indemnification, you must provide notice to us of any such claim within 10 days and tender the defense of the claim to us. If we accept the tender of defense, we have the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

Item 17 is amended to provide that:

Minnesota statute §80C14 and Minnesota Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of jurisdiction.

Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 - 80C.22.

With respect to franchises governed by Minnesota law, we will comply with Minnesota Statute § 80C.14, subdivisions 3, 4, and 5 which requires, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreements.

Liquidated damages are generally not permitted under Minnesota law.

FOR THE STATE OF NEW YORK

State Cover Page. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT B OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

Item 3, Additional Disclosure. The following is added to the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent..

3. Item 4, Additional Disclosure. The following is added to the end of Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. Item 5: Initial Fees. The following is added to the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

5. Item 7: Renewal, Termination, Transfer and Dispute Resolution

A. The following is added to the end of the "Summary" sections of Item 17(c), titled "Requirements for franchisee to renew or extend," and Item 17(m), entitled "Conditions for franchisor approval of transfer":

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

B. The following language replaces the "Summary" section of Item 17(d), titled "Termination by franchisee":

You may terminate the agreement on any grounds available by law.

C. The following is added to the end of the "Summary" section of Item 17(j), titled "Assignment of contract by franchisor":

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.

D. The following is added to the end of the "Summary" sections of Item 17(v), titled "Choice of forum", and Item 17(w), titled "Choice of law":

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

FOR THE STATE OF NORTH DAKOTA

Item 17, Additional Disclosures. The North Dakota Securities Commissioner has held the following to be unfair, unjust, or inequitable to North Dakota franchisees (Section 51-19-09, N.D.C.C.):

A. Restrictive Covenants: Franchise disclosure documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to this statute.

B. Restriction on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

C. Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

D. Applicable Laws: Franchise agreements which specify that any claims arising under the North Dakota franchise law will be governed by the laws of a state other than North Dakota.

E. Waiver of Trial by Jury: Requiring North Dakota franchisees to consent to the waiver of a trial by jury.

F. Waiver of Exemplary and Punitive Damages: Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.

G. General Release: Requiring North Dakota franchisees to execute a general release of claims as a condition of renewal or transfer of a franchise.

H. Limitation of Claims: Requiring that North Dakota franchisees to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

I. Enforcement of Agreement: Requiring that North Dakota franchisees to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

FOR THE STATE OF RHODE ISLAND

Item 17 is amended to state that Section 19-28-1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a Franchise Agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

FOR THE STATE OF VIRGINIA

The following is added to Item 17.h:

> Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the franchise agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

FOR THE STATE OF WASHINGTON

Item 17, Additional Disclosures. The following statements are added to Item 17:

1. You have the right to terminate the Franchise Agreement upon any grounds permitted by law.

2. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

3. RCW 19.100.180 may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

4. A franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

5. A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

7. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

8. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

Attachment 1 to the Additional State Required Disclosures

Surety Bond - Maryland

TRAVELERS

Travelers Casualty and Surety Company of America
One Tower Square, Hartford, CT 06183

RIDER

To be attached to and form part of Bond No. 105323895.

Issued on behalf of Red Roof Franchising, LLC as Principal, and in favor of State of Maryland as Obligee.

It is agreed that:

☐ 1. The Surety hereby gives its consent to change the Name:

from: _____

to: _____

☐ 2. The Surety hereby gives its consent to change the Address:

from: _____

to: _____

☒ 3. The Surety hereby gives its consent to change the Bond Amount:

from: Fifty Three Thousand Two Hundred and No/100ths Dollars ($53,200.00)

to: One Hundred Fifty Thousand and No/100ths Dollars ($150,000.00)

This rider shall become effective as of February 11, 2021

PROVIDED, however, that the liability of the Surety under the attached bond as changed by this rider shall not be cumulative.

Signed, sealed and dated March 18, 2021.

Travelers Casualty and Surety Company of America

By: Leona Evangelista
Leona Evangelista
Attorney-in-Fact

Accepted: State of Maryland
Obligee

By: George B. Limbert

or Red Roof Franchising, LLC
Principal

By: Secretary & Interim President of Home Towne Studios, LLC

NOTARIAL SEAL
STATE OF OHIO

Laura E. Stein
Notary Public, State of Ohio
My Commission Expires 2-6-2024

S-4111 (8/66)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT **CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of San Francisco)

On MAR 18 2021 before me D. B. Diaz, Notary Public ,

Date *Here Insert Name and Title of the Officer*

personally appeared Leona Evangelista

Name(s) of Signer(s)

,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

D. B. DIAZ
Notary Public - California
San Francisco County
Commission # 2260392
My Comm. Expires Oct 3, 2022

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature D. B. Diaz

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Document Date:

Number of Pages: Signer(s) Other Than Named Above:

Capacity(ies) Claimed by Signer(s)

Signer's Name:

☐ Corporate Officer — Title(s):
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other:

Signer Is Representing:

Signer's Name:

☐ Corporate Officer — Title(s):
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other:

Signer Is Representing:

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TRAVELERS

Travelers Casualty and Surety Company of America
Travelers Casualty and Surety Company
St. Paul Fire and Marine Insurance Company

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St. Paul Fire and Marine Insurance Company are corporations duly organized under the laws of the State of Connecticut (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint **LEONA EVANGELISTA** of **SAN FRANCISCO**, **California**, their true and lawful Attorney-in-Fact to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed, and their corporate seals to be hereto affixed, this **17th** day of **January, 2019.**

State of Connecticut

City of Hartford ss.

By: _____
Robert L. Raney, Senior Vice President

On this the **17th** day of **January, 2019**, before me personally appeared **Robert L. Raney**, who acknowledged himself to be the Senior Vice President of Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St. Paul Fire and Marine Insurance Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of said Companies by himself as a duly authorized officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My Commission expires the **30th** day of **June, 2021**

_____
Anna P. Nowik, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St. Paul Fire and Marine Insurance Company, which resolutions are now in full force and effect, reading as follows:

RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her; and it is

FURTHER RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is

FURTHER RESOLVED, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

FURTHER RESOLVED, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, **Kevin E. Hughes**, the undersigned, Assistant Secretary of Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St. Paul Fire and Marine Insurance Company, do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which remains in full force and effect.

Dated this **18th** day of **March**, **2021**.

_____
Kevin E. Hughes, Assistant Secretary

To verify the authenticity of this Power of Attorney, please call us at 1-800-421-3880.
Please refer to the above-named Attorney-in-Fact and the details of the bond to which this Power of Attorney is attached.

EXHIBIT A

FINANCIAL STATEMENTS

Red Roof Franchising, LLC and Subsidiaries

Consolidated Financial Statements
For the Years Ended December 31, 2021, 2020, and 2019

Red Roof Franchising, LLC and Subsidiaries
Consolidated Financial Statements
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plante moran

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Independent Auditor's Report

To the Board of Directors
Red Roof Franchising, LLC

Opinion

We have audited the consolidated financial statements of Red Roof Franchising, LLC and its subsidiaries (collectively, the "Company"), which comprise the consolidated balance sheet as of December 31, 2021, 2020, and 2019 and the related consolidated statements of operations, changes in member's equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021, 2020, and 2019 and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audits of the Consolidated Financial Statements* section of our report. We are required to be independent of the Company and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the consolidated financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audits of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that audits conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

PRAXITY
Empowering Business Globally

To the Board of Directors
Red Roof Franchising, LLC

In performing audits in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audits 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 Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Plante & Moran, PLLC

March 31, 2022

Red Roof Franchising, LLC and Subsidiaries
Consolidated Balance Sheets
For the Years Ended December 31, 2021, 2020 and 2019

	December 31, 2021	December 31, 2020	December 31, 2019
Assets			
Cash and cash equivalents	$ 37,460,680	$ 19,863,577	$ 8,546,945
Accounts receivable, net of allowance for doubtful accounts of $1,773,800, $1,704,400 and $1,651,100.	10,470,356	9,809,817	10,460,473
Receivable from affiliates	1,347,479	3,541,775	1,881,477
Prepaid expenses and other assets	956,313	784,458	921,689
Deferred franchise sales commissions	3,639,598	3,618,079	3,595,435
Key money receivable	987,666	-	-
Intangible assets, net of accumulated amortization of $51,395,733, $50,577,205, and $46,734,010	1,250,707	2,069,235	5,912,430
Deferred tax asset, net	994,958	901,141	-
Property and equipment, net of accumulated depreciation of $2,337,220, $2,009,321 and $1,668,313	945,537	1,100,165	1,426,798
Software, net of accumulated amortization of $7,559,282, $7,522,239 and $7,476,112	105,208	142,250	188,377
Total assets	$ 58,158,502	$ 41,830,497	$ 32,933,624
Liabilities and Member's Equity			
Accounts payable	$ 2,745,673	$ 3,150,274	$ 2,126,688
Note payable, affiliate	6,500,000	6,500,000	6,500,000
Paycheck Protection Program Loan	-	5,210,400	-
Deferred revenue	9,172,467	8,836,338	8,796,601
Accrued expenses	5,029,240	3,997,183	4,678,443
Deferred tax liability, net	-	-	153,555
Total liabilities	23,447,380	27,694,195	22,255,287
Member's equity	34,711,122	14,136,302	10,678,337
Total liabilities and member's equity	$ 58,158,502	$ 41,830,497	$ 32,933,624

Red Roof Franchising, LLC and Subsidiaries
Consolidated Statements of Operations
For the Years Ended December 31, 2021, 2020 and 2019

	December 31, 2021	December 31, 2020	December 31, 2019
Revenues			
Revenues	$ 84,448,945	$ 61,566,345	$ 80,016,439
Expenses			
Personnel costs	27,522,279	24,220,118	30,527,094
Sales and marketing	21,174,356	14,782,917	23,561,637
General and administrative	13,464,791	12,653,258	17,756,166
Service fees	-	-	327,658
Amortization	859,178	3,889,322	4,031,296
Depreciation	327,900	356,008	353,642
Total expenses	63,348,504	55,901,623	76,557,493
Income before interest and taxes	21,100,441	5,664,722	3,458,946
Other Expense (Income)			
Paycheck Protection Program Loan forgiveness	(5,210,400)	-	-
Interest expense	548,382	621,618	585,000
Interest income	(591)	-	-
Income before income taxes	25,763,050	5,043,104	2,873,946
Income tax expense	5,188,230	1,585,139	958,930
Net income	$ 20,574,820	$ 3,457,965	$ 1,915,016

The accompanying notes are an integral part of these consolidated financial statements.

Red Roof Franchising, LLC and Subsidiaries
Consolidated Statements of Changes in Member's Equity
For the Years Ended December 31, 2021, 2020 and 2019

	Member's Equity
Balance at December 31, 2018	$ 4,742,317
Net income	1,915,016
Capital contribution from member	4,700,000
Capital distribution to member	(678,996)
Balance at December 31, 2019	$ 10,678,337
Net income	3,457,965
Balance at December 31, 2020	$ 14,136,302
Net income	20,574,820
Balance at December 31, 2021	$ 34,711,122

The accompanying notes are an integral part of these consolidated financial statements.

Red Roof Franchising, LLC and Subsidiaries
Consolidated Statements of Cash Flow
For the Years Ended December 31, 2021, 2020 and 2019

	December 31, 2021	December 31, 2020	December 31, 2019
Cash flows from operating activities:			
Net income	$ 20,574,820	$ 3,457,965	$ 1,915,016
Adjustments to reconcile net income to net cash from by operating activities:			
Amortization	859,178	3,889,322	4,031,296
Depreciation	327,900	356,008	353,642
Paycheck protection program loan forgiveness	(5,210,400)	-	-
Change in deferred income taxes, net	(93,817)	(1,054,696)	(1,091,982)
Provision for bad debt expense	136,559	575,888	463,644
Changes in operating assets and liabilities:			
Accounts receivable	(797,098)	74,768	(373,391)
Prepaid expenses and other assets	(171,855)	137,231	18,326
Contract assets	(21,519)	(22,644)	(145,795)
Key money	(991,274)	-	-
Accounts payable	(404,601)	1,023,586	(399,316)
Accrued expenses	1,032,057	(681,260)	594,658
Deferred revenue	336,129	39,737	389,923
Payable/Receivable with affiliates	2,194,296	(1,660,298)	(2,545,730)
Net cash provided by operating activities	17,770,375	6,135,607	3,210,291
Cash flows from investing activities:			
Purchase of equipment and software	(173,272)	(29,375)	(393,625)
Purchase of trademark	-	-	(31,752)
Net cash used in investing activities	(173,272)	(29,375)	(425,377)
Cash flows from financing activities:			
Proceeds from paycheck protection program loan	-	5,210,400	-
Contribution from member	-	-	4,700,000
Distribution to member	-	-	(678,996)
Net cash provided by (used in) financing activities	-	5,210,400	4,021,004
Net change in cash and equivalents	17,597,103	11,316,632	6,805,918
Cash and cash equivalents, beginning of the period	19,863,577	8,546,945	1,741,026
Cash and cash equivalents, end of the period	$ 37,460,680	$ 19,863,577	$ 8,546,945
Supplemental disclosure:			
Interest Paid	$ 585,000	$ 585,000	$ 585,000

The accompanying notes are an integral part of these consolidated financial statements.

1. Organization

Red Roof Franchising, LLC (the **"Company"**) was organized during 2007 by Red Roof Inns, Inc. **("RRI")** and is a wholly owned subsidiary of RRI.

The Company is the franchisor for 605, 605, and 586 Red Roof Inns as of December 31, 2021, 2020 and 2019, respectively. The Company provides a variety of benefits for franchised hotels, which include national advertising, publicity and other marketing programs designed to increase brand awareness, training of personnel, continuous review of quality standards and centralized reservation systems.

During the third quarter of 2018, the Company introduced two new brand extensions: The Red Collection (the "**Red Collection**") and HomeTowne Studios by Red Roof ("**HomeTowne Studios**"). The Red Collection consists of upscale economy to midscale hotels, providing modern, accessible and affordable accommodations. HomeTowne Studios consists of extended stay hotels. As of December 31, 2021, the Company is the franchisor for 63 HomeTowne Studios and three Red Collection hotels.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and each of those subsidiaries, which it controls. All significant intercompany accounts and transactions are eliminated as part of the consolidation process.

Member Support

The Company may receive general and administrative support from RRI in the form of advances, services, and administration. These consolidated financial statements have been prepared from the separate records maintained by the Company and may not necessarily be indicative of the conditions or the results of the operations that would have existed if the Company had been operated as an unaffiliated company.

Use of Estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition

Refer to Note 3.

Cash and Cash Equivalents

RRI manages the Company's short-term liquidity through holdings of cash and highly liquid short-term investments with original maturities of three months or less when purchased. For the purposes of reporting cash and cash flows, these holdings are shown together as cash and cash

equivalents. Cash and cash equivalents at December 31, 2021, 2020 and 2019 was approximately $37.5 million, $19.9 million, and $8.5 million, respectively.

Concentration of Risk

Financial instruments, which potentially subject the Company to concentrations of credit risk, consist principally of cash and accounts receivable. As determined by the Company's management, the Company maintains its cash with high quality financial institutions and minimizes its exposure to accounts receivable through a diverse customer base. The Company maintains cash in excess of the amount insured by the Federal Deposit Insurance Corporation (**"FDIC").** Amounts deposited are insured by the FDIC up to $250,000. The Company's management periodically assesses the financial condition of the institutions and believes that the risk of any loss is minimal.

The Company defines a franchise group as a franchisee that owns more than one Red Roof franchised hotel. The Company had uncollateralized receivables of approximately $1.4 million, $1.1 million, and $1.0 million at December 31, 2021, 2020 and 2019, respectively, with its two largest franchise groups. For the years ended December 31, 2021, 2020 and 2019, the Company's two largest franchise groups accounted for approximately 9%, 11%, and 19% of total revenues, respectively.

Accounts Receivable

Accounts receivable are carried at their net realizable value and are expected to be collected in the normal course of business. An allowance for doubtful accounts is established for possible losses on outstanding receivable balances, with amounts charged to expense as necessary to establish the reserve. The allowance for doubtful accounts is based on management's assessment of the collectability of specific customer accounts, the aging of accounts receivable, historical experience and other currently available evidence. The allowance for doubtful accounts was approximately $1.8 million, $1.7 million, and $1.7 million as of December 31, 2021, 2020 and 2019, respectively. Bad debt expense was approximately $0.1 million, $0.6 million, and $0.5 million for the years ended December 31, 2021, 2020 and 2019, respectively, and is included in general and administrative expense in the consolidated statement of operations.

Key Money Receivable

In conjunction with brand and development programs, we strategically make certain payments to franchisees as an incentive to enter in new franchise agreements. If the franchisee remains in the franchise system in good standing over the term specified in the incentive agreement, the Company forgives the incentive ratably. If the franchisee exits our franchise system or is not operating their franchise in accordance with our quality and credit standards and is terminated, the franchisee must repay the unamortized incentive payment plus interest. The Company and a franchisee entered into a key money forgivable promissory note in 2021 for approximately $1.0 million. This note is included in the key money receivable in the consolidated balance sheet. The interest rate is 5% per annum.

These payments are recognized as an adjustment to the transaction price and capitalized as a key money asset. The key money asset is amortized on a straight line basis over the estimated benefit period of the arrangement as an offset to royalty fees and marketing and reservation fees.

As of December 31, 2021, the unamortized balance of the note was approximately $991,000. Amortization expense was approximately $3,600 for the year ended December 31, 2021, which is included as a contra-revenue account within franchise revenue on the statement of operations.

Intangible Assets

Intangible assets consist of the RRI trademark as well as franchise royalties. The trademark intangible is being amortized to expense on a straight-line basis over the estimated period the trademark will provide royalty relief to the individual hotels owned by RRI. The amortization period for the underlying hotels expires from 2022 through 2037. The franchise royalties intangible is being amortized to expense on a straight-line basis over the 13.5 year estimated useful life of the underlying franchise agreements. The trademark's net carrying value of approximately $3.6 million was contributed in 2012 to the Company from a subsidiary of RRI, while an additional $40,000 was paid in July of 2014 for an additional renewable trademark in China, which has an indefinite life and an additional $31,000 in January of 2019 for the HomeTowne Studios trademark which has a 10 year useful life. Whenever events or changes indicate that recoverability of the Company's intangible assets may not be supported by current assumptions, the Company reviews its intangible assets to determine if their carrying costs will be recovered from future undiscounted cash flows. In cases where the Company does not expect to recover its carrying cost, an impairment loss is recorded. No events or circumstances indicating impairment of intangible assets have been identified as of December 31, 2021, 2020 and 2019.

Software Costs

The Company capitalizes costs incurred in the acquisition of software for internal use, including the costs of the software, materials and consultants. Amortization of capitalized software is computed for financial reporting purposes on the straight-line method using estimated lives of 3 to 8 years. At December 31, 2021, 2020 and 2019 the Company had capitalized software of approximately $105,000, $142,000, and $188,000, net of accumulated amortization, respectively. Amortization expense was approximately $26,000, $35,000, and $35,000 for the years ended December 31, 2021, 2020 and 2019, respectively.

Property and Equipment

Property and equipment are recorded at cost. Expenditures for normal repairs and maintenance are charged to expense during the period in which the costs are incurred. The cost and related accumulated depreciation of assets sold or otherwise disposed of are removed from the accounts. Depreciation of property and equipment is computed for financial reporting purposes on the straight-line method using the following estimated lives:

Land improvements	15 years
Building and building improvements	5 to 39 years
Furniture, fixtures and equipment	3 to 10 years

Income Taxes

The Company's results are included in the consolidated tax return of RRI. Federal income taxes have been accounted for in accordance with ASC 740, Income Taxes. Deferred tax liabilities and assets are recognized for the estimated future tax effects of temporary differences between financial reporting and tax accounting. Under the separate return method, income taxes are recorded as if the Company were a separate taxpayer.

Accounting for Uncertainty in Income Taxes

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Company and recognize a tax liability if the Corporation has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS or other applicable taxing authorities. Management has analyzed the tax positions taken by the Company and has concluded that as of December 31, 2021, 2020 and 2019 there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Company is subject to routine audits by taxing jurisdictions. IRS audits are closed for the parent of the Company through the 2017 tax year.

Accrued Expenses

Accrued expenses primarily includes accrued wages, bonus and other labor-related costs.

Sales & Marketing

The Company promotes its brands on behalf of its franchised hotels primarily via its website, loyalty program, billboards, various other media and through services provided by a public relations and communication consultancy. The Company is reimbursed for the costs incurred on behalf of franchisees through franchise fees. The total of these expenses was approximately $21.2 million, $14.8 million, and $23.6 million for the years ended December 31, 2021, 2020 and 2019, respectively, and are included in sales and marketing expenses in the accompanying consolidated statement of operations.

Recent Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board ("**FASB**") issued Accounting Standards Update ("**ASU**") 2016-02, Leases (Topic 842). ASU 2016-02 requires organizations to recognize lease assets and lease liabilities on the balance sheet and also disclose key information about leasing arrangements. The new guidance will be effective for the Company's year ending December 31, 2022. The Company is currently evaluating the impact this ASU will have on its consolidated financial statements, but it expects that long term assets and lease liabilities will increase significantly due to the building lease in place. See Note 8 for additional information on the Company's lease commitments.

3. Revenue

Revenue Recognition

Franchise revenues are mainly comprised of royalties and marketing and reservation revenue with third-party hotel owners. The Company enters into franchise agreements that provides franchisees with the right to license and operate an inn as a Red Roof Inn. Each franchise agreement permits the franchisee to use the Red Roof logo together with other trade names, trademarks, slogans, signs, colors, insignia and copyrights. The franchisee is also permitted use of marketing and reservation, and other miscellaneous franchise services. The franchise agreements typically have an initial term of 20 years, which typically include the ability for the franchisee to terminate after a certain anniversary date or dates without penalty. The enforceable period of a franchise agreement extends until the date the franchisee or the Company can terminate the agreement without incurring a significant penalty. Initial franchise fees, initial software license fees, and transfer fees are deferred to the inn's opening date and recognized ratably over the enforceable contract period. If a franchise agreement terminates prior to the end of the enforceable period, the unrecognized initial and transfer fees are immediately recognized. These fees are typically paid at the time a franchise agreement is signed and are non-refundable.

Additionally, in some cases, the Company provides payments to customers as an incentive to enter into franchise agreements. This is considered a reduction to the transaction price. These payments are recorded as a key money receivable on the consolidated balance sheet and are amortized over the life of the franchise agreement. After a hotel opens, royalty fees and marketing and reservation fees are recognized over the term of the franchise agreement based on a percentage of gross room revenues as they occur and are due to the Company in the following month. Expenses relative to these fees are recognized as services are incurred or goods are received. As of December 31, 2021, the remaining duration of the franchise agreements range from one to twenty years. The franchise agreements may be terminated for default upon prior notice and/or upon payment of certain specified fees.

A performance obligation is a promise in a contract with a customer to transfer a distinct good or service to the customer. At each franchised hotel, the Company has a performance obligation to grant each franchisee the right to establish and operate one or more hotels utilizing the intellectual property of Red Roof. The consideration received from a customer is allocated to each distinct performance obligation and recognized as revenue when, or as, each performance obligation is satisfied. All obligations to franchisees are considered one performance obligation and, as a result, all revenues are recognized over the enforceable period. Each franchise agreement has the following performance obligations:

- *Franchise right and other related services*: The Company has obligations to provide franchisees with the right to operate a branded hotel, training, technology, a reservation system and sales and marketing services.
- *Material rights for free or discounted goods or services to hotel guests:* Primarily consists of the points issued under the Company's guest loyalty program, RediRewards.

Disaggregation of Revenue

The following tables disaggregate the Company's revenue by major source for the years ended December 31:

	2021	2020	2019
On-going royalties, sales and marketing, reservations and other fees	$ 82,717,066	$ 59,976,688	$ 78,069,136
Initial franchise, software license, and transfer fees	1,731,879	1,589,657	1,947,303
	$ 84,448,945	$ 61,566,345	$ 80,016,439

Loyalty Program

The Company's RediRewards loyalty program allows members to earn points which may be redeemed for a free night certificate or other awards. The Company collects from franchisees a percentage of loyalty program members' gross room revenue from completed stays to operate the program. When points are redeemed for free accommodations or other benefits, the Company reimburses franchisees or third parties based on a rate derived in accordance with the franchise or vendor agreement. The Company is the principal for the loyalty program because the

Company controls the percent of loyalty program members' gross room revenue that is collected from franchisees, the number of points required by loyalty members to earn a free night or other awards, and the amount reimbursed to franchisees and others when members redeem points. As a result, the Company recognizes revenue in the gross amount as those fees are charged to administer the loyalty program.

Loyalty points represent a performance obligation attributable to usage of the points, and thus revenues are recognized at the point in time when the loyalty points are redeemed by members for benefits. The transaction price is variable and determined in the period when the loyalty points are earned and the underlying gross room revenues are known. No loyalty program revenues are recognized at the time the loyalty points are issued.

Contract Liabilities

The balances of the contract liabilities for remaining performance obligations for which consideration has been received or receivable for initial franchise fees, initial software license fees, and transfer fees were approximately $7.1 million, $6.8 million, and $6.6 million for the years ended December 31, 2021, 2020, and 2019, respectively. The balance of the Company's contract liability for these fees was approximately $6.1 million as of January 1, 2019. These amounts are included in deferred revenue in the consolidated balance sheets. Revenue recognized that was previously recorded as a contract liability was approximately $1.7 million, $1.5 million, and $1.5 million for the years ended December 31, 2021, 2020, and 2019, respectively.

The balances of the contract liabilities for remaining performance obligations for which consideration has been received or receivable related to the Company's RediRewards loyalty program were approximately $2.1 million, $2.1 million, and $2.2 million, for the years ended December 31, 2021, 2020 and 2019, respectively. The balance of the Company's contract liability for the loyalty program was approximately $2.3 million as of January 1, 2019. These amounts are included in deferred revenue in the consolidated balance sheets.

Costs to Obtain and Fulfill a Contract

The incremental costs of obtaining a franchise agreement are those costs that would not have been incurred if the franchise agreement had not been obtained. The Company's incremental costs of obtaining a contract consists of sales commissions paid on both initial franchise agreements, renewals and transfers. Sales commissions are deferred and amortized ratably over the enforceable period of the franchise agreement, unless the franchise agreement is terminated and the hotel exits the system whereby remaining deferred amounts are expensed in the period of termination. Deferred franchise sales commissions totaled approximately $3.6 million as of December 31, 2021, 2020, and 2019 and are included in prepaid expenses in the consolidated balance sheets. Sales commission amortization expense was approximately $1.1 million, $0.9 million, and $1.0 million for years ended December 31, 2021, 2020, and 2019.

4. Property and Equipment

Property and equipment consist of the following:

	December 31, 2021	December 31, 2020	December 31, 2019
Land Improvements	$ 6,451	$ 6,451	$ 6,451
Buildings & Improvements	610,066	610,066	610,066
Major Equipment, Fixed Plant	176,502	176,502	176,502
FF&E	321,184	321,184	351,184
Computer Hardware	2,050,822	1,995,282	1,940,439
Construction in Process	117,732	-	10,469
Total	3,282,757	3,109,485	3,095,111
Less accumulated depreciation	(2,337,220)	(2,009,321)	(1,668,313)
Property and equipment, net	$ 945,537	$ 1,100,165	$ 1,426,798

Depreciation expense of the property and equipment was approximately $0.3 million, $0.4 million, and $0.3 million for each of the years ended December 31, 2021, 2020 and 2019, respectively.

5. Intangible Assets

Intangible assets consist of the following:

	December 31, 2021	December 31, 2020	December 31, 2019
Trademark (See Note 2)	$ 3,646,440	$ 3,646,440	$ 3,646,440
Franchise royalties	49,000,000	49,000,000	49,000,000
Less: accumulated amortization	(51,395,733)	(50,577,205)	(46,734,010)
	$ 1,250,707	$ 2,069,235	$ 5,912,430

Amortization expense of the intangibles was approximately $0.8 million, $3.8 million, and $4.0 million for the years ended December 31, 2021, 2020 and 2019, respectively. The unamortized balance of the trademark at December 31, 2021 will be charged to amortization expense through 2037 for years ended December 31 as follows:

2022	162,725
2023	111,370
2024	111,370
2025	111,370
2026	92,814
Thereafter	661,058
	$ 1,250,707

The franchise royalties were fully amortized in 2021.

6. Related Party Transactions

On January 1, 2012 RRI Reservations, LLC (**"Reservations"**), a wholly owned subsidiary of the Company, entered into a $6,500,000 demand promissory note with RRI. The note bears interest at a rate of 9% per annum. Beginning on April 1, 2012, the note requires quarterly payments of interest only. The note's principal and all accrued interest are due in full upon the demand of RRI. The note matures on December 31, 2021. Interest expense was approximately $0.6 million for each of the years ended December 31, 2021, 2020 and 2019. Accrued interest was approximately $0.1 million as of the years ended December 31, 2021, 2020 and 2019.

The Company paid a fee to RRI West Management, LLC (**"RRI West"**), an affiliate of RRI, in exchange for RRI West's provision of services to the Company including, (i) information technology services, (ii) procurement services and (iii) back office services, including, but not limited to general accounting services, payroll and benefits administration. The service fee is a flat monthly fee that adjusts from year to year. Service fees were approximately $0.3 million for the year ended December 31, 2019. The fee was discontinued in 2020 due to the decrease in company managed inns.

The Company pays an allocated charge to RRI West for use of a leased office building. Allocated rent charges were approximately $0.6 million, $0.5 million, and $0.4 million for each of the years ended December 31, 2021, 2020 and 2019 and are included in general and administrative expenses in the accompanying consolidated statement of operations.

Payable to affiliates primarily represents net cash receipts and disbursements of the Company, which were processed through a central cash account with RRI, and fees due to RRI West. The Company had an outstanding balance of approximately $1.3 million net receivable from RRI and RRI West as of December 31, 2021, $3.5 million net receivable from RRI and RRI West as of December 31, 2020, and approximately $1.9 million net receivable from RRI and RRI West as of December 31, 2019, including the accrued interest of approximately $0.1 million each year referenced above.

For the year ended December 31, 2019, the Company provided funding to its parent, which was accounted for as a distribution in the consolidated statement of changes in member's equity of approximately $0.7 million. There was no contributed capital or distribution in 2020 or 2021.

7. Income Taxes

The provision for income taxes consists of the following:

	December 31, 2021	December 31, 2020	December 31, 2019
Current:			
Federal	$ 4,050,800	$ 1,944,033	$ 1,365,617
State	1,231,246	695,803	685,295
Total current provision	5,282,046	2,639,836	2,050,912
Deferred:			
Federal	(76,540)	(858,408)	(890,894)
State	(17,276)	(196,288)	(201,088)
Total deferred benefit	(93,816)	(1,054,696)	(1,091,982)
Total income tax expense	$ 5,188,230	$ 1,585,139	$ 958,930

A reconciliation of the Company's effective income tax rate and the United States federal statutory income tax rate for the years ended December 31 are summarized as follows:

	2021		2020		2019	
Expected income tax at federal statutory rate	$ 5,465,225	21.0%	$ 1,059,051	21.0%	$ 603,474	21.0%
Effect of permanent differences	(1,093,353)	(4.2%)	15,127	0.3%	47,916	1.7%
Other	(139,050)	(0.5%)	178,809	3.5%	(49,797)	(1.7%)
Effect of state income taxes	955,408	3.7%	332,152	6.6%	357,337	12.4%
Total income tax expense	$ 5,188,230	19.9%	$ 1,585,139	31.4%	$ 958,930	33.4%

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax assets and liabilities consisted of the following at December 31:

	December 31, 2021	December 31, 2020	December 31, 2019
Deferred tax assets			
Deferred revenue	$ 875,594	$ 1,012,654	$ 575,364
Other	789,439	771,366	1,202,169
Total deferred tax assets	1,665,033	1,784,020	1,777,533
Deferred tax liabilities			
Property and equipment	99,435	157,646	117,047
Trademark intangible	321,336	368,732	423,704
Franchise royalties	-	155,717	1,089,983
Other	249,304	200,785	300,354
Total deferred tax liabilities	670,075	882,879	1,931,088
Net deferred tax assets (liabilities)	$ 994,958	$ 901,141	$ (153,555)

8. Leases

The Company is subject to rental payments under lease agreements for two offices. These leases are classified as operating leases and terminate in 2024 and 2025. Base rent expense related to the leases was approximately $0.2 million for each of the years ended December 31, 2021, 2020 and 2019 and is included in general and administrative expense in the consolidated statement of operations. Future minimum lease commitments under the noncancelable terms of the leases as of December 31, 2021 are as follows:

2022	149,664
2023	158,892
2024	122,472
2025	84,960
2026	-
$	515,988

9. Paycheck Protection Program Loans

During the year ended December 31, 2020, the Company received approximately $3.1 million, and Reservations received approximately $2.1 million in Paycheck Protection Program Loans (**"PPP Loan"**). The PPP Loan program was created under the Coronavirus, Aid, Relief, and Economic Security (CARES) Act and is administered by the Small Business Administration (SBA). Under the terms of this program, the loan(s) may be fully or partially forgiven if the loan proceeds are spent on qualifying expenses and if staffing level and salary maintenance requirements are met. The Company and Reservations may use the funds on qualifying expenses over a covered period of up to 24 weeks. At the conclusion of the covered period, any balance that is not forgiven by the SBA will be repaid over a period of 2 years with interest accruing at a rate of 1 percent, with monthly payments of principal and interest beginning ten months after the conclusion of the covered period.

Any request for forgiveness is subject to review and approval by the lender and the SBA, including review of qualifying expenditures and staffing and salary levels. In addition, because the Company's loan and Reservation's loan exceeds $2.0 million, the SBA will review the Company's and Reservation's loan files, which will include review of the Company's and Reservation's eligibility for the program and the good-faith certification of the necessity of the loans.

During the year ended December 31, 2021, the Company applied for and received notification of the forgiveness of the entire loan balance of approximately $5.2 million. The amount of the loan forgiven is included in the non operating income the accompanying consolidated statement of operations.

If the SBA determines the Company and or Reservations were not initially eligible under the program or concludes that the Company and Reservations did not have an adequate basis for making the good-faith certification of the necessity of each of their loans at the time of application, the loan(s) could become payable on demand. Furthermore, the SBA has the ability to review the Company's loan or Reservation's loan files for a period subsequent to the date the loans are forgiven or repaid in full. The results of any review could result in the SBA requesting additional

documentation to support the Company's and Reservation's initial eligibility for the loan, with the potential for the SBA to pursue legal remedies at its discretion.

10. Commitments and Contingencies

The Company provides financing in the form of franchise agreement acquisition payments to franchisees for hotel development efforts. These payments are typically made at commencement of construction or hotel opening, in accordance with agreed upon provisions in individual franchise agreements. At December 31, 2021, the Company had commitments to extend an additional $300,300 for these purposes provided the conditions of the payment are met by its franchisees.

The Company is involved, at times, in claims, legal and regulatory proceedings and governmental inquiries arising in the ordinary course of its business, including but not limited to: breach of contract, fraud and bad faith claims with franchisees in connection with franchise agreements and with owners in connection with management contracts, as well as negligence, breach of contract, fraud, employment, consumer protection and other statutory claims asserted in connection with alleged acts or occurrences owned, franchised or managed properties or in relation to guest reservations and bookings. The Company may also at times be involved in claims, legal and regulatory proceedings and governmental inquiries relating to bankruptcy proceedings involving efforts to collect receivables from a debtor in bankruptcy, employment matters, claims of infringements upon third parties' intellectual property rights, claims relating to information security, privacy and consumer protection, fiduciary duty/trust claims, tax claims, environmental claims and landlord/tenant disputes. Along with many of its competitors, the Company, its parent company, and certain franchisees have been named as defendants in litigation matters filed in state and federal courts, alleging statutory and common law claims related to the purported incidents of sex trafficking at certain franchised and managed hotel facilities. These matters are in the pleading or discovery stages at this time. As of December 31, 2021, the Company is aware of approximately 21 cases naming the Company and/or its parent company, of which 17 have been filed and are in various stages in the litigation process. Certain of the cases have been consolidated since initial filing. Due to the early stage of these matters, an estimate of the potential outcome or range of loss cannot be made at this time but could be significant.

The Company records an accrual for legal contingencies when it determines, after consultation with outside counsel, that it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. In making such determinations, The Company evaluates, among other things, the degrees of probability of an unfavorable outcome, and when it is probable that a liability has been incurred, its ability to make a reasonable estimate of loss. The Company reviews these accruals each reporting period and makes revisions based on changes in facts and circumstances, including changes to its strategy in dealing with these matters.

Litigation is inherently unpredictable and, although the Company believes that its accruals are adequate and/or that it has valid defenses in these matters, unfavorable results could occur. As such, an adverse outcome from such proceedings for which claims are awarded in excess of the amounts accrued, if any, could be material to the Company with respect to earnings and/or cash flows in any given reporting period. The Company does not believe that the impact of such litigation will result in a material liability to the Company in relation to its combined financial position or liquidity.

The Company is involved as a party in various legal proceedings, both as plaintiff and defendant. Management regularly analyzes current information relating to these legal proceedings and, as necessary, provides accruals for probable liabilities on the eventual disposition of these matters. While the ultimate results of claims and litigation cannot be predicted with certainty, as of the date of the consolidated balance sheet, there were no threatening or pending legal matters of which management was aware which would, in the opinion of management and legal counsel, have a material impact on the Company's results of operations, financial position or cash flows.

The Company is subject to environmental regulations related to the ownership, management and franchising of hotels. The cost of complying with the environmental regulations was not significant to the Company's results of operations for the years ended December 31, 2021, 2020 and 2019.

The Company is not aware of any environmental condition on its property which is likely to have a material adverse effect on the consolidated financial statements.

The Company maintains general and other liability insurance; however, certain costs of defending lawsuits, such as those below the retention or insurance deductible amount, are not covered by or are only partially covered by insurance policies, and our insurance carriers could refuse to cover certain claims in whole or in part. We regularly evaluate our ultimate liability costs with respect to such claims and lawsuits. We accrue costs from litigation as they become probable and estimable.

11. Subsequent Events

The Company has evaluated subsequent events for potential recognition or disclosure in the consolidated financial statements through March 31, 2022, the day the consolidated financial statements were available to be issued. No significant subsequent events have occurred.

EXHIBIT B

LIST OF STATE ADMINISTRATORS

LIST OF STATE ADMINISTRATORS

We intend to register this disclosure document as a "franchise" in some or all of the following states, if required by the applicable state laws. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, the following are the state administrators responsible for the review, registration, and oversight of franchises in these states:

CALIFORNIA Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 Toll Free: (866) 275-2677	**NEW YORK** New York State Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, New York 10005 (212) 416-8222
HAWAII Commissioner of Securities Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	**NORTH DAKOTA** North Dakota Securities Department State Capitol Department 414 600 East Boulevard Avenue, Fifth Floor Bismarck, North Dakota 58505-0510 (701) 328-4712
ILLINOIS Illinois Office of the Attorney General Franchise Bureau 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	**RHODE ISLAND** Department of Business Regulation Securities Division, Building 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527
INDIANA Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	**SOUTH DAKOTA** Division of Insurance Securities Regulation 124 South Euclid Avenue, 2nd Floor Pierre, South Dakota 57501 (605) 773-3563
MARYLAND Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360	**VIRGINIA** State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9051
MICHIGAN Michigan Attorney General's Office Corporate Oversight Division, Franchise Section 525 West Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, Michigan 48913 (517) 335-7567	**WASHINGTON** Department of Financial Institutions Securities Division – 3rd Floor 150 Israel Road, Southwest Tumwater, Washington 98501 (360) 902-8760
MINNESOTA Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101 (651) 539-1600	**WISCONSIN** Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-2139

EXHIBIT C

LIST OF AGENTS FOR SERVICE OF PROCESS

We intend to register this disclosure document as a "franchise" in some or all of the following states, if required by the applicable state law. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, we will designate the following state offices or officials as our agents for service of process in these states. There may be states in addition to those listed below in which we have appointed an agent for service of process. There may also be additional agents in some of the states listed.

CALIFORNIA Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 Toll Free: (866) 275-2677	**NEW YORK** New York Secretary of State New York Department of State One Commerce Plaza, 99 Washington Avenue, 6th Floor Albany, New York 12231-0001 (518) 473-2492
HAWAII Commissioner of Securities Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	**NORTH DAKOTA** North Dakota Securities Commissioner State Capitol 600 East Boulevard Avenue, Fifth Floor Bismarck, North Dakota 58505-0510 (701) 328-4712
ILLINOIS Illinois Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	**RHODE ISLAND** Director of Department of Business Regulation Department of Business Regulation Securities Division, Building 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527
INDIANA Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	**SOUTH DAKOTA** Division of Insurance Director of the Securities Regulation 124 South Euclid Avenue, 2nd Floor Pierre, South Dakota 57501 (605) 773-3563
MARYLAND Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360	**VIRGINIA** Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, Virginia 23219 (804) 371-9733
MICHIGAN Michigan Attorney General's Office Corporate Oversight Division, Franchise Section 525 West Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, Michigan 48913 (517) 335-7567	**WASHINGTON** Director of Department of Financial Institutions Securities Division – 3rd Floor 150 Israel Road, Southwest Tumwater, Washington 98501 (360) 902-8760
MINNESOTA Commissioner of Commerce Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101 (651) 539-1600	**WISCONSIN** Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-2139

EXHIBIT D

LIST OF FRANCHISEES

LIST OF RED ROOF INN FRANCHISEES
(as of December 31, 2021)

Franchising Entity	Inn Address	City	State	Zip Code	Phone
MA Bhagvayti, Inc	1218 Kelli Drive	Athens	AL	35613	256-232-2704
Neha and Falak Investment Inc.	610 McMeans Avenue	Bay Minette	AL	36507	870-814-7006
Baron Bessemer, LLC	4985 Academy Court	Bessemer	AL	35022	205-481-0007
VA Investments, LLC	1466 Montgomery Highway	Birmingham	AL	35216	678-614-7302
Vinit Hospitality, Inc.	6349 Alabama Highway 157	Cullman	AL	35057	256-734-8854
Darshan Hotel Investment LLC	3285 Montgomery Hwy	Dothan	AL	36303	334-793-4376
BJK, LLC	1600 Rainbow Drive	Gadsden	AL	35901	256-543-1105
Kanah Hospitality, LLC	3049 West 1st Street	Gulf Shores	AL	36542	251-968-8604
Shri Sitaram, LLC	1800 Dixie Lane SE	Hartselle	AL	35640	256-773-0180
TIYA Hospitality, LLC	1813 Crestwood Blvd	Irondale	AL	35210	205-956-3650
Krina, Inc.	8781 Madison Blvd	Madison	AL	35758	256-772-8470
Kaylen, LLC	5635 Tillman Corner	Mobile	AL	36619	251-660-9101
Saishivam Lodging LLC	I East I-65 Service Road South	Mobile	AL	36606	251-479-5333
SHREE HOTEL, LLC	2625 Zelda Road	Montgomery	AL	36107	334-269-9611
Shoals Hospitality One, LLC	2807 Woodward Avenue	Muscle Shoals	AL	35661	256-381-0236
Gaytri, Inc.	1520 Columbus Parkway	Opelika	AL	36804	334-742-0270
Jay Ram Hotels LLC	138 Elm St.	Oxford	AL	36203	678-296-4508
SHRIJI BARON PRATTVILLE LLC	2585 Cobbs Ford Road	Prattville	AL	36066	334-285-3420
Sheenal Inc.	1210 Industrial Parkway	Saraland	AL	36571	251-675-0100
Scottsboro 1 Hospitality, LLC	23518 John T. Reid Pkwy	Scottsboro	AL	35768	256-574-6740
Shirdi Sai Baba, LLC	40770 US Highway 280	Sylacauga	AL	35150	256-249-4321

Franchising Entity	Inn Address	City	State	Zip Code	Phone
Tuscaloosa Motels, Inc.	4810 Skyland Blvd E.	Tuscaloosa	AL	35405	205-556-1330
PSMH, LLC	2333 N. Washington St.	Forrest City	AR	72335	870-633-0870
Satya Prem Karuna LLC	1021 Garrison Avenue	Ft. Smith	AR	72901	479-783-0548
Red Hotel, LLC	1125 East Grand Avenue	Hot Springs	AR	71901	501-624-3321
Sankar Mori Hospitality LLC	8115 Frenchmans Lane	Little Rock	AR	72209	501-562-9383
SAI Lodging, Inc.	5711 Pritchard Drive	North Little Rock	AR	72117	501-945-0080
Vivaan Hospitality LLC	5300 N. State Line Ave	Texarkana	AR	71854	870-774-4444
Shri Ganeshay of West Memphis, LLC	1401 North Ingram Boulevard	West Memphis	AR	72301	870-735-7100
Dhruv Vidhya LLC	3275 East Andy Devine	Kingman	AZ	86401	928-757-1188
Maruti Nandan, LLC	17222 North Black Canyon Highway	Phoenix	AZ	85053	602-866-1049
Sai Phoenix Hospitality, LLC	4130 N Black Canyon Hwy	Phoenix	AZ	85017	602-536-5528
Shree Genesha, LLC	4940 West Ina Road	Tucson	AZ	85743	520-744-8199
JNML LLC	1300 N Stone Ave	Tucson	AZ	85705	520-770-1910
Route 66 Hospitality LLC	642 East Route 66	Williams	AZ	86046	928-635-4431
4975 West Valley, LLC	4975 Valley West Boulevard	Arcata	CA	95521	707-633-6148
Anaya Hospitality, Inc.	889 Oak Street	Bakersfield	CA	93304	661-336-0475
Krishnaharup, Inc.	850 West Hobson Way	Blythe	CA	92225	760-922-5145
JSK Hospitality Inc	394 Broadway	Chula Vista	CA	91910	619-420-6600
USA Sai Hotel Investment, Inc.	2286 Industrial Parkway West	Hayward	CA	94545	510-786-2844
Lompoc Investments, Inc.	1020 East Ocean Avenue	Lompoc	CA	93436	805-735-6444
NJ Properties, Inc.	2227 North Fremont Street	Monterey	CA	93940	831-372-7586
Mohan Doraiswamy	2306 W. Broadway	Needles	CA	92363	760-326-0300

Franchising Entity	Inn Address	City	State	Zip Code	Phone
Palmdale Hospitality, LLC	200 W. Palmdale Blvd	Palmdale	CA	93551	661-273-8000
Mehar Sekhon Hotel Group LLC	2220 Pine St	Redding	CA	96001	530-241-6300
Aaasye Galaxy Investments Llc	4325 Watt Ave	Sacramento	CA	95821	916-359-7663
Phoenix Hospitality, Inc.	7780 Stockton Boulevard	Sacramento	CA	95823	916-688-0248
RR San Dimas, L.P.	204 North Village Court	San Dimas	CA	91773	909-599-2362
Chandrakant and Kala Patel	1707 West Fremont Street	Stockton	CA	95203	209-466-7777
458 Fairgrounds Drive LLC	458 Fairgrounds Dr	Vallejo	CA	94589	707-642-7781
Pineapple Hotel Group	2210 Highway 6 and 50	Grand Junction	CO	81507	970-241-3020
Nirav, Inc.	5 Hazard Avenue	Enfield	CT	6082	860-741-2571
BK Patel, LLC	2300 Boston Post Road	Guilford	CT	6437	203-453-0123
Meriden Lodging Associates, LLC	10 Bee Street	Meriden	CT	6450	203-235-5154
Rowe Hospitality, LLC	10 Rowe Avenue	Milford	CT	6460	203-877-6060
Hartford Lodging, LLC	65 Columbus Boulevard	New Britain	CT	6051	860-348-1463
Savinder Hospitality, LLC	707 Colman Street	New London	CT	6320	860-444-0001
Khima LLC	425 Hartford Turnpike	Vernon	CT	6066	860-871-2432
Shree Lalji, LLC	652 North Dupont Highway	Dover	DE	19901	302-730-8009
Laburnum Hospitality, LLC	1612 North Dupont Highway	New Castle	DE	10720	302-428-1000
JSK Newark, LLC	415 Stanton Christiana Road	Newark	DE	19713	302-292-2870
Shir Swami Narayan, L.L.C.	1119 South College Ave	Newark	DE	19713	302-368-8521
Sainath Hospitality Corp	1088 South US 301 Hwy	Baldwin	FL	32234	904-266-9759
A&M Hospitality, LLC	1593 Main St.	Chipley	FL	32428	850-638-7335
Jay Shiv & Akash LLC	4255 South Ferdon Boulevard	Crestview	FL	32536	(850) 682-8842

Franchising Entity	Inn Address	City	State	Zip Code	Phone
Krisha RB, Inc.	326 Green Acres Drive	DeFuniak Springs	FL	32435	850-951-2210
Jalaram LLC	4915 E. 17th St.	Ellenton	FL	34222	941-729-0600
Arti Properties Inc.	3236 S. US HWY 1	Fort Pierce	FL	34982	771-461-2323
Sunstar Orangepark, Inc.	6099 Youngerman Circle	Jacksonville	FL	32244	904-777-1000
Sunstar Jaxairport, Inc.	1063 Airport Road	Jacksonville	FL	32218	904-741-4488
Sunstar Harts, Inc.	10901 Harts Rd	Jacksonville	FL	32218	904-751-3888
Raaghav LLC	151 Woodlawn Road	Macclenny	FL	32063	904-259-3000
Avalon Beach Inn, Inc.	2672 Avalon Boulevard	Milton	FL	32583	850-995-6100
Shivam Sundaram Hotels LLC	13000 North Cleveland Avenue	North Fort Myers	FL	33903	239-656-4000
Sai of Ocala One LLC	120 NW 40th Avenue	Ocala	FL	34482	352-732-4590
Winchester Hospitality, LLC	8296 South Orange Blossom Trail	Orlando	FL	32809	407-240-0570
QDI 1, LLC	8342 Jamaican Court	Orlando	FL	32819	407-574-7271
SVM Palm Coast, LLC	10 Kingswood Drive	Palm Coast	FL	32137	386-446-8180
JDH Hospitality, LLC	217 North US Highway 231	Panama City	FL	32405	850-215-2727
RRI Pensacola, LLC	7340 Plantation Road	Pensacola	FL	32504	850-476-7960
Shree Kapil Hospitality LLC	2591 Wilde Lake Boulevard	Pensacola	FL	32526	850-941-0908
Mayuri K LLC	4 N. New Warrington Rd.	Pensacola	FL	32506	850-454-0280
Jai-Amba-Ma, Inc.	2445 State Road 16	St. Augustine	FL	32092	904-829-1999
Clearwater Lodging, LLC	4999 N. 34th St.	St. Petersburg	FL	33714	732-207-8646
Rashi, LLC	2930 Hospitality Street	Tallahassee	FL	32303	850-385-7884
5001 Fair Ground Hospitality, LLC	5001 North US Route 301	Tampa	FL	33610	813-623-5245
Jax One Investments, LLC	11310 N. 30th Street	Tampa	FL	33612	813-971-7690

Franchising Entity	Inn Address	City	State	Zip Code	Phone
SaiHari Inc.	10121 Horace Avenue	Tampa	FL	33619	813-681-8484
Sai Inc of Wildwood One, Inc.	271 East State Route 44	Wildwood	FL	34785	561-704-1568
Bullet, Inc.	5320 Cherokee St.	Acworth	GA	30101	770-974-5400
Georgian Enterprises, LLC	1400 Dawson Road	Albany	GA	31707	229-888-3939
Atlanta Druid Hills Hotel, LLC	1960 North Druid Hills Road NE	Atlanta	GA	30329	404-321-1653
Palladium Hospitality LLC	3030 Washington Road	Augusta	GA	30907	706-737-1122
Kanti Kusum, Inc.	4328 Frontage Rd.	Augusta	GA	30909	706-228-3031
Aashutosh Hospitality, LLC	25 Tourist Drive	Brunswick	GA	31520	912-264-4720
SKD Hotel, Inc.	189 Jameson St.	Calhoun	GA	30701	706-629-8133
RKD Hospitality LLC	1125 Bankhead Highway	Carrollton	GA	30117	(770) 830-1000
NEHA Investments, LLC	28 GA-20 Spur	Cartersville	GA	30121	770-387-1800
Rama Hospitality	2450 Old National Parkway	College Park	GA	30349	678-791-5712
Sunrise Commerce Hotel Group, LLC	30747 Highway 441 S	Commerce	GA	30529	706-335-5183
Shubham and Miraj LLC	1529 West Walnut Ave	Dalton	GA	30720	706-226-1100
Legacy Trend Hospitality, LLC	12885 State Hwy. 251	Darien	GA	31305	912-625-1140
UMIYA Hotel, LLC	480 Holiday Circle	Forsyth	GA	31029	478-994-5691
Griffin Lodging LLC	1719 North Expressway	Griffin	GA	30223	(678) 697-1442
Helen Hotel LLC	8171 S. Main St.	Helen	GA	30545	706-878-8888
1979 Hinesville, LLC	70 Wallace Martin Drive	Hinesville	GA	31313	912-877-3000
Galaxy, LLC	520 Roberts Court Northwest	Kennesaw	GA	30144	770-429-0323
CMP Hotel, LLC	1460 George Busbee Parkway	Kennesaw	GA	30144	404-422-6736
Omkar Group, LLC	1363 Highway 40 East	Kingsland	GA	31548	912-729-1130

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Sai Hotels LLC	890 Ross Place	Lavonia	GA	30553	231-281-4588
K&R Hospitality, LLC	4840 Bill Gardner Parkway	Locust Grove	GA	30248	678-583-0004
Royal Hospitality Group Inc	2720 Riverside Drive	Macon	GA	31204	478-743-1482
Janam Madison Lodging LLC	1972 Eatonton Rd.	Madison	GA	30650	706-342-0054
KHAMLAI1983 Lodging LLC	1348 Southlake Plaza Drive	Morrow	GA	30260	770-968-1483
Evergreen Investments Newnan, LLC	590 Bullsboro Dr.	Newnan	GA	30265	770-502-8688
Khamlai Lodging, LLC	5171 Brook Hollow Parkway	Norcross	GA	30071	770-448-8944
QSR Perry Hospitality LLC	110 Perimeter Road	Perry	GA	31069	478-987-4454
Petsu Hospitality, Inc.	20 Mill Creek Circle	Pooler	GA	31322	912-748-4050
RishiRian LLC	4494 US HWY 17	Richmond Hill	GA	31324	912-756-3376
Shree Durga Shakti Inc.	217 Hwy 411 SE	Rome	GA	30161	(706) 234-3161
Bhole Shiv LLC	45 Fort Argyle Road	Savannah	GA	31419	(912) 927-8550
OM Hotels Abercorn LLC	11750 Abercorn Street	Savannah	GA	31419	(912) 226-7123
Varahi Hotel, LLC	2200 Corporate Plaza	Smyrna	GA	30080	770-952-6966
Kapilkirti LLC	316 S. Main St.	Statesboro	GA	30458	912-489-2626
Manish, Inc.	637 Highway 138 West	Stockbridge	GA	30281	678-782-4100
Gill Hospitality Group, LLC	3103 Lawrenceville - Suwanee Road	Suwanee	GA	30024	678-765-8101
Jay Ram Hotels2 LLC	1025 West 2nd Street	Tifton	GA	31794	256-404-5318
Thakoromila LLC	2811 North Ashley Street	Valdosta	GA	31602	229-242-2777
Shayna Hospitality, LLC	1870 State Route 18	West Point	GA	31833	706-643-9922
Maha Shakti, Inc.	1400 South Dayton Place	Ames	IA	50010	515-239-9999
Diggs Inn, LLC	500 30th Avenue	Council Bluffs	IA	51501	712-366-5555

Franchising Entity	Inn Address	City	State	Zip Code	Phone
Sai Ram, Inc.	5020 NE 14th Street	Des Moines	IA	50313	(515) 265-7511
Alsip Hotels Inc	12340 South Cicero Avenue	Alsip	IL	60803	708-389-1222
AH RRI Hotel LLC	22 West Algonquin Road	Arlington Heights	IL	60005	847-228-6650
Sohum Hotels Bloomington, LLC	1905 W Market Street	Bloomington	IL	61701	309-827-5333
RI & KI Hospitality LLC	212 West Anthony Drive	Champaign	IL	61820	217-352-0101
Pragat Hospitality, LLC	389 Lynch Drive	Danville	IL	61834	217-443-3388
Aareana Hospitality, LLC	340 S. Waukegan Road	Deerfield	IL	60015	847-205-1755
SBY Dekalb Inn, Ltd.	1212 West Lincoln Highway	DeKalb	IL	60115	815-758-8661
Sunstar Downers Inc.	1113 Butterfield Road	Downers Grove	IL	60515	630-963-4205
Sunstar Hoffman, Inc.	2500 Hassell Road	Hoffman Estates	IL	60169	847-885-7877
MRAJ Hospitality Inc.	1750 McDonough Street	Joliet	IL	60436	815-741-2304
Novak Hospitality, Inc.	2450 East 173rd Street	Lansing	IL	60438	708-895-9570
Shreeji Shree LLC	25640 South Friendship Drive	Monee	IL	60449	708-534-0022
Agraneeh Gove LLC	9424 Waukegan Rd	Morton Grove	IL	60053	847-965-6400
Shashtri Hospitality Inc.	1200 North Frontage Road	Palatine	IL	60074	(847) 392-2100
Palmetto Realty Group Inc.	1822 West War Memorial Drive	Peoria	IL	61614	309-316-2501
YDS Hospitality Inc.	3200 Singer Ave	Springfield	IL	62703	217-753-4302
NKP Hospitality, Inc.	2030 Formosa Road	Troy	IL	62294	618-667-2222
New Candle Sonal LLC	3031 Belvidere Road	Waukegan	IL	60085	847-623-1400
RR 2 Willowbrook LLC	7535 Kingery Highway/State Route 83	Willowbrook	IL	60527	630-323-8811
Rangmahol LLC	6325 South Scatterfield Road	Anderson	IN	46013	765-640-1356
Harvee Hospitality Corporation	503 Ley Drive	Auburn	IN	46706	260-927-8800

Franchising Entity	Inn Address	City	State	Zip Code	Phone
Elkhart Lodging LLC	2902 Cassopolis Street	Elkhart	IN	46514	574-262-3691
Indy Inns, LLC	3017 W. Coliseum Blvd	Fort Wayne	IN	46808	260-483-1591
OM SHIV KRUPA, LLC	1079 North Luther Road	Georgetown	IN	47122	812-923-0441
VARADA, LLC	1325 E. University Drive	Granger	IN	46530	574-271-4800
Shri Siddhivinayak,Inc.	110 Sheek Road	Greenwood	IN	46143	317-887-1515
Shivaya, LLC	9520 Valparaiso Court	Indianapolis	IN	46268	317-872-3030
Vidhi Hotels LLC	7314 East 21st Street	Indianapolis	IN	46219	(317)359-5500
Kuber of Indiana, LLC	8110 Shadeland Avenue	Indianapolis	IN	46250	317-712-3104
Chinmay Hospitality, LLC	2631 South Lynhurst Drive	Indianapolis	IN	46241	317-527-4639
Kentland Motel Inc.	205 South 7th Street	Kentland	IN	47951	219-474-5700
Shivoham LLC	4201 South Street	Lafayette	IN	47905	765-448-4671
SHRIJI HOTEL INC.	1615 North Baldwin Avenue	Marion	IN	46952	765-573-6844
AARIV LLC	8290 Georgia Street	Merrillville	IN	46410	219-738-2430
Ganpati LLC	110 West Kieffer Road	Michigan City	IN	46360	219-874-5251
Shiv Ambe, Inc.	2525 Chester Blvd	Richmond	IN	47374	765-962-7576
Shiv Lodging LLC	1522 West McClain Avenue	Scottsburg	IN	47170	812-752-2122
Vikat, LLC	10330 N US Hwy 31	Taylorsville	IN	47201	812-526-9747
American Eagle 5, LLC	1800 Old Decker Road	Vincennes	IN	47591	812-882-2100
FutureRain, LLC	115 US Highway 75	Holton	KS	66436	785-364-3172
RR Wichita Owner, LLC	7335 East Kellogg Drive	Wichita	KS	67207	316-685-1281
Kellogg Hospitality, LLC	6815 West Kellogg Drive	Wichita	KS	67209	316-942-5600
AARS LLC	196 Prince Royal Drive	Berea	KY	40403	859-985-8000

Franchising Entity	Inn Address	City	State	Zip Code	Phone
Shree Gajanan, LLC	3140 Scottsville Road	Bowling Green	KY	42104	270-781-6550
Pushpak Investment, LLC	154 Hospitality Road	Cadiz	KY	42211	(270) 522-7007
Shree Kesrinandan L.L.C.	10 Slumber Lane	Carrollton	KY	41008	502-732-7027
Nirangtar, LLC	807 Mammoth Cave St.	Cave City	KY	42127	270-773-3121
Corbin Hotel Group, LLC	1888 Cumberland Falls Hwy	Corbin	KY	40701	606-526-1400
South Eastern Hospitality, LLC	210 Brenda Ave	Danville	KY	40422	859-236-5525
SNK Holdings, Ltd	88 Blackburn Ln	Dry Ridge	KY	41035	859-824-3700
Welcome Hotel Erlanger, Inc.	599 Donaldson Road	Erlanger	KY	41018	859-727-3400
Gayatri Corporation	2805 Scottsville Rd	Franklin	KY	42134	270-586-8855
I Shree Hotel, LLC	1980 Haggard Court	Lexington	KY	40505	859-293-2626
Dharmaguru Hotels LLC	2241 Elkhorn Road	Lexington	KY	40505	707-295-9270
RAMA Lexington LLC	2651 Wilhite Drive	Lexington	KY	40503	859-277-9400
JKM Hospitality Inc.	110 Melcon Lane	London	KY	40741	606-862-8844
Bhavani, Inc.	9330 Blairwood Road	Louisville	KY	40222	502-426-7621
Sai Airport LLC	4704 Preston Highway	Louisville	KY	40213	502-968-0151
Ninat Hospitality, LLC	175 Toms Drive	Morehead	KY	40351	606-784-2220
1202 Murray LLC	1202 South 12th Street	Murray	KY	42071	270-753-1150
Riya Enterprises, LLC	5106 Cairo Road	Paducah	KY	42001	270-442-1616
ACORN HOSPITALITY LLC	111 Bahama Court	Richmond	KY	40475	859-625-0084
Sai Hospitality, LLC	101 Howard Drive	Shelbyville	KY	40065	502-633-4005
Ashtlaxmi, LLC	1201 Highway 27 South	Somerset	KY	42501	606-678-8115
Shiv Sai Hospitality Inc	1100 Interstate Dr.	Winchester	KY	40391	859-385-4191

Franchising Entity	Inn Address	City	State	Zip Code	Phone
Karma Hospitality, LLC	46053 North Puma Drive	Hammond	LA	70401	985-345-0003
Westbank Group, LLC	3750 Westbank Expressway	Harvey	LA	70058	504-348-1262
SHIV LODGING, L.L.C.	2125 Veterans Boulevard	Kenner	LA	70062	(504) 464-6464
Suhriday, LLC	1718 North University Avenue	Lafayette	LA	70507	337-233-3339
Paramguru, LLC	269 Highway 397	Lake Charles	LA	70615	337-990-0165
Shree Shankar, L.L.C. & Shree Krishna, L.L.C.	927 Martin Luther King Jr.	Monroe	LA	71203	318-388-8868
Kirit Tabelo, LLC	7408 Highway 182 East	Morgan City	LA	70380	985-384-5750
OM MAA OM, LLC	234 Lobdell Hwy	Port Allen	LA	70767	(225) 344-3638
Greenwood Hospitality LLC	7296 Greenwood Rd	Shreveport	LA	71119	318-751-9717
KADM Hospitality LLC	1662 Gause Boulevard	Slidell	LA	70458	985-641-8800
RRWM Hotel LLC	102 Constitution Drive	West Monroe	LA	71292	318-388-2420
Azad Sutton LLC	200 Worcester Providence Turnpike	Sutton	MA	1590	(508) 865-5222
Azad Woburn I LLC	19 Commerce Way	Woburn	MA	1801	781-935-7110
JAY SHREE KRISHNA ABERDEEN LLC	988 Hospitality Way	Aberdeen	MD	21001	410-273-7800
CMOTAM LLC	5810 Reisterstown Road	Baltimore	MD	21215	(410) 358-1105
Jai Swaminarayan Chestertown, LLC	160 Scheeler Road	Chestertown	MD	21620	410-810-0555
Capitol Hotel Management, LLC	9137 Baltimore Blvd	College Park	MD	20740	301-345-5000
Edgewood Lodging, Inc.	2116 Emmorton Park Rd	Edgewood	MD	21040	410-671-7981
Hotels USA Inc.	6600 Ritchie Highway	Glen Burnie	MD	21061	410-761-8300
Hanover Lodging LLC	7306 Parkway Drive South	Hanover	MD	21076	410-712-4070
JSK Jessup, LLC	8000 Washington Boulevard	Jessup	MD	20794	410-796-0380

Franchising Entity	Inn Address	City	State	Zip Code	Phone
Severn Enterprises, LLC	9050 Lanham Severn Road	Lanham	MD	20706	301-731-8830
T & N Hospitality, LLC	12525 Laurel Bowie Road	Laurel	MD	20708	301-498-8811
Greenspring Hotel, LLC	111 West Timonium Road	Lutherville-Timonium	MD	21093	410-666-0380
Goldstar, LLC	310 East Potomac Street	Williamsport	MD	21795	301-582-3500
A2 Hospitality Partners, LLC	3621 Plymouth Road	Ann Arbor	MI	48105	734-996-5800
Ann Arbor Hospitality, LLC	3505 South State Street	Ann Arbor	MI	48108	734-665-3500
Twins Hospitality, LLC	5050 Beckley Rd	Battle Creek	MI	49015	269-979-1100
Belleville Lodge, LLC	45501 North I-94 Service Drive	Belleville	MI	48111	734-697-2244
Benton Lodging, LLC	1630 Mall Drive	Benton Harbor	MI	49022	269-927-2484
RRI Dearborn Hospitality LLC	24130 Michigan Avenue	Dearborn	MI	48124	313-278-9732
Closing Group I, Inc.	24300 Sinacola Court NE	Farmington Hills	MI	48335	248-478-8640
Red Roof Flint LLC	G-3219 Miller Road	Flint	MI	48507	810-877-6441
SHREE PIYAJI CORPORATION	5131 28th Street SE	Grand Rapids	MI	49512	616-942-0800
Kalamazoo Lodging, LLC	5425 West Michigan Avenue	Kalamazoo	MI	49000	269-375-7400
Mahi Hospitality, Inc.	3701 East Cork Street	Kalamazoo	MI	49001	269-382-6350
Prime Hospitality Group Inc.	2755 S. Lapeer Road	Lake Orion	MI	48360	248-391-2755
NSJ Lodging, Inc.	7412 West Saginaw Highway	Lansing	MI	48917	517-321-7246
Lansing East Lodging, LLC	3615 Dunckel Road	Lansing	MI	48910	517-332-2575
PH Hospitality, Inc.	32511 Concord Drive	Madison Heights	MI	48071	248-583-4700
BST Hospitality LLC	17600 Dix Road	Melvindale	MI	48122	313-386-2050
Plymouth Lodging, Inc.	39700 Ann Arbor Road	Plymouth	MI	48170	734-459-3300
RRI Rochester Hospitality, LLC	2580 Crooks Road	Rochester	MI	48309	248-853-6400

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Olympic Hospitality LLC	966 South Outer Drive	Saginaw	MI	48601	989-754-8926
Southfield Hotel, LLC	27660 Northwestern Highway	Southfield	MI	48034	248-353-7200
RRI Taylor Hospitality, LLC	21230 Eureka Road	Taylor	MI	48180	734-374-1150
Troy MI Hospitality, Inc.	2350 Rochester Court	Troy	MI	48322	248-689-4391
RRI Warren Hospitality, LLC	26300 Dequindre Road	Warren	MI	48091	586-573-4300
Midwest Hospitality, L.L.C.	2600 Annapolis Lane North	Minneapolis	MN	55441	763-553-1751
Ajaydeep Inc	210 South Wildwood Drive	Branson	MO	65616	417-320-5011
Bridgeton Hotels LLC	3470 Hollenberg Drive	Bridgeton	MO	63044	(314) 733-9127
Ratanji, LLC	501 Northland Drive	Cameron	MO	64429	816-632-6623
Columbia Motels Inc.	201 East Texas Avenue	Columbia	MO	65202	573-442-0145
Bhavika Hotels LLC	307 Dunn Road	Florissant	MO	63031	314-831-7900
Jai Maharaj E&G Enterprise LLC	5927 Osage Beach Parkway	Osage Beach	MO	65065	573-348-4773
Patel Hospitality, LLC	11837 Lackland Road	Saint Louis	MO	63146	314-991-4900
Jai Shree Gayatri Llc	129 Saint Robert Boulevard	Saint Robert	MO	65584	573-336-2510
Ketan Enterprises, L.L.C.	3125 North Kentwood Avenue	Springfield	MO	65803	417-833-1500
S & P, LLC	14201 Cook Rd.	Biloxi	MS	39532	228-244-0236
Krisean Hospitality, LLC	280 Old Highway 80	Brandon	MS	39042	601-824-3839
Param Inc.	510 Hwy 45 North	Columbus	MS	39071	662-329-8788
Royal Living Gulfport LLC	9435 Hwy 49	Gulfport	MS	92305	228-864-7222
Kanaiya, LLC	6508 US HWY 49	Hattiesburg	MS	39401	601-301-6061
BAKA SEVEN, LLC	700 Larson Street	Jackson	MS	39202	601-969-5006
Maa Shree Santosi Inc.	2219 S. Frontage	Meridian	MS	39301	601-693-3210

Franchising Entity	Inn Address	City	State	Zip Code	Phone
Arya, Inc.	6824 Hwy 613	Moss Point	MS	39563	800-733-7663
RR Lodging, Inc.	810 Adcock St	Ridgeland	MS	39157	601-956-7707
Shivani Hospitality, Inc.	410 Dr Martin Luther King Jr Dr East	Starkville	MS	39759	434-368-8888
Om Sai Hospitality, LLC	1516 McCullough Blvd	Tupelo	MS	38804	713-782-9600
Orme Hospitality, LLC	20 Orme Drive	Vicksburg	MS	39180	601-636-1811
High Point Hospitality LLC	1202 Liberty Road	Archdale - High Point	NC	27263	336-861-3000
Havelock Hospitality, LLC	1800 Walnut Street	Cary	NC	27518	919-469-3400
Narayan Pooja, LLC	5111 Equipment Drive	Charlotte	NC	28269	704-598-0007
Durham Hospitality Groiup, LLC	4405 Highway 55 East	Durham	NC	27713	919-361-1950
RRI Durham, LLC	1915 North Pointe Drive	Durham	NC	27705	919-471-9882
Chapel Hill Enterprises, LLC	5623 Durham-Chapel Hill Boulevard	Durham	NC	27707	919-489-9421
BK Hospitality Group, Inc.	1902 Cedar Creek Road	Fayetteville	NC	28312	910-438-0748
Shiv Sai Krupa LLC	3136 Bordeaux Park Dr.	Fayetteville	NC	28306	910-486-8300
Radhe Swami Investments, LLC	2101 West Meadowview Road	Greensboro	NC	27403	336-852-6560
Sai Deep Hospitality, Inc.	615 Regional Road South	Greensboro	NC	27409	336-271-2636
A1 Hospitality, LLC	301 Greenville Boulevard SE	Greenville	NC	27858	(252) 756-2792
Wake Henderson LLC	200 Simmons Street	Henderson	NC	27536	252-438-6300
Samit Hospitality, Inc.	240 Mitchelle Drive	Hendersonville	NC	28792	828-697-1213
Shreeji Hospitality Airport, LLC	1184 Lenoir Rhyne Blvd	Hickory	NC	28602	704-393-5306
Sai Shiva, LLC	1723 Lejeune Blvd	Jacksonville	NC	28546	910-353-3336
Nyalkaran Inc.	1139 Johnston Parkway	Kenly	NC	27542	919-284-1050

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Shivam Lenoir Hotel, LLC	206 Blowing Rock Blvd.	Lenoir	NC	28645	828-394-9821
Arvind Joshi	1631 Cotton Grove Road	Lexington	NC	27292	336-357-6444
Pritesh, Inc.	3530 Capuano Rd	Lumberton	NC	28358	910-738-4281
95 Hospitality, LLC	3921 Arrow Drive	Raleigh	NC	27612	(919) 277-8485
1911 Rapids Inc	1911 Julian R Allsbrook Hwy	Roanoke Rapids	NC	27870	252-537-5252
Jai Ganesha Statesville LLC	1508 East Broad Street	Statesville	NC	28625	704-878-2051
NNR Hospitality, LLC	5107 Market Street	Wilmington	NC	28405	910-935-5045
Tara Ventures, LLC	5016 Hayes Place	Wilson	NC	27896	252-234-7172
Sant Operations LLC	165 26th Street West	Dickinson	ND	58601	701-483-1688
Paces Lodging Corporation	1921 44TH Street Southwest	Fargo	ND	58103	701-281-8240
MA Durga hotel Group, LLC	3939 N. 26th Street	Lincoln	NE	68521	402-477-1100
AA Hospitality, LLC	217 South Black Horse Pike	Bellmawr	NJ	8031	856-931-1010
DIA Hospitality, LLC	1073 US 206	Bordentown	NJ	8505	609-298-6100
VB Carteret Lodging LLC	1000 Roosevelt Avenue	Carteret	NJ	7008	732-541-9500
Edison Enterprise, LLC	860 New Durham Road	Edison	NJ	8817	732-248-9300
Mamta Freehold, LLC	4089 Route 9	Freehold	NJ	7728	732-462-3450
The Royal Hotel Group NJ, LLC	202 East White Horse Pike	Galloway	NJ	8205	(609) 652-3020
JSK Princeton, LLC	3203 Brunswick Pike	Lawrenceville	NJ	8648	609-896-3388
603 Fellowship, LLC	603 Fellowship Road	Mount Laurel	NJ	8054	856-234-5589
Mamta Hospitality, Inc.	3310 New Jersey 33	Neptune	NJ	7753	732-643-8888
Isha Hospitality LLC	1801 Route 47	Rio Grande	NJ	8242	609-886-6400
Bayside Enterprises, LLC	11 Centre Plaza	Tinton Falls	NJ	7724	732-389-4646

Franchising Entity	Inn Address	City	State	Zip Code	Phone
Westampton Hospitality LLC	2015 Burlington Mt. Holly Road	Westampton	NJ	8060	609-845-9400
University Hotels, LLC	2015 Menaul Blvd. NE	Albuquerque	NM	87107	505-881-3210
Hospitality Express Inns, Inc.	3304 West Highway 66	Gallup	NM	87301	505-722-7765
1009 Socorro OHM LLC	1009 N. California Street	Socorro	NM	87801	575-835-0276
Paradise II Limited Liability Company	4350 Paradise Road	Las Vegas	NV	89169	702-938-2000
Lakshmi Hotels, Inc.	8204 Park Road	Batavia	NY	14020	585-343-1000
Aasha, LLC	650 Old Front Street	Binghamton	NY	13905	716-725-7444
UBA Hotels LLC	42 Flint Road	Buffalo	NY	14226	716-689-7474
Saratoga Clifton, LLC	41 Old Route 146	Clifton Park	NY	12065	518-377-0222
Central NY Hospitality LLC	2 River Street	Cortland	NY	13045	607-756-4431
Fulton Hotel LLC	930 South First Street	Fulton	NY	13069	315-593-2444
Wolfsburg Holdings LLC	5370 Camp Road	Hamburg	NY	14075	716-648-7222
RHNY Hotels LLC	4820 West Henrietta Road	Henrietta	NY	14467	585-359-1100
Herkimer Motel, Inc.	100 Marginal Road	Herkimer	NY	13350	315-866-0490
Fairview Hotels, LLC	590 Fairview Street	Johnson City	NY	13790	607-729-8940
John Mark Parent	42 Finney Boulevard	Malone	NY	12953	518-483-8123
Windsor Hospitality, LLC	915 Union Avenue	New Windsor	NY	12553	845-564-7550
Mukesh Patel	6505 Niagara Falls Boulevard	Niagara Falls	NY	14304	(716) 283-8791
Jegg Realty Norwich, LLC	75 North Broad Street	Norwich	NY	13815	607-334-2200
Trigild IVL, LLC	2349 South Road Route 9	Poughkeepsie	NY	12061	973-767-8200
Nikanth Inc	931 US Route 9	Queensbury	NY	12804	518-745-4000
Gates Hotels LLC	155 Buell Road	Rochester	NY	14624	609-261-5905

Franchising Entity	Inn Address	City	State	Zip Code	Phone
Once Eleven LLC	6614 North Thompson Road	Syracuse	NY	13206	315-437-3309
RRI Venture Westbury LLC	699 Dibblee Drive	Westbury	NY	11590	516-794-2555
Akron Hotel Suites, LLC	2939 South Arlington Road	Akron	OH	44312	330-644-7748
American Business Ventures USA LP	1860 Austinburg Road	Ashtabula	OH	44010	440-275-2711
RPJ Hotels, LLC	4035 Mt. Carmel Tobasco Rd	Cincinnati	OH	45255	513-528-2741
Pranm Hospitality, LLC	5900 Pfeiffer Road	Cincinnati	OH	45242	513-793-8811
J & N Hospitality, LLC	2301 Sharon Road	Cincinnati	OH	45241	513-771-5552
Kentucky Hotels, LLC	8870 Governor's Hill Drive	Cincinnati	OH	45249	513-683-3086
Middleburg Group 2, Inc.	17555 Bagley Road	Cleveland	OH	44130	440-243-2441
Lake Erie Hospitality, LLC	1363 West McPherson Highway	Clyde	OH	43410	419-547-6660
Prestige Hospitality LLC	5001 Renner Road	Columbus	OH	43228	614-878-9245
Biloxi Hospitality LLC	7480 North High Street	Columbus	OH	43235	(614) 846-4907
INCEPT 1221 HOSPITALITY INC.	1221 East Dublin Granville Road	Columbus	OH	43229	614-885-4334
Ganga Hospitality of Ohio, LLC	4530 West Broad Street	Columbus	OH	43228	614-870-3700
Dayton North Suites, LLC	7370 Miller Lane	Dayton	OH	45414	937-898-1054
Ramanhari Hospitality, LLC	7911 Brandt Pike	Dayton	OH	45424	937-236-9361
Shabdkosh Ganesh LLC	2450 Dryden Road	Dayton-Moraine	OH	45439	937-298-0380
Buckeye Lodging, LLC	5125 Post Road	Dublin	OH	43017	614-764-3993
UJJAM, LLC	621 Midway Boulevard	Elyria	OH	44035	440-324-4444
Fine Line Investments, LLC	2580 Colonel Glenn Highway	Fairborn	OH	45324	937-426-6116
Swami Hospitality, LLC	1600 Fox Street	Findlay	OH	45840	419-422-8863
Hariichha, LLC	3510 Commerce Drive	Franklin	OH	45005	513-727-0440

Franchising Entity	Inn Address	City	State	Zip Code	Phone
Dhanlaxmi, LLC	4055 Jackpot Road	Grove City	OH	43123	614-871-9617
Hena, Inc.	10668 Lancaster Road	Hebron	OH	43025	740-467-7663
Cleveland Hotel Management, Inc.	6020 Quarry Lane	Independence	OH	44131	216-447-0030
Jay Sainath LLC	1000 Acy Avenue	Jackson	OH	45640	740-288-1200
N D M Hospitality LLC	702 Pike Street	Marietta	OH	45750	702-336-7866
DGK Hospitality, LLC	1570 Reynolds Road	Maumee	OH	43615	419-893-0292
Shivam Hospitality, LLC	5021 Eastpointe Drive	Medina	OH	44256	330-725-1395
Dayton Hotel Suites, LLC	222 Byers Road	Miamisburg	OH	45342	937-866-0705
Lake Erie Hospitality, LLC	11303 US Route 250 North	Milan	OH	44846	419-893-0292
Amiable LLC	3555 Hanley Road	Perrysburg	OH	43551	419-837-5250
GAJ Murti Hotels, Inc.	902 Scott Drive	Piqua	OH	45356	937-773-2314
Boardman Hospitality, LLC	1051 Tiffany South	Poland	OH	44514	330-758-1999
Welcome Hospitality Corporation	155 West Leffel Lane	Springfield	OH	45505	937-325-5356
Rickraj, Inc.	111 West McCauley Drive	Uhrichsville	OH	44683	740-922-0774
Shree Om Hospitality, LLC	1659 Bellefontaine Street	Wapakoneta	OH	45895	419-738-2184
Kings Island Hospitality, Inc.	909 South State Street	Westerville	OH	43081	614-890-1244
FOUR STAR HOTELS, LLC	29595 Clemens Road	Westlake	OH	44145	440-892-7920
Ohm Shree Ganesh Kuber Llc	8340 Ohio River Road	Wheelersburg	OH	45694	740-574-8431
AJP, LLC	2432 Veterans Blvd	Ardmore	OK	73401	580-223-7976
Avak Enterprise, LLC	309 South Meridian Avenue	Oklahoma City	OK	73108	405-947-8777
Desai, Marolia, Naik, LLC	4717 South Yale Avenue	Tulsa	OK	74135	918-622-6776
Jai Shree Ambe, LLC	2111 Biddle Rd	Medford	OR	97504	541-944-7538

Franchising Entity	Inn Address	City	State	Zip Code	Phone
Essington Hospitality, LLC	1846 Catasauqua Road	Allentown	PA	18109	610-264-5404
ASMI & OM, LLC	2650 Moravian Avenue	Allentown	PA	18103	610-797-1234
M&K Hotels LLC	1450 Harrisburg Pike	Carlisle	PA	17015	717-706-3862
Guruu, LLC	1110 Sheller Avenue	Chambersburg	PA	17201	717-264-8382
Manas Management LLC	14451 Clearfield Shawville Highway	Clearfield	PA	16830	814-762-8000
Deep, Inc.	2017 North Reading Road	Denver	PA	17517	717-336-4649
Pratik Palmer, Inc.	2415 Nazareth Road	Easton	PA	18045	610-253-0546
7865 EPA Hotels, LLC	7865 Perry Highway	Erie	PA	16509	814-868-5246
JSK Phila LLC	49 Industrial Highway	Essington	PA	19029	610-521-5090
Arts Hospitality LLC	111 Sheraton Drive Route 30	Greensburg	PA	15601	814-933-2761
Pia's Lodging LLC	950 Eisenhower Boulevard	Harrisburg	PA	17111	717-939-1331
Corporate Circle Harrisburg LLC	400 Corporate Circle	Harrisburg	PA	17110	717-657-1445
Hazelton Hotels, Inc.	1341 North Church Street	Hazle Twp.	PA	18202	570-454-2494
OHM Associates, Inc.	2700 Wilson Road	Hermitage	PA	16148	724-342-7200
Chocolate Avenue Hotel, LLC	1806 East Chocolate Avenue	Hershey	PA	17033	717-657-3965
Blue Stars Hospitality LLC	2390 Lincoln Highway East	Lancaster	PA	17602	717-397-6531
Dhan Hospitality LLC	2307 Lincoln Highway East	Lancaster	PA	17602	717-299-9700
JSK Oxford Valley, LLC	3100 Cabot Boulevard West	Langhorne	PA	19047	215-750-6200
Shree Jageshwar II LLC	488 West Third Street	Mifflinville	PA	18631	570-752-2100
Steel City Hotels LLC	6404 Steubenville Pike	Pittsburgh	PA	15205	412-787-7870
Red McKnight LLC	4607 McKnight Road	Pittsburgh	PA	15237	412-449-3322
RRI Bensalem LLC	3100 Lincoln Highway	Trevose	PA	19053	215-244-9422

Franchising Entity	Inn Address	City	State	Zip Code	Phone
1035 WBA Hotels, LLC	1035 Highway 315	Wilkes-Barre	PA	18702	570-829-6422
SSN Williamsport, LLC	234 US Highway 15	Williamsport	PA	17702	570-322-9050
Lakshmi Sai York, LLC	132 North George Street	York	PA	17401	717-843-8974
Middletwon Hospitality, Inc.	1359 West Main Road	Middletown	RI	2842	(401) 549-2718
Shreeji Hotel Group LLC	3025 N. Main St.	Anderson	SC	29621	864-226-6051
Girirajdharan, Inc.	1135 Sumter Highway	Bishopville	SC	29010	803-428-3200
SNG Hospitality Columbia, LLC	10 Berryhill Road	Columbia	SC	29210	803-798-9220
SNG Two Notch LLC	7431 Nates Road	Columbia	SC	29223	803-736-0850
AEKTA MOTELS LLC	810 Radford Boulevard	Dillon	SC	29536	843-774-4137
Pooja of South Carolina Inc.	132 New Painter Drive	Gaffney	SC	29341	864-206-0200
Harmony Hospitality, LLC	2801 Laurens Road	Greenville	SC	29607	864-297-4458
Harikrishana, Inc.	919 Montague Avenue	Greenwood	SC	29649	864-223-3979
Shiv Enterprises, LLC	1122 Hummingbird Lane	Hardeeville	SC	29927	843-784-2188
J.K. Enterprises, LLC	1037 Riverview Blvd	Rock Hill	SC	29732	803-329-3150
Siddivinayak, LLC	9091 Old Highway 6	Santee	SC	29142	803-854-3122
SAI9, LLC	105 Jones Road	Spartanburg	SC	29303	864-754-4455
Shree Shakti LLC	6765 Pottery Road	Spartanburg	SC	29303	864-587-0129
OM Hotels 77, LLC	115 Winningham Road	St. George	SC	29477	843-563-5551
Shree Kishabapa Group Inc.	1211 Camden Road	Sumter	SC	29153	803-469-4740
OM VALLABH LLC	1288 Sniders Highway	Walterboro	SC	29488	843-538-6266
SNG Airport LLC	2204 Airport Boulevard	West Columbia	SC	29170	803-708-1935
Timba, LLC	138 Frampton Drive	Yemassee	SC	29945	(843) 726-9400

Franchising Entity	Inn Address	City	State	Zip Code	Phone
SRI VENKATESWARA, LLC	1208 East Cherry Street	Vermillion	SD	57069	605-624-8005
Shree Jalaram Inc.	276 John McGhee Blvd.	Caryville	TN	37714	423-865-9456
LAXMI NARAYAN 1882 INC	2431 Williams St	Chattanooga	TN	37408	423-265-0008
Ganesh Hotel Group, LLC	7014 Shallowford Road	Chattanooga Airport	TN	37421	423-899-0143
Vilas Patel	30 Birmingham Highway	Chattanooga Lookout Mtn	TN	37419	423-821-7162
Shree Shantinath, LLC	197 Holiday Drive	Clarksville	TN	37040	931-905-1555
Sai Leela General Partnership	156 James Asbury Dr. NW	Cleveland	TN	37312	423-472-5566
Akshaykumar Patel	141 Buffalo Rd.	Clinton	TN	37716	865-457-9070
Chittaram GP	1548 Bear Creek Pike	Columbia	TN	38401	931-381-1410
Radhey Hospitality, LLC	1292 South Walnut Avenue	Cookeville	TN	38501	931-528-2020
Liam Hospitality, LLC	105 Executive Drive	Crossville	TN	38555	931-484-9691
Shivamaya Hotel Inc.	531 Patriot Drive	Dandridge	TN	37725	(865) 397-9437
Laxmi, LLC	600 North Tennessee Avenue	Etowah	TN	37331	423-781-7459
Gayatri MA, LLC	110 Northgate Drive	Goodlettsville	TN	37072	615-859-2537
Pranav, G.P.	2262 N Highland Ave	Jackson	TN	38305	731-951-0229
JC Hotels LLC	210 Broyles Drive	Johnson City	TN	37601	423-282-3040
Rajkamal Corp	100 Indian Center Court	Kingsport	TN	37660	423-378-4418
Rama Papermill LLC	1315 Kirby Road	Knoxville	TN	37909	865-584-3911
S.A.M. Associates	7525 Crosswood Boulevard	Knoxville	TN	37924	865-546-5700
Rupala Hospitality Inc.	5334 Central Avenue Pike	Knoxville North	TN	37912	865-688-1010
Narayani Inc.	208 Market Place Boulevard	Knoxville West	TN	37922	865-691-1664
Neel And Jay Sons LLC	126 Expressway Dr	Manchester	TN	37355	931-728-7551

Franchising Entity	Inn Address	City	State	Zip Code	Phone
Shree Shiv, LLC	6055 Shelby Oaks Drive	Memphis	TN	38134	901-388-6111
Om Shivay Namah Inc.	3265 Elvis Presley Boulevard	Memphis	TN	38116	901-345-8444
JMR Partnership	742 Dixie Lee Avenue	Monteagle	TN	37356	931-924-2900
Jai Jalaram Bapa Inc	2282 Armory Drive	Murfreesboro	TN	37129	615-893-0104
Shri Ganesha Partnership	2407 Brick Church Pike	Nashville	TN	37207	615-226-3300
Jai Shree Krishna, LLC	4271 Sidco Drive	Nashville Fairgrounds	TN	37204	615-832-0093
Pigeon Forge Parkway, LLC	2826 Parkway	Pigeon Forge	TN	37863	865-453-9151
Diwali Addison, LLC	4103 Belt Line Road	Addison	TX	75001	972-991-8888
Bhavihatan Hospitality LLC	6800 I-40 West	Amarillo	TX	79106	806-358-7943
Peacock Lodging Corporation	820 N. Watson Rd	Arlington	TX	76011	817-640-5151
Jay Bali, Inc.	8833 State Highway 146	Baytown	TX	77523	409-218-1195
Cardinal Hotel Holdings, L.P.	2310 I-10 South	Beaumont	TX	77707	409-842-8200
Uniti Pearland Hospitality LLC	2736 West Commerce Street	Buffalo	TX	75831	903-322-4202
Channelview Welcome Hospitality, LLC	16393 East Fwy	Channelview	TX	77530	772-971-9323
OM MAA OM LLC	1801 Ave F NW	Childress	TX	79201	940-937-6353
Ganesa, LLC	6805 South Padre Island Drive	Corpus Christi	TX	78412	361-992-9222
Kosmada, LLC	901 Navigation Boulevard	Corpus Christi	TX	78408	361-888-8599
Pushparam, LLC	2023 Regal Drive	Corsicana	TX	75109	903-875-2400
MPH Group, LLC	13685 North Central Expressway	Dallas	TX	75243	972-234-1016
Inspire Denton Hospitality, LLC	3116 Bandera Street	Denton	TX	76207	940-383-1681
S & R Hospitality LLC	1525 South Dumas Avenue	Dumas	TX	79029	806-935-4000
Dwarkadish, LLC	11400 Chito Samaniego Drive	El Paso	TX	79936	915-599-8877

Franchising Entity	Inn Address	City	State	Zip Code	Phone
KRIPH Hospitality LLC	7530 Remcon Circle	El Paso	TX	79912	915-587-9977
DilipKumar Patel	200 Pace Alsbury Court	Fort Worth	TX	76028	817-806-3080
Sneh Sarita Lodging, LLC	6600 South Freeway	Fort Worth	TX	76134	817-293-8595
Ganesh Blue Mound I, LP	5370 Blue Mound Rd.	Fort Worth	TX	76106	817-626-3566
Shiv & Dev, L.L.C.	3924 Avenue U	Galveston	TX	77550	832-766-3305
Park 10 Hospitality, LLC	15701 Park Ten Place	Houston	TX	77084	281-579-7200
Westchase Interests, LLC	2960 West Sam Houston Parkway South	Houston	TX	77042	713-785-9909
Rahil & Rohan, LLC	12929 Northwest Freeway	Houston	TX	77040	713-939-0800
Eastern Atlantic Company, LLC	15675 John F Kennedy Boulevard	Houston	TX	77032	832-243-7650
Diwali Houston East, LLC	11999 East Freeway	Houston	TX	77029	713-453-5425
P Swami Hospitality LLC	19319 Tomball Parkway	Houston	TX	77070	832-567-8484
A&P Hospitality, LLC	502 North Sam Houston Parkway East	Houston	TX	77060	281-506-7640
Woodland Joint Venture, LLC	17111 North Freeway	Houston	TX	77090	281-444-7500
My Vihan, LLC	16884 Northwest Freeway	Houston	TX	77040	281-741-3140
Hizari, LLC	9902 Gulf Freeway	Houston	TX	77034	713-941-0900
Mark Enterprises LLC	9821 FM 1960 Rd. W.	Humble	TX	77338	281-548-2900
A&B Patel Inc.	606 West Interstate 45	Huntsville	TX	77340	936-295-7595
JP Hotel Corp	8150 Esters Blvd.	Irving	TX	75063	972-929-0020
Sai Sherman LLC	925 Hwy 332	Lake Jackson	TX	77566	979-297-1161
Texas Street Hospitality LLC	1102 Texas Street	Lewisville	TX	75057	972-221-2121
I-30 Hospitality, LLC	707 North Access Road	Longview	TX	75602	903-212-3333

Franchising Entity	Inn Address	City	State	Zip Code	Phone
Ishvapremi Hospitality, LLC	6624 Interstate 27	Lubbock	TX	79404	806-745-2208
Kusum Hospitality LLC	11301 US-290 East	Manor	TX	78653	512-272-9373
JSK MGNT, Inc.	1300 North Central Expressway	McKinney	TX	75070	469-452-2807
Hanuman Holdings, LLC	3447 East I-30	Mesquite	TX	75150	972-270-4000
Baikrisk LLC	815 I-35 South	New Braunfels	TX	78130	830-626-7000
ANG II Pecos Hospitality, LLC	205 South Frontage Road	Pecos	TX	79772	432-455-2160
Bear Hospitality, LLC	4401 N Cage Blvd	Pharr	TX	78577	956-782-8880
Plano Joint Venture, LLC	1820 North Central Expressway	Plano	TX	75074	972-423-1300
Mann Ganga, LLC	1990 North I-35	Round Rock	TX	78681	512-310-1111
San Angelo Joint Venture, LLC	4205 South Bryant Boulevard	San Angelo	TX	76903	325-653-6966
SA Airport Hotel, LLC	333 Wolfe Road	San Antonio	TX	78216	210-340-4055
Platinum Sapphire Hospitality, LLC	6880 Northwest Loop 410	San Antonio	TX	78238	210-509-3434
Mulholland Hospitality LLC	11591 I-35	San Antonio	TX	78233	210-654-9111
Swami, LLC	4621 Rittiman Road	San Antonio	TX	78218	210-653-6325
Mara Sai Krupa, LLC	138 N. Ww White Rd.	San Antonio	TX	78219	214-763-8131
NAVJIVAN, LLC	817 I-35 North	San Marcos	TX	78666	512-754-8899
Vivek Hotels, LLC	20543 I-45	Spring	TX	77388	281-288-1117
Jigna Enterprises Inc.	400 SW H K Dodgen Loop	Temple	TX	76504	254-773-1515
Jai Bajranga Hospitality LLC	1614 Highway 34 South	Terrell	TX	75160	972-551-1090
Vipul Group, LLC	200 Golf Course Drive	Van Horn	TX	79855	432-283-2800
BAWA Venture LLC	720 South Martin Luther King Boulevard	Waco	TX	76704	254-752-3388
Silverstone Hospitality, LLC	2500 South Main Street	Weatherford	TX	76087	817-599-3700

Franchising Entity	Inn Address	City	State	Zip Code	Phone
Gayatri Hospitality LLC	1032 Central Freeway	Wichita Falls	TX	76306	940-766-6881
Vinod Patel	12323 Interstate 45 North	Willis	TX	77318	936-856-1906
SriSai Ram, Inc.	915 South Bluff Street	St. George	UT	84770	435-688-8383
Radhe Krishna L.L.C	887 Empire Drive SW	Abingdon	VA	24210	276-628-7131
2139 lee Inc.	2139 Lee Highway	Bristol	VA	24201	276-466-8800
250 West Hospitality, LLC	2011 Holiday Dr.	Charlottesville	VA	22901	540-846-3623
Kamala Corporation	889 Willis Lane	Culpeper	VA	22701	540-825-8088
Dahlgren Hospitality, LLC	4661 James Madison Parkway	Dahlgren	VA	22485	(540) 663-3060
DC Hotels Dumfries LLC	17133 Dumfries Rd	Dumfries	VA	22025	571-285-4700
Nirvi Enterprises, LLC	5324 Jefferson Davis Highway	Fredericksburg	VA	22408	540-898-1102
Sai Group LLC	386 Warrenton Road	Fredericksburg	VA	22405	540-371-6000
Ramlaxmi Investments, LLC	1925 Coliseum Drive	Hampton	VA	23666	757-838-1870
Patel Hospitality LLC	1131 Forest Hill Road	Harrisonburg	VA	22801	(540) 433-9353
Seenaria, LLC	2666 Old Galax Pike	Hillsville	VA	24343	276-728-9118
Leesburg Investments III LLC	721 East Market Street	Leesburg	VA	20176	703-777-6622
MH Hospitality Group, LLC	5016 South Amherst Highway	Madison Heights	VA	24572	434-845-7041
Manassas Lodging, LLC	10610 Automotive Drive	Manassas	VA	20109	703-335-9333
SAI Hospitality LLC	1424 North Main Street	Marion	VA	24354	276-378-0481
Shree Arihant of PG Inc.	12205 South Crater Road	Petersburg	VA	23805	804-733-0600
Shri Ganesh Hotel LLC	925 London Boulevard	Portsmouth	VA	23704	757-297-7408
Commerce Rd Hotel, LLC	4350 Commerce Road	Richmond	VA	23234	804-271-7240
JSK Stafford, LLC	26 Wicomico Drive	Stafford	VA	22554	540-659-4330

Franchising Entity	Inn Address	City	State	Zip Code	Phone
ATMA Management LLC	855 Bells Lane	Staunton	VA	24401	(540) 248-0888
SJHY Hospitality LLC	196 Ballard Court	Virginia Beach	VA	23462	757-490-0225
Global Corporation	5745 Northampton Boulevard	Virginia Beach	VA	23455	757-460-3414
Warrenton Lodging LLC	6 Broadview Avenue	Warrenton	VA	20186	540-347-4141
DADS Hotels, LLC	824 Capitol Landing Road	Williamsburg	VA	23185	757-259-1948
Mahaveer, Inc.	991 Millwood Pike	Winchester	VA	22602	540-667-5000
MBJM Corporation	1900 East Main Street	Wytheville	VA	24382	276-223-1700
Guruhari, LLC	4531 George Washington Memorial Highway	Yorktown	VA	23692	757-283-1111
Marko Hotels LLC	4830 Hayes Road	Madison	WI	53704	608-241-1787
Yash Hospitality, Inc.	6360 South 13th Street	Oak Creek	WI	53142	414-764-3500
PNDK, LLC	6305 MacCorkle Avenue SE	Charleston	WV	25304	304-909-5280
Martinsburg Hospitality LLC	209 Viking Way	Martinsburg	WV	25401	304-263-1800
KC Hotels, LLC	3714 East 7th Street	Parkersburg	WV	26104	304-485-1741

LIST OF FRANCHISEES WHO WERE TERMINATED, CLOSED THEIR INNS, OR TRANSFERRED THEIR INNS IN 2021

Franchisee Name	Inn City	Inn State	Franchisee Telephone	Inn Status
The Lodge in Hartselle LLC	Hartselle	AL	256-773-0180	Transfer
JOT PROPERTIES LLC	Tucson	AZ	520-571-1400	Ceased operations for other reasons
BW RRI IV LLC	Tucson	AZ	520-744-8199	Transfer
West Lodging LLC	Bishop	CA	760-873-3564	Terminated
ESL, LLC	Grand Junction	CO	970-241-3020	Transfer
SNG Clearwater LLC	Clearwater	FL	727-202-6868	Terminated
BW RRI III LLC	Tampa	FL	813-623-5245	Transfer
BW RRI IV LLC	Pensacola	FL	850-476-7960	Transfer
QDI 1, LLC	Orlando	FL	407-574-7271	Transfer
SAI National Hospitality Ventures, LLC	Atlanta	GA	404-600-6595	Terminated
Bhamara, LLC	Augusta	GA	706-736-6425	Terminated
Khamali5169 Lodging, LLC	Lithonia	GA	770-322-1400	Terminated
JAYBHOLE LLC	Smyrna	GA	678-354-2518	Terminated
AUM Sahaj LLC	Rome	GA	(706) 234-3161	Transfer
Jasmine Hospitality LLC	Valdosta	GA	229-242-2777	Transfer
Budget Inn of Cochran LLC	Statesboro	GA	912-489-2626	Transfer
V & D Enterprises, Inc.	Kingsland	GA	912-729-1130	Transfer
HJA Enterprises Inc	College Park	GA	678-791-5712	Transfer
Sega Hospitality, LLC	Darien	GA	n/a	Transfer
BW RRI IV LLC	Elkhart	IN	574-262-3691	Transfer
Satya Mann, LLC	Indianapolis	IN	317-527-4639	Transfer
Shivaya, LLC	Indianapolis	IN	317-872-3030	Transfer
Yagnapurush Hospitality LLC	Scottsburg	IN	812-752-2122	Transfer
TM Hotels, LLC	Marion	IN	765-573-6844	Transfer
PARILLNEEL, LLC	Park City	KS	316-744-7711	Terminated
VCHP Wichita, LLC	Wichita	KS	316-685-1281	Transfer
RRI Louisville LP	Louisville	KY	502-968-0151	Transfer

Franchisee Name	Inn City	Inn State	Franchisee Telephone	Inn Status
BR-LA Realty, LLC	Baton Rouge	LA	225-275-6600	Terminated
Jay VMK LLC	Houma	LA	985-580-6850	Terminated
Payall III, LLC	Bossier City	LA	318-747-7700	Terminated
BW RRI III LLC	Jessup	MD	410-796-0380	Transfer
BW RRI III LLC	Laurel	MD	301-498-8811	Transfer
Harvee Hotels Corporation	Coldwater	MI	517-279-1199	Terminated
Ankur Investment, Inc.	Melvindale	MI	313-386-2050	Transfer
Flint Gateway, Inc.	Flint	MI	810-877-6441	Transfer
FYK Surya Hospitality, LLC	Osage Beach	MO	573-348-4773	Transfer
Rachna, LLC	Fayetteville	NC	910-438-0748	Transfer
ASIP Management Inc.	Fayetteville	NC	910-486-8300	Transfer
Carteret Lodging LLC	Carteret	NJ	732-541-9500	Transfer
Shree Ram Hospitality LLC	Cortland	NY	607-756-4431	Transfer
Route 9 Hotel, LLC	Poughkeepsie	NY	973-767-8200	Transfer
JPR Hospitality Inc.	Holland	OH	419-866-5512	Terminated
AP Hotels, LLC	Reynoldsburg	OH	614-864-3683	Ceased operations for other reasons
BW RRI III LLC	Westlake	OH	440-892-7920	Transfer
Guru Hospitality Inc.	Oklahoma City	OK	405-632-6666	Terminated
Srivigna Management Inc.	Milesburg	PA	(814) 355-7521	Terminated
THAKOR6767 LLC	Columbia	SC	803-736-0850	Transfer
Shree Kishabapa Group Inc.	Sumter	SC	803-469-4740	Transfer
Ranchod 67, LLC	St. George	SC	843-563-5551	Transfer
The V LLC	Vermillion	SD	605-624-8005	Transfer
Central Avenue Lodging Group	Knoxville North	TN	865-688-1010	Transfer
Laxmi, LLC - Inactive	Etowah	TN	423-781-7459	Transfer
Lebanon Investment Corporation	Chattanooga	TN	423-265-0008	Transfer
Monarch Hotel Management LLC	Corpus Christi	TX	361-888-7663	Terminated
Austin Hotels, LLC	Austin	TX	512-835-2200	Terminated
Bhavani, Inc.	Port Aransas	TX	361-749-6427	Terminated
ADR Management Ltd.	New Braunfels	TX	830-626-7000	Transfer

Franchisee Name	Inn City	Inn State	Franchisee Telephone	Inn Status
Ingram Hospitality, LLC	San Antonio	TX	210-509-3434	Transfer
USA Hotel Lodging, Ltd.	Amarillo	TX	806-358-7943	Transfer
M&K Inn, LLC	San Marcos	TX	512-754-8899	Transfer
Jersey Village Lodging LLC	Houston	TX	(281) 741-3140	Transfer
Carter Hotel LLC	Ashland	VA	804-798-9221	Terminated
AB & RJ Hotel LLC	Yorktown	VA	757-283-1111	Transfer
Cedars Inn, Yakima Inc.	Yakima	WA	509-249-1000	Terminated
R-Roof Assets, LLC	Charleston	WV	304-925-6953	Transfer

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the Red Roof Inn System.

EXHIBIT E

FRANCHISE APPLICATION

Franchise Application

I. GENERAL INFORMATION

City and State of Proposed Location: _____

Development:
- ☐ New Construction
- ☐ Conversion
- ☐ Dual Brand

Type:
- ☐ Red Roof Inn
- ☐ Red Roof Inn and Suites
- ☐ Red Roof PLUS+
- ☐ Red Roof PLUS+ and Suites

II. SITE LOCATION/INFORMATION

A. Site Information:

Property Address: _____
(If new construction/address unavailable, list intersection and quadrant)

City:_____State:_____County _____

Zip:_____ Anticipated Opening Date:_____

Telephone Number (if in operation): _____

Facsimile Number (if in operation): _____

Number of Rooms_____+ Number of Suites_____= Total Number of Rooms _____

Public Facilities (i.e. restaurants, meeting space, health club):

Surrounding Attractions: _____

_____

_____

B. Competition Information:

Identify other facilities which are competitors in market area of proposed location:

Facility Name	Distance (miles, direction)	Age of Facility	# of Rooms	Rate
				Spring: $ Summer: $ Fall: $
				Spring: $ Summer: $ Fall: $
				Spring: $ Summer: $ Fall: $
				Spring: $ Summer: $ Fall: $
				Spring: $ Summer: $ Fall: $

III. CONVERSION INFORMATION: (only complete if a Conversion property applicant)

A. Hotel Performance: (provide requested information for previous 5 years)

Year _____ _____ _____ _____ _____

Occupancy _____ _____ _____ _____ _____

Average Daily Rate _____ _____ _____ _____ _____

Gross Room Revenues _____ _____ _____ _____ _____

B. Current Affiliation:

Is the property currently affiliated with a hotel chain? □ Yes □ No

Current Hotel Name: _____

IV. PROPOSED FRANCHISEE/OWNERSHIP INFORMATION

A. The Applicant is (select one of the following)

An Entity:

- ☐ Corporation
- ☐ Limited Liability Company
- ☐ General Partnership
- ☐ Limited Partnership
- ☐ Sole Proprietorship (Individual)
- ☐ Estate
- ☐ Trust
- ☐ Other: specify _____

B. Ownership of Franchisee

An Owner Information Form should be completed by <u>all</u> parties involved:

V. ENTITY INFORMATION (to be completed by entity Applicants only)

Entity Name: _____

State of formation:_____Date of formation: _____

Federal Tax ID: _____

Principal Business Address for Entity: _____

City:_____State:_____Zip: _____

Phone Number: _____

Entity Ownership:

Name:_____

Address:_____

City:_____State:_____Zip Code:_____

Telephone:_____Fax:_____

E-Mail Address:_____

Title:_____Ownership Percentage:_____

SSN:_____DOB:_____

Name:_____

Address:_____

City:_____State:_____Zip Code:_____

Telephone:_____Fax:_____

E-Mail Address:_____

Title:_____Ownership Percentage:_____

SSN:_____DOB:_____

Name:_____

Address:_____

City:_____State:_____Zip Code:_____

Telephone:_____Fax:_____

E-Mail Address:_____

Title:_____Ownership Percentage:_____

SSN:_____DOB:_____

Name:_____

Address:_____

City:_____State:_____Zip Code:_____

Telephone:_____Fax:_____

E-Mail Address:_____

Title:_____Ownership Percentage:_____

SSN:_____DOB:_____

****All owners are required to submit the above information regarding of ownership interest percentages. All owners having 20% or more ownership interest will be required to submit personal financial statements which are no older than 6 months from the date of the Application.**

PLEASE USE BLANK SHEET FOR ADDITIONAL OWNERS IF NEEDED

A. Hotel Ownership

List any Red Roof lodging facility currently or previously owned or partially owned and/or operated by the Applicant Entity or its owners:

Address	City, State	Phone	Dates of Ownership/Operation

List any other Hotels currently or previously owned or partially owned and/or operated by the Applicant entity:

Hotel Name	Address	City, State	Phone	Dates of Ownership/Operation

VI. CONTACT INFORMATION

A. Principal Contact for <u>Legal Notices:</u> (not a PO Box)

Full legal Name: First_____Middle_____Last_____

Address: _____

City:_____State:_____Zip: _____

Phone:_____Facsimile:_____Email: _____

B. Address and contact where you want Invoices sent:

Full legal Name: First_____Middle_____Last_____

Address: _____

City:_____State:_____Zip: _____

Phone:_____Facsimile:_____Email: _____

VII. MANAGEMENT INFORMATION

A. The proposed location will be managed by:

☐ The Applicant

☐ General Manager

Name:_____

Address:_____

Telephone:_____Email: _____

☐ A Management Company

Company Name:_____Company Contact: _____

Address: _____

Telephone:_____Email: _____

B. Experience

Describe the General Manager's or Management Company's experience (i.e. list of hotels owned or managed, years of experience)

_____

_____

_____

VIII. FINANCIAL INFORMATION

A. Financing

Do you currently own the location?

☐ **Yes - a copy of the recorded deed must accompany this application**

☐ **No:** A mortgage: □ Has been secured □ Is being negotiated

Lender Information

Name of lender(s): _____

Address: _____

Contact name: _____

Contact phone number:_____Contact email address: _____

Anticipated Closing Date:____/____/_____Loan Amount: $_____

Is this an SBA Loan? □ Yes □ No Comfort Letter Required? □ Yes □ No

IX. APPLICATION CHECKLIST

For this Application to be complete, the following items must be included:

☐ Franchise Disclosure Document Receipt, signed and dated on the day on which the FDD was received

☐ Application – signed and dated

☐ **Application Fee Check ($3,000)** – dated no earlier than the day after the 14th full calendar day following the date that Applicant signs the Franchise Disclosure Document Receipt

☐ Financial Statements – for: the Applicant in accordance with the following:

Corporation, Limited Liability Company, General Partnership, Limited Partnership:

1. Entity Balance Sheet (most recent year)
2. **Personal Financial Statement for all persons with a <u>20% or more</u> ownership interest in the Applicant**.

Sole Proprietor or Individual Owners:

1. Personal Financial Statement

Existing Hotels:

1. Hotel Profit and Loss Statement

☐ Corporate Document Requirements **(documents must be signed)**

Required Documents include:

For a Corporation:

a. Copy of currently effective Articles or Certificate of Incorporation from Secretary of State
b. List of the officers and directors of the corporation (name and title)

For a Limited Liability Company:

a. Copy of currently effective Articles or Certificate of Organization from Secretary of State
b. List of members or officers of the limited liability company (name and title with respect to any officers)

For a Partnership:

a. Copy of currently effective Certificate of Partnership from Secretary of State if a limited partnership
b. A list of all partners; and
c. Copy of the Partnership Agreement

For a Trust:

a. Copy of the Trust Agreement
b. A resolution authorizing the Applicant to enter into a franchise agreement for a Red Roof Inn

The complete names and addresses of all Trustees and Beneficiaries

☐ Proof of Land Control

Deed (or Property Tax Filling)

Lease Agreement (lease agreement must be for the Term of the Franchise Agreement)

X. ACKNOWLEDGMENTS

Applicant acknowledges that Red Roof Franchising, LLC, ("RRF") is relying on the information in this Application and all documents submitted by the Applicant and its owners in connection with or in support thereof. The Applicant therefore confirms, understands and acknowledges the following:

- All information contained in the Application is true and correct as of the date set forth below and such information is complete and not misleading due to an omission of any material information. The Applicant will inform RRF promptly of any material change to any information furnished in this Application. The undersigned has the authority to submit the Application and enter into the other documents contemplated hereby, including, without limitation, a Franchise Agreement.
- Neither the submission of the Application nor the execution of a Franchise Agreement or other documents will conflict with the terms of any agreement to which the Applicant is a party or by which the Applicant is bound. The undersigned has not been induced by RRF to terminate or breach any agreement with respect to the proposed location.
- Information concerning the Red Roof Inn system, including, without limitation, the Red Roof Inn Franchise Disclosure Document, has been made available to the undersigned. The undersigned is familiar with the system and its requirements.
- RRF does not enter into oral agreements with regard to granting franchises and an agreement with respect to the proposed franchise shall only come into effect upon the execution of a Franchise Agreement. As of the date of this Application, there are no oral agreements or understandings between the undersigned and RRF with respect to the proposed franchise.
- An Application Fee has been paid to RRI. If RRI rejects the Application, RRI will refund the Application Fee if RRI or its representatives have not visited Applicant's proposed hotel site or the area surrounding Applicant's proposed hotel site in connection with the Application or provided the Applicant with written architectural drawings or technical information. RRI does not offer refunds of the Application Fee under any other circumstances.
- Applicant authorizes credit bureaus, financial institutions, companies and individuals to disclose to RRF any and all information required for conducting any necessary credit and/or background investigations, for the confidential use of RRF in processing this Application.
- Applicant authorizes RRF to release information provided to it with this application as well as agreements sent to applicant related to Red Roof franchise to Franchisee's lenders.
- Applicant authorizes RRF to release Property Investment Plan prepared by RRF or other on its behalf in conjunction with the potential franchising of the site as a Red Roof lodging facility to any vendors who may be in a position to provide products or services to the applicant in completion of the Property Investment Plan.
- The undersigned, jointly and severally, agree to indemnify RRF, its subsidiaries or affiliates, and their respective directors, officers, agents, and employees, representatives, successors and assigns and to hold them harmless from all losses, consequently or directly or indirectly incurred (including legal/accounting fees and expenses) and arising from, or as a result of or in connection with the breach of any warranty or representation contained in this Application, or arising, as a result of or in connection with RRF's reliance on such warranties/representations. RRF shall have the right independently to take any action it deems necessary in its sole discretion to protect and defend itself against any threatened action subject to this indemnification, without regard to expense, forum or other parties which may be involved. RRF shall have sole and exclusive control over the defense of any

such action. This Application may be executed in counterparts, each of which shall be deemed an original which together shall constitute one instrument.

I certify that the information contained herein is true and complete. By my signature below, I expressly authorize any credit reporting agency, law enforcement agency, and any person, association, firm, company, financial institution, court system, personnel agency or credit bureau to furnish and release to Red Roof Franchising, LLC and/or its representatives, owners, partners, parents, subsidiaries, affiliates, successors and assigns ("RRF") any information it/they request including, but not limited to, information concerning my education, employment history, financial transactions, credit payment history, civil record, criminal record or legal judgments or any other record/report RRF may request with respect to this Application. The disclosed information will be used for the exclusive and confidential use of RRF.

Date:_____ Signature:_____

Date:_____ Signature:_____

Date:_____ Signature:_____

Date:_____ Signature:_____

Date:_____ Signature:_____

Date:_____ Signature:_____

Date:_____ Signature:_____

Date:_____ Signature:_____

Date:_____ Signature:_____

FOR ADDITIONAL OWNER INFORMATION IF NEEDED

Franchise Application

I. GENERAL INFORMATION

City and State of Proposed Location: _____

Development:
- ☐ Corporate to Franchise Transfer
- ☐ Franchise to Franchise Transfer
- ☐ Renewal
- ☐ Dual Brand

Type:
- ☐ Red Roof Inn
- ☐ Red Roof Inn and Suites Red
- ☐ Roof PLUS+
- ☐ Red Roof PLUS+ and Suites

II. SITE LOCATION/INFORMATION

A. Site Information:

Property Address: _____

City:_____State:_____County _____

Zip:_____ Anticipated Opening Date:_____

Telephone Number (if in operation): _____

Facsimile Number (if in operation): _____

Number of Rooms_____+ Number of Suites_____= Total Number of Rooms _____

Public Facilities (i.e. restaurants, meeting space, health club):

Surrounding Attractions: _____

_____

_____

B. Competition Information:

Identify other facilities which are competitors in market area of proposed location:

Facility Name	Distance (miles, direction)	Age of Facility	# of Rooms	Rate
				Spring: $ Summer: $ Fall: $
				Spring: $ Summer: $ Fall: $
				Spring: $ Summer: $ Fall: $
				Spring: $ Summer: $ Fall: $
				Spring: $ Summer: $ Fall: $

III. CONVERSION INFORMATION: (only complete if a Conversion property applicant)

A. Hotel Performance: (provide requested information for previous 5 years)

Year _____ _____ _____ _____ _____

Occupancy _____ _____ _____ _____ _____

Average Daily Rate _____ _____ _____ _____ _____

Gross Room Revenues _____ _____ _____ _____ _____

B. Current Affiliation:

Is the property currently affiliated with a hotel chain? ☐ Yes ☐ No

Current Hotel Name: _____

IV. PROPOSED FRANCHISEE/OWNERSHIP INFORMATION

A. The Applicant is (select one of the following)

An Entity:

- ☐ Corporation
- ☐ Limited Liability Company
- ☐ General Partnership
- ☐ Limited Partnership
- ☐ Sole Proprietorship (Individual)
- ☐ Estate
- ☐ Trust
- ☐ Other: specify _____

B. Ownership of Franchisee

An Owner Information Form should be completed by <u>all</u> parties involved:

V. ENTITY INFORMATION (to be completed by entity Applicants only)

Entity Name: _____

State of formation:_____Date of formation: _____

Federal Tax ID: _____

Principal Business Address for Entity: _____

City:_____State:_____Zip: _____

Phone Number: _____

Entity Ownership:

Name:_____

Address:_____

City:_____State:_____Zip Code:_____

Telephone:_____Fax:_____

E-Mail Address:_____

Title:_____Ownership Percentage:_____

SSN:_____DOB:_____

Name:_____

Address:_____

City:_____State:_____Zip Code:_____

Telephone:_____Fax:_____

E-Mail Address:_____

Title:_____Ownership Percentage:_____

SSN:_____DOB:_____

Name:_____

Address:_____

City:_____State:_____Zip Code:_____

Telephone:_____Fax:_____

E-Mail Address:_____

Title:_____Ownership Percentage:_____

SSN:_____DOB:_____

Name:_____

Address:_____

City:_____State:_____Zip Code:_____

Telephone:_____Fax:_____

E-Mail Address:_____

Title:_____Ownership Percentage:_____

SSN:_____DOB:_____

****All owners are required to submit the above information regarding of ownership interest percentages. All owners having 20% or more ownership interest will be required to submit personal financial statements which are no older than 6 months from the date of the Application.**

PLEASE USE BLANK SHEET FOR ADDITIONAL OWNERS IF NEEDED
EACH MEMBER MUST HAVE IT'S INDIVIUAL EMAIL ADDRESS

A. Hotel Ownership

List any Red Roof lodging facility currently or previously owned or partially owned and/or operated by the Applicant Entity or its owners:

Address	City, State	Phone	Dates of Ownership/Operation

List any other Hotels currently or previously owned or partially owned and/or operated by the Applicant entity:

Hotel Name	Address	City, State	Phone	Dates of Ownership/Operation

VI. CONTACT INFORMATION

A. Principal Contact for <u>Legal Notices:</u> (not a PO Box)

Full legal Name: First_____Middle_____Last_____

Address: _____

City:_____State:_____Zip: _____

Phone:_____Facsimile:_____Email: _____

B. Address and contact where you want Invoices sent:

Full legal Name: First_____Middle_____Last_____

Address: _____

City:_____State:_____Zip: _____

Phone:_____Facsimile:_____Email: _____

VII. MANAGEMENT INFORMATION

A. The proposed location will be managed by:

☐ The Applicant

☐ General Manager

Name:_____

Address:_____

Telephone:_____Email: _____

☐ A Management Company

Company Name:_____Company Contact: _____

Address: _____

Telephone:_____Email: _____

B. Experience

Describe the General Manager's or Management Company's experience (i.e. list of hotels owned or managed, years of experience)

_____

_____

_____

VIII. FINANCIAL INFORMATION

A. Financing

Do you currently own the location?

☐ **Yes - a copy of the recorded deed must accompany this application**

☐ **No:** A mortgage: ☐ Has been secured ☐ Is being negotiated

Lender Information

Name of lender(s): _____

Address: _____

Contact name: _____

Contact phone number:_____Contact email address: _____

Anticipated Closing Date:____/____/_____Loan Amount: $_____

Is this an SBA Loan? ☐ Yes ☐ No Comfort Letter Required? ☐ Yes ☐ No

IX. APPLICATION CHECKLIST

For this Application to be complete, the following items must be included:

☐ Franchise Disclosure Document Receipt, signed and dated on the day on which the FDD was received

☐ Application – signed and dated

☐ **Application Fee Check ($3,000)** – dated no earlier than the day after the 14th full calendar day following the date that Applicant signs the Franchise Disclosure Document Receipt

☐ Financial Statements – for: the Applicant in accordance with the following:

Corporation, Limited Liability Company, General Partnership, Limited Partnership:

1. Entity Balance Sheet (most recent year)
2. **Personal Financial Statement for all persons with a <u>20% or more</u> ownership interest in the Applicant, signed and dated**

Sole Proprietor or Individual Owners:

1. Personal Financial Statement (signed and dated)

Existing Hotels:

1. Hotel Profit and Loss Statement

☐ Corporate Document Requirements **(documents must be signed)**

Required Documents include:

For a Corporation:

a. Copy of currently effective Articles or Certificate of Incorporation from Secretary of State
b. List of the officers and directors of the corporation (name and title)

For a Limited Liability Company:

a. Copy of currently effective Articles or Certificate of Organization from Secretary of State
b. List of members or officers of the limited liability company (name and title with respect to any officers)

For a Partnership:

a. Copy of currently effective Certificate of Partnership from Secretary of State if a limited partnership
b. A list of all partners; and
c. Copy of the Partnership Agreement

For a Trust:

a. Copy of the Trust Agreement
b. A resolution authorizing the Applicant to enter into a franchise agreement for a Red Roof Inn

The complete names and addresses of all Trustees and Beneficiaries

☐ Proof of Land Control

Deed (or Property Tax Filling)

Lease Agreement (lease agreement must be for the Term of the Franchise Agreement)

X. ACKNOWLEDGMENTS

Applicant acknowledges that Red Roof Franchising, LLC, ("RRF") is relying on the information in this Application and all documents submitted by the Applicant and its owners in connection with or in support thereof. The Applicant therefore confirms, understands and acknowledges the following:

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- Neither the submission of the Application nor the execution of a Franchise Agreement or other documents will conflict with the terms of any agreement to which the Applicant is a party or by which the Applicant is bound. The undersigned has not been induced by RRF to terminate or breach any agreement with respect to the proposed location.
- Information concerning the Red Roof Inn system, including, without limitation, the Red Roof Inn Franchise Disclosure Document, has been made available to the undersigned. The undersigned is familiar with the system and its requirements.
- RRF does not enter into oral agreements with regard to granting franchises and an agreement with respect to the proposed franchise shall only come into effect upon the execution of a Franchise Agreement. As of the date of this Application, there are no oral agreements or understandings between the undersigned and RRF with respect to the proposed franchise.
- An Application Fee has been paid to RRI. If RRI rejects the Application, RRI will refund the Application Fee if RRI or its representatives have not visited Applicant's proposed hotel site or the area surrounding Applicant's proposed hotel site in connection with the Application or provided the Applicant with written architectural drawings or technical information. RRI does not offer refunds of the Application Fee under any other circumstances.
- Applicant authorizes credit bureaus, financial institutions, companies and individuals to disclose to RRF any and all information required for conducting any necessary credit and/or background investigations, for the confidential use of RRF in processing this Application.
- Applicant authorizes RRF to release information provided to it with this application as well as agreements sent to applicant related to Red Roof franchise to Franchisee's lenders.
- Applicant authorizes RRF to release Property Investment Plan prepared by RRF or other on its behalf in conjunction with the potential franchising of the site as a Red Roof lodging facility to any vendors who may be in a position to provide products or services to the applicant in completion of the Property Investment Plan.
- The undersigned, jointly and severally, agree to indemnify RRF, its subsidiaries or affiliates, and their respective directors, officers, agents, and employees, representatives, successors and assigns and to hold them harmless from all losses, consequently or directly or indirectly incurred (including legal/accounting fees and expenses) and arising from, or as a result of or in connection with the breach of any warranty or representation contained in this Application, or arising, as a result of or in connection with RRF's reliance on such warranties/representations. RRF shall have the right independently to take any action it deems necessary in its sole discretion to protect and defend itself against any threatened action subject to this indemnification, without regard to expense, forum or other parties which may be involved. RRF shall have sole and exclusive control over the defense of any

such action. This Application may be executed in counterparts, each of which shall be deemed an original which together shall constitute one instrument.

I certify that the information contained herein is true and complete. By my signature below, I expressly authorize any credit reporting agency, law enforcement agency, and any person, association, firm, company, financial institution, court system, personnel agency or credit bureau to furnish and release to Red Roof Franchising, LLC and/or its representatives, owners, partners, parents, subsidiaries, affiliates, successors and assigns ("RRF") any information it/they request including, but not limited to, information concerning my education, employment history, financial transactions, credit payment history, civil record, criminal record or legal judgments or any other record/report RRF may request with respect to this Application. The disclosed information will be used for the exclusive and confidential use of RRF.

Date:_____ Signature:_____

Date:_____ Signature:_____

Date:_____ Signature:_____

Date:_____ Signature:_____

Date:_____ Signature:_____

Date:_____ Signature:_____

Date:_____ Signature:_____

Date:_____ Signature:_____

Date:_____ Signature:_____

ADDITIONAL OWNER INFORMATION IF NEEDED

EXHIBIT F

FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

By and between

RED ROOF FRANCHISING, LLC

and

RED ROOF INN
FRANCHISE AGREEMENT

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EXHIBITS

EXHIBIT A – SUPPLEMENTAL TERMS
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Inn #_____

RED ROOF INN
FRANCHISE AGREEMENT

THIS RED ROOF INN FRANCHISE AGREEMENT (the "Franchise Agreement") is entered into as of _____, 20___ by and between RED ROOF FRANCHISING, LLC, a Delaware limited liability company ("Franchisor"), and , a ("Franchisee").

RECITALS:

Franchisor has the right to grant licenses for the establishment and operation of inns which are designed to compete directly with other brands in the economy segment of the lodging market utilizing certain procedures, policies, standards, specifications, controls, identification schemes and proprietary marks and information including prototypical architectural plans, designs, layouts and distinctive color schemes, a computer system and reservation system and management and personnel training programs (the "System"), all of which may be changed, improved or further developed from time to time.

The distinguishing characteristics of the System include, without limitation, the name and mark "Red Roof Inn" and the Red Roof Inn logo, together with such other trade names, service marks, trademarks and trade symbols, emblems, signs, slogans, trade dress, logos, colors, insignia and copyrights as Franchisor has adopted and has designated for use in connection with the System and as Franchisor may hereafter acquire or develop and designate for use in connection with the System (the "Proprietary Marks").

Franchisee desires to obtain a franchise and to obtain rights to the Proprietary Marks and to own and operate a Red Roof Inn (the "Inn") at the location identified on Exhibit A (the "Approved Location").

Franchisee understands and acknowledges the importance of operating in conformity with the System and of complying with such product, service and operational standards, specifications, policies and procedures for constructing or renovating the Inn, equipping the Inn, and operating the Inn (the "System Standards"), as may be published by Franchisor in hard copy and/or electronic form, as amended or supplemented by Franchisor in its sole discretion from time to time (the "Manuals").

Franchisee has conducted an independent investigation into the feasibility and advisability of establishing the Inn at the Approved Location, and has had the opportunity to consult with legal, accounting and other advisors of Franchisee's own choosing in making a decision to enter into this Franchise Agreement and establish the Inn at the Approved Location.

As used in this Franchise Agreement, "Affiliate" or "Affiliates" means an entity or entities controlled by, controlling or under common control with, another entity.

NOW, THEREFORE, in consideration of the mutual undertakings and commitments set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. GRANT

1.1 Grant of Franchise: As of the Opening Date (as defined below), Franchisor grants Franchisee the right, and Franchisee undertakes the obligation, to operate the Inn as a Red Roof Inn at the Approved Location and to use the System and the Proprietary Marks in compliance with the Standards and the terms of this Franchise Agreement in connection with the ownership and operation of the Inn. Franchisee shall not operate the Inn from or at any other address or location. The "Opening Date" means

the date specified in a written notice and signed by an authorized representative of Franchisor as the approved date on which Franchisee is permitted to begin operating as a Red Roof Inn. Franchisor shall have no obligation to approve an Opening Date until Franchisee has completed the renovation or construction of the Inn in strict accordance with Section 5 of the Franchise Agreement (and, as applicable, the Construction Addendum or the Renovation Addendum attached hereto and incorporated herein (each as defined herein)) and Franchisor has had a reasonable opportunity to confirm completion by site inspection. If Franchisor approves a conditional opening, as described in the applicable Construction or Renovation Addendum, the approved conditional opening date is the Opening Date.

1.2 Exclusive Territory: If: (i) neither Franchisee nor any Affiliate is in default under the terms of this Franchise Agreement or any other agreements with Franchisor or its Affiliates and (ii) during the last twelve (12) consecutive months, the Inn has met or exceeded all quality assurance and guest complaint standards published by Franchisor, then Franchisor shall not establish or operate, or grant any other person or entity the right to establish or operate a Red Roof Inn at any location within the geographic area defined in Exhibit A to this Franchise Agreement (the "Exclusive Territory"). This provision shall not apply to any Red Roof Inns in existence as of the date of this Franchise Agreement, as identified in Exhibit A hereto (including any replacement for such location).

1.3 Limitations of Franchise:

1.3.1 Notwithstanding Section 1.2, Franchisee acknowledges and agrees that Franchisor or its Affiliates may establish or operate, or grant any person or entity the right to establish or operate a Red Roof Inn at any location outside the Exclusive Territory, including locations adjacent, adjoining or proximate to the Exclusive Territory, which may compete directly with the operation of the Inn. Franchisee further acknowledges and agrees that, except as specifically provided in Section 1.2, Franchisor and its Affiliates have and retain the right to engage in any business activities, under any name, at any location, without granting Franchisee any right therein, including, without limitation, the right to establish or operate, and to grant others the right to establish or operate, inns, motels, hotels and other lodging facilities (including, without limitation, extended stay, limited service, full service, resort, economy, luxury, and ultra-luxury facilities) under marks and names similar to or different from the Proprietary Marks at any location, including locations within, adjacent, adjoining or proximate to the Exclusive Territory. Affiliates of Franchisor will have the right to franchise or operate The Red Collection and HomeTowne Studios system brands within the Exclusive Territory.

1.3.2 Franchisee acknowledges that Franchisor and its Affiliates have and may have business interests other than the operation of the network of Red Roof Inns and that they, in their sole discretion, may identify, define, and act upon such interests in the manner they deem appropriate. Franchisee further acknowledges that business decisions made by Franchisor and its Affiliates may impact Franchisee, agrees that Franchisor and its Affiliates have no express obligation or implied duty to protect Franchisee from the consequences of such business decisions, and expressly waives any right to assert any claim against Franchisor or its Affiliates based on the existence, actual or arguable, of any such obligation or duty.

2. TERM

2.1 Initial Term: The initial term of this Franchise Agreement shall commence on the date that this Franchise Agreement is accepted and executed by Franchisor in Columbus, Ohio (the "Effective Date") and shall expire on the Expiration Date, as shown on Exhibit A to this Franchise Agreement (the "Expiration Date"), unless sooner terminated in accordance with the provisions hereof.

2.2 Renewal: If Franchisee desires to renew this franchise for one additional period of ten (10) years, Franchisee shall submit a renewal application to Franchisor not less than twelve (12) months nor more than eighteen (18) months before the end of the initial term. Upon receipt of Franchisee's renewal application, Franchisor shall have the right, in its reasonable discretion, to preliminarily approve or disapprove Franchisee's application. Franchisor shall notify Franchisee of its preliminary decision, in writing, not less than nine (9) months before the end of the initial term. Notwithstanding Franchisor's preliminary approval, Franchisee's right and Franchisor's obligation to renew this franchise is expressly subject to Franchisee's continuing compliance with the following terms and conditions:

2.2.1 Upon the expiration of the initial term, Franchisee shall not then be in default of any provision of this Franchise Agreement, including any amendments or replacements hereof, or any other agreement between Franchisee and Franchisor, including any other franchise agreement, or in default of any agreement with Franchisor's approved or designated suppliers, and Franchisee shall have substantially complied with all the terms and conditions of such agreements during their respective terms.

2.2.2 Upon the expiration of the initial term, Franchisee shall have satisfied all monetary obligations owed by Franchisee to Franchisor and to all approved or designated suppliers to the Inn and shall have met these obligations on a timely basis throughout the term of this Franchise Agreement.

2.2.3 Not less than six (6) months before the end of the initial term, as a condition to renewal, Franchisee shall, among other things: (i) cause the Manager, as that term is defined in Section 5.5, below, and any other employees designated by Franchisor to comply with Franchisor's then-current training requirements and (ii) agree to upgrade the Inn (and sign an agreement that Franchisor prepares to document such obligation), at Franchisee's expense, to conform to Franchisor's then-current Standards and specifications, including, without limitation, such structural changes, remodeling, redecoration, and modifications to existing improvements as may be required by Franchisor. All such training requirements and upgrades shall have been completed, to Franchisor's sole satisfaction, upon the expiration of the initial term.

2.2.4 Franchisee and Franchisee's owners shall execute a general release of any and all claims that Franchisee, the owners or their Affiliates may have, have had, or may have in the future against Franchisor and Franchisor's Affiliates and the officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each of Franchisor and Franchisor's Affiliates, past or present, in their corporate and individual capacities, including, without limitation, claims arising under this Franchise Agreement or under federal, state or local laws, rules, regulations or orders, related to acts, omissions or claims which arose or accrued before the date of the renewal.

2.2.5 Franchisee shall execute Franchisor's then-current franchise agreement and then-current ancillary agreements for the ten (10) year renewal term. If the renewal is approved by Franchisor, such renewal franchise agreement shall supersede in all respects this Franchise Agreement and the terms thereof may differ from the terms of this Franchise Agreement including, without limitation, different royalty and marketing and reservation fees.

2.2.6 Franchisee shall pay a renewal fee in an amount equal to fifty percent (50%) of Franchisor's then-current initial franchise fee.

3. DUTIES OF FRANCHISOR

3.1 Assistance by Franchisor: In addition to the other duties and obligations set forth in this Franchise Agreement, Franchisor shall:

3.1.1 Make training programs available to Franchisee on the terms and conditions set forth in Section 5.6. Franchisor may provide continuing training, consultation and advisory assistance to Franchisee in the management, operation and marketing of the Inn in the manner, at such times, and upon such other terms and conditions (including, but not limited to, fees payable for such assistance) as Franchisor deems advisable.

3.1.2 Provide Franchisee, on loan, one (1) hard copy set of the Manuals, or make such Manuals available in electronic form, accessible by Franchisee.

3.1.3 Provide for a system for receiving and transmitting guest reservations for stays at Red Roof Inn locations, including without limitation all software, equipment, communications facilities, personnel and services for the operation of the system (the "Reservation System"). The Reservation System may be operated by Franchisor, an Affiliate of Franchisor or a third party supplier of Franchisor's choosing, as provided in the Manuals or otherwise in writing.

3.1.4 Publish a directory of Red Roof Inn locations and information concerning Red Roof Inn services for guests (the "Directory") periodically.

3.1.5 Designate for Franchisee the computer and data communication hardware, software, and communications facilities and services ("Computer System") to be used in connection with operating a Red Roof Inn.

3.2 Delegation by Franchisor: Franchisee acknowledges and agrees that any duty or obligation imposed on Franchisor by this Franchise Agreement (including any duty or obligation under Section 3.1) and any right or power conferred on Franchisor may be performed or exercised, at Franchisor's discretion, by any designee, employee, supplier, contractor or agent of Franchisor, which may include Affiliates, as Franchisor may approve or designate. Such persons may be referred to as "approved or designated suppliers."

4. FEES

4.1 Initial Franchise Fee: As part of the consideration for the franchise granted herein, Franchisee shall pay to Franchisor an initial franchise fee in the amount of Twenty-Seven Thousand Dollars ($27,000) (the "Initial Franchise Fee") on or before the Effective Date of this Franchise Agreement. The Initial Franchise Fee is in addition to any application fee paid to Franchisor as part of the application process. The Initial Franchise Fee is fully earned and non-refundable in consideration of the administrative and other expenses incurred by Franchisor in entering into this Franchise Agreement and for Franchisor's lost or deferred opportunity to franchise others within the Exclusive Territory.

4.2 Royalty Fee: As further consideration for the franchise granted by this Franchise Agreement, Franchisee shall pay to Franchisor a monthly royalty fee as set forth below (the "Royalty Fee").

4.2.1 Commencing with the calendar month in which the Opening Date occurs and continuing through the calendar month in which the Expiration Date occurs, Franchisee shall pay to Franchisor a monthly Royalty Fee in an amount equal to four and one-half percent (4.5%) of the Inn's Gross Room Revenues. "Gross Room Revenues" means the gross receipts whether collected or uncollected, attributable to or payable for the rental of guest rooms at the Inn, including, without limitation, the gross revenues used in calculation of business interruption, rent loss, or similar insurance with respect to the Inn (provided that insurance proceeds shall be included in Gross Room Revenues only to the extent actually received or due). Gross Room Revenues shall not include gratuities to employees or service charges levied in lieu of such gratuities, which, in either case, are payable to employees, or federal, state and local taxes

or fees collected by Franchisee for transmittal to the appropriate taxing authorities. Gross Room Revenues shall not be reduced by credit card commissions, bad debts (or reserves for bad debts) or refunds to lodgers.

4.2.2 If: (i) for any full twelve (12) month period designated by Franchisor (the "Rebate Period") the Inn achieves superior results, as determined by and in the sole discretion of Franchisor, using a guest satisfaction tracking system conducted or commissioned by Franchisor for the purpose of determining the satisfaction of guests at Red Roof Inns, or any other such program that Franchisor might use in its sole discretion to measure guest satisfaction and (ii) Franchisee is not in default of its obligations under this Franchise Agreement (including, but not limited to, financial obligations), or any other agreement between Franchisor and Franchisee, then Franchisor will rebate to Franchisee an amount equal to one-ninth of the Royalty Fee paid by Franchisee with respect to the Rebate Period pursuant to Section 4.2.1. Thus, if Franchisee has paid four and one-half percent (4.5%) of the Inn's Gross Room Revenues under Section 4.2.1, one-half percent (0.5%) of the Inn's Gross Room Revenues for the Rebate Period will be rebated to Franchisee. The Inn must be open and operating as a Red Roof Inn during the entire Rebate Period to be eligible for such rebate. Such rebate, if any, will be paid to Franchisee within ninety (90) days following the end of the Rebate Period to which the rebate relates.

4.3 Marketing and Reservation Fee: Commencing with the calendar month in which the Opening Date occurs and continuing through the calendar date in which the Expiration Date occurs, Franchisee shall pay to Franchisor a monthly marketing and reservation fee (the "Marketing and Reservation Fee") in an amount equal to four percent (4%) of the Inn's Gross Room Revenues for the preceding calendar month. The monthly Marketing and Reservation Fee shall be subject to increase from time to time upon notice by Franchisor; provided, that the Marketing and Reservation Fee shall not increase more than one half percent (0.5%) of Gross Room Revenues in any twelve (12) month period, nor shall the Marketing and Reservation Fee exceed a maximum of five percent (5.0%) of Gross Room Revenues.

4.4 Preferred Members Program: Franchisee must participate in any guest loyalty programs that Franchisor may initiate and amend from time to time at its sole discretion (a "Preferred Members Program"), including, but not limited to, the "RediRewards" Preferred Member Program. Such programs include but are not limited to providing guests with express check-in, guaranteed late check-in and the opportunity for guests to earn free room nights at Red Roof Inns. Franchisee shall pay to Franchisor four percent (4.0%) of Gross Room Revenues that are generated by the Preferred Members Program (the "Preferred Members Program Fee"). The Preferred Members Program Fee shall be subject to increase from time to time upon notice by Franchisor; provided that the Preferred Members Program Fee shall not exceed five percent (5.0%) of Gross Room Revenues that are generated by the Preferred Members Program.

4.5 Other Fees: Franchisee must reimburse Franchisor or its approved or designated suppliers for the amounts of any travel agency commissions, airline reservation system fees, fees associated with the use of other electronic booking systems by guests and other related fees that Franchisor pays to third parties on Franchisee's behalf in connection with reservations for rooms at the Inn ("Booking Fees and Commissions"). Additionally, Franchisee shall comply with any terms of such programs. Franchisee acknowledges that the Booking Fees and Commissions may, in the future, be directly invoiced to Franchisee by one or more third-party billing clearinghouses, which may charge Franchisee an additional administrative or related fee for their services.

4.6 Late Payment: Franchisee shall be invoiced for all fees payable under this Section 4. In the event Franchisee fails to pay an invoice by the due date stated therein, Franchisor shall have the right, in its sole discretion, to impose a late fee of Fifty Dollars ($50) and charge interest in an amount equal to the lesser of (a) one and one half percent (1.5%) per month or (b) the maximum rate permitted by law. Further, Franchisor reserves the right to impose a returned check fee, payable upon demand, if Franchisee's check for any payments due under this Franchise Agreement fails to clear.

4.7 Form of Payment: All sums payable by Franchisee to Franchisor or its approved or designated suppliers under this Franchise Agreement shall be paid as Franchisor may from time to time specify in writing. Franchisor may direct that all monthly payments required under this Section be made to a bank account designated by Franchisor by wire transfer, by automated clearinghouse (ACH) transfer, or by other means which Franchisor may specify from time to time.

5. DUTIES OF FRANCHISEE

5.1 Construction, Renovation and Maintenance of the Inn:

5.1.1 Prior to the Opening Date, Franchisee shall, at Franchisee's expense, construct, convert, equip and furnish the Inn in accordance with the provisions of this Franchise Agreement and as applicable, the Construction Addendum or the Renovation Addendum. Except for Franchisee's own uses related to its operation of the Inn, Franchisee shall not reproduce, use, or permit the use of, any of Franchisor's design concepts, drawings, or specifications, without Franchisor's prior written consent.

5.1.2 At any time after the Opening Date, at Franchisor's request, Franchisee shall, at Franchisee's expense, make Short-Term Renovations to the Inn. "Short-Term Renovations" means upgrades, refurbishments and renovations, which include but are not limited to such items as damaged or deteriorated carpet, drapes, bedspreads, paint and case goods. Additionally, at Franchisor's request, which shall not be made more often than once every five (5) years during the term of this Franchise Agreement, Franchisee shall, at Franchisee's expense, make Long-Term Renovations to the Inn to conform the Inn to the then-current Standards for facilities then entering the System. "Long-Term Renovations" are those upgrades, refurbishments and renovations which constitute capital improvements and include, without limitation, such items as interior/exterior structural changes, shower and tub combinations, vanities, roofs and parking lots.

5.1.3 Throughout the term of the Franchise Agreement, Franchisee shall maintain the Inn in good repair and in a condition consistent with the Standards and shall make such additions, alterations, repairs and replacements as may be required for that purpose (but no others without Franchisor's written consent), including, without limitation, periodic repainting and replacement of signs, equipment, furnishings and furniture in accordance with the Standards.

5.2 Maintaining Franchisor's Image: Franchisee acknowledges that every detail of the System is important to Franchisor and other franchisees operating under the System in order to develop and maintain the Standards and public image of the System, to protect Franchisor's reputation and goodwill, and to increase the demand for the lodging services offered by Red Roof Inns. Franchisee agrees to comply with the Standards and not to deviate from them. Franchisee shall not operate the Inn in any manner which Franchisor reasonably believes adversely reflects on Franchisor, the System, the Proprietary Marks, the associated goodwill, or Franchisor's rights therein. Franchisee shall not, directly or indirectly, operate any business, at the Approved Location or otherwise, which violates this Section 5.2.

5.3 Products and Services: Franchisee shall offer only such goods and services at the Inn as are from time to time specifically approved by Franchisor in writing.

5.4 Business Operations: Franchisee shall operate the Inn twenty-four (24) hours a day, every day, except as otherwise approved in writing by Franchisor. Franchisee shall use the Approved Location solely for the operation of the Inn, and shall not permit the use of the Approved Location for any other purpose or activity at any time without Franchisor's prior written consent.

5.5 Designated Manager: Before the Opening Date, and at all times during the term of this Franchise Agreement, Franchisee shall designate a person who must devote his or her full time, best efforts to managing the Inn, who may, but need not, be an owner of Franchisee and who shall have authority over the day-to-day operations of the Inn (the "Manager").

5.6 Training:

5.6.1 Before the Opening Date, Franchisee or Franchisee's Manager must attend and successfully complete to Franchisor's satisfaction, Franchisor's New Owner Orientation Program and RED Advantage Training Program, unless otherwise approved by Franchisor in writing. Franchisee shall pay Franchisor's then-current fee for Franchisor's training programs. For each replacement or substitute Manager, Franchisee hires subsequent to the initial Manager, Franchisee shall: (i) cause each such Manager to attend and successfully complete, to Franchisor's satisfaction, Franchisor's RED Advantage training program within a reasonable period of time (not to exceed two (2) months) after commencing his or her duties as Manager; and (ii) pay Franchisor the then-current training fee for the RED Advantage training program. Franchisor may charge a RED Advantage non-completion fee of Five Hundred Dollars ($500) per quarter for not completing all RED Advantage courses within ninety (90) days of the Opening Date.

5.6.2 Before the Opening Date, Franchisor or its approved or designated suppliers shall conduct at the Inn (i) a one (1) to three (3) day initial training program for Franchisee's employees, at Franchisee's expense, to prepare them to operate, administer, and manage the Inn in compliance with Franchisor's Standards and (ii) Computer System training. Franchisee shall pay the then-current fee for such training and shall reimburse Franchisor or its approved or designated suppliers for the cost of the trainers' travel, out-of-pocket expenses, meals and lodging, as well as the cost of shipping computer training equipment to the Inn.

5.6.3 Franchisor may require Franchisee and its employees to attend other training courses, programs, conferences (including annual conferences) and seminars at such locations as Franchisor may designate ("Ongoing Training"). Franchisee shall pay the then-current fee for any Ongoing Training and shall be responsible for all expenses incurred by its participants (including, but not limited to, the costs of transportation, meals, lodging and wages or salary and benefits). Franchisor reserves the right to impose a fee for Franchisee's failure to attend Ongoing Training.

5.7 Guest Room Count: The Inn shall consist of the number of guest rooms specified in Exhibit A. Franchisee shall not increase or decrease the number of guest rooms in the Inn without the prior written consent of Franchisor. Franchisor may impose reasonable conditions on its consent to an increase or decrease in the number of guest rooms, including, without limitation, the following:

5.7.1 Franchisee shall demonstrate to Franchisor's reasonable satisfaction that the Inn, as altered, will continue to meet the then-current Standards;

5.7.2 In the case of a proposed decrease in the number of guest rooms, Franchisee shall demonstrate to Franchisor's reasonable satisfaction that the number of guest rooms remaining after the decrease are sufficient to serve the Exclusive Territory; and

5.7.3 In the case of a proposed increase in the number of guest rooms, Franchisee shall sign an amendment to this Agreement and pay Franchisor's then-current Rooms Addition Fee.

5.8 Supplies/Fixtures/Equipment/Designated and Approved Suppliers:

5.8.1 Franchisee shall purchase and install and use at the Inn, at Franchisee's expense, all fixtures, furnishings, equipment, decor items (including signs, posters and other property identification items) and supplies as may be required by Franchisor, which may be amended from time to time, in writing, in the Manual or through other written communications. In no event shall Franchisee, without Franchisor's prior written consent, use, install or permit to be installed in, on or about the Inn, any fixtures, furnishings, equipment, signs or other items not meeting the Standards.

5.8.2 Upon notice from Franchisor, Franchisee shall purchase any or all such items solely from suppliers who have been listed by Franchisor as approved or designated suppliers in the Manuals or otherwise in writing. Franchisor reserves the right to approve or designate a single supplier of certain items in order to promote compliance with the Standards. Franchisor may earn money from suppliers based on Franchisee's purchases in the form of rebates, commissions, sponsorships, or other payments. Franchisee acknowledges that these payments compensate Franchisor for the cost of negotiating and maintaining the purchasing arrangements with the suppliers and that Franchisor has no obligation to remit the funds to Franchisee.

5.8.3 If Franchisee desires to purchase any items from a supplier not designated as an approved or designated supplier, then Franchisee shall submit to Franchisor a written request to approve the proposed supplier, together with such evidence of the supplier's qualifications as Franchisor may reasonably require. Franchisor shall have the right to require that its representatives be permitted to inspect the supplier's facilities, and that samples from the supplier be delivered for evaluation and testing to Franchisor or to an independent testing facility designated by Franchisor. A charge, not to exceed the reasonable cost of the evaluation and testing, shall be paid by Franchisee whether or not the supplier is approved. After completion of such evaluation and testing (if required by Franchisor), Franchisor shall notify Franchisee in writing of its approval or disapproval of the proposed supplier. Approval shall not be unreasonably withheld. Franchisee shall not purchase any products or services from the proposed supplier until Franchisor's written approval of the proposed supplier is received.

5.8.4 Franchisor may from time to time revoke its designation or approval of particular products or suppliers if Franchisor determines, in its sole discretion, that such products or suppliers no longer meet the Standards or no longer are able to meet the System's needs. Upon receipt of a written notice of revocation, Franchisee shall immediately cease to offer or sell any disapproved products and shall cease to purchase from any disapproved supplier.

5.8.5 Except as otherwise specifically approved by Franchisor in writing, Franchisee agrees that it will use products purchased from approved suppliers solely for the purpose of operating the Inn and not for any other purpose, including, without limitation, for resale.

5.9 Signage/Display of Proprietary Marks: Franchisee shall prominently display in and upon the premises of the Inn such signs as are required by Franchisor in the Manuals or as otherwise directed or approved by Franchisor from time to time in writing, including, without limitation, signs bearing the Proprietary Marks. All such signs shall be of a nature, and shall be in the form, color, number, location, size and content as specified by Franchisor in the Manuals or otherwise in writing. Franchisee shall comply with the Standards concerning the types of services and products that may be promoted or advertised at the Inn, including those Standards relating to the display of promotional materials. Franchisor reserves the right at any time to require, and Franchisee agrees to conform to, any change in or presentation of the Proprietary Marks.

5.10 Employee Relations/Guest Relations:

5.10.1 Franchisee shall be solely responsible for all employment decisions and functions at and for the Inn, including, without limitation, those related to hiring, firing, training, wage and hour requirements, payment and provision of wages, salaries and fringe benefits, record-keeping, supervision and discipline. Franchisee further acknowledges and agrees that Franchisee shall be solely responsible for the acts and omissions of its employees. Franchisee shall specify on all employment applications used at the Inn that Franchisee is the sole employer of the Inn's employees and that there exists no employment relationship between Franchisor and any such employee.

5.10.2 Franchisee shall take such steps as are necessary to ensure that its employees preserve good guest relations, render competent, prompt, courteous and knowledgeable service, and meet the Standards.

5.10.3 Franchisee shall comply with Franchisor's policies and procedures set forth in the Manuals concerning guest relations and guest complaints. If Franchisee fails to resolve a guest complaint in accordance with Franchisor's policies, Franchisee shall be required to (a) reimburse Franchisor for any expenses incurred by Franchisor to resolve the guest complaint and (b) pay Franchisor a guest relations intervention fee if Franchisor communicates with the guest or otherwise intervenes or takes action to resolve the complaint. The guest relations intervention fee shall be as set forth in the Manuals, which fee may be modified by Franchisor from time to time.

5.11 Compliance with Laws: Franchisee shall (i) comply with all federal, state and local laws, rules, regulations, and ordinances, including but not limited to laws regarding public accommodation, occupational health and safety, labor, insurance, advertising, health and sanitation, innkeepers laws, telephone charges, data security and privacy legislation and (ii) timely obtain any and all permits, certificates and licenses necessary for the full and proper development and operation of the Inn, including, without limitation, licenses to do business, trade, fictitious or assumed name registrations, building permits, sales tax permits, health and sanitation permits and ratings, and fire clearances. Franchisee shall be solely responsible for and Franchisor shall have no responsibility for architecture or engineering, for code, zoning, or other requirements of the laws, rules, regulations or ordinances of any state, local municipality, urban community, or provincial or federal governmental body, including any errors, omissions, or discrepancies of any nature in any drawings or specifications obtained by Franchisee, including those provided by Franchisor. Without limiting the foregoing, Franchisee shall be solely responsible for compliance with any requirements of the Americans with Disabilities Act. Franchisee shall provide proof of compliance herein as Franchisor may require.

5.12 Risk of Litigation:

5.12.1 Franchisee shall promptly report to Franchisor all incidents involving safety, security, public relations or serious injury to persons or property that occur at, or involve, the Inn and shall consult with Franchisor before speaking to or corresponding with the media about any such incident. Franchisee shall otherwise comply with those portions of the safety, security and public relations provisions as designated by Franchisor in the Manual. Notwithstanding the foregoing, Franchisee acknowledges and agrees that it is Franchisee's sole responsibility to maintain the safety and security of its employees, guests and others who may be on the Inn premises.

5.12.2 Franchisee shall, within five (5) days of its receipt thereof, forward to Franchisor copies of all inspection reports, warnings, certificates, letters and ratings issued by any governmental authority, agency or instrumentality during the term of this Franchise Agreement in connection with the

operation of the Inn, which indicate (i) Franchisee's failure to meet or maintain the Standards or (ii) less than full compliance with any applicable law, rule, regulation, or ordinance.

5.12.3 Franchisee shall notify Franchisor in writing within five (5) days after the commencement of any action, suit, or proceeding, and thereafter upon the issuance of any order, writ, injunction, award or decree, of any court, agency or other governmental authority or instrumentality relating to the Inn (and provide a copy of such).

5.13 Inspection: Franchisee shall permit Franchisor and its agents to enter upon the premises of the Inn at any time for the purpose of conducting inspections or evaluations, and Franchisee shall provide Franchisor's representatives with lodging, without charge, during such evaluations. If the inspection reveals deficiencies in the operation of the Inn or Franchisee's failure to conform to the Standards, as determined in Franchisor's sole discretion, Franchisee shall: (i) upon the written request of Franchisor or its agent, take such steps as may be necessary to correct such deficiencies within the time specified by Franchisor and (ii) provide Franchisor's representatives with lodging, without charge, and reimburse Franchisor for the travel expenses incurred by such representatives in subsequent evaluations to determine whether all deficiencies have been corrected.

5.14 Reservation Service: Franchisee acknowledges and agrees that offering the public a single, efficient, reservation referral service is essential to the goodwill, reputation and success of the System. Franchisee agrees to participate during the term of this Franchise Agreement in any Reservation System maintained or designated by Franchisor for the System and to comply with all terms and conditions of participation. Franchisee shall purchase, install and maintain at the Inn all equipment necessary for participation in the Reservation System, including any required reservation terminal and related equipment and any future enhancements, additions, substitutions or other modifications specified by Franchisor in the Manuals or otherwise in writing. Franchisee shall be responsible for telephone line charges, data communication equipment and services, and other charges to connect Franchisee's equipment to the Reservation System, for the cost of supplies used in the operation of the equipment, and for all other related expenses necessary to the operation of the Reservation System.

5.15 Directory: Franchisee shall list the Inn in each edition of the Directory and shall timely furnish to Franchisor in writing such information as Franchisor may request for that purpose, including, but not limited to, the Inn's then-current room rate. Failure to timely respond to Franchisor's request for Directory information may result in Franchisee's Inn not being listed in the Directory and, in such event Franchisee agrees that neither Franchisor nor Franchisor's Affiliates shall be liable for any such omission. Franchisee shall not engage in any rate practices which tend to mislead the public in any way.

5.16 Programs: Franchisee shall participate in and comply with the terms of all marketing, reservation service, rate and room inventory management, advertising and operating programs and policies required by Franchisor for the System (including, without limitation, any internet-based or other electronic advertising and marketing conducted and prescribed by Franchisor), in the manner directed by Franchisor in the Manuals or otherwise in writing. Such programs and policies may include, without limitation, a "Kids Stay Free" policy, Preferred Member Programs, corporate programs, any other billing and/or controlled spending card program, voucher program, guest satisfaction program, pay-per-view program, pet friendly policy and all other programs designated by Franchisor that do not violate the laws of the state/locality in which the Inn is located. Franchisor may also establish and coordinate advertising, marketing and sales programs, guest satisfaction programs and other activities among System inns, including inns owned or operated by its Affiliates, on a local or regional basis and Franchisee shall participate in and comply with such programs and activities on the same basis as other participating Red Roof Inns in the same region as the Inn.

5.17 Computer System:

5.17.1 Franchisee shall purchase or license, install, utilize and maintain at the Inn, at its sole cost, the Computer System and any upgrades or improvements to or replacements for it, as designated from time to time by Franchisor. The Computer System shall include, but not be limited to, computers, printers, monitors, keyboards, communication lines and equipment, and credit card readers, property management software, any other guest check-in, reservation, revenue and other statistical reporting systems, other software necessary to utilize the services, and any third-party computer services designated from time to time by Franchisor in the Manuals. The foregoing obligation shall include any enhancements, additions, substitutions or other modifications to the Computer System or any component of the Computer System that may be required from time to time. Franchisee shall be responsible for all costs incurred in fulfilling its obligations hereunder, including, without limitation, purchase and installation of hardware and software, data circuit charges, charges for connecting Franchisee's equipment to Franchisor's office, the cost of supplies used in the operation of the equipment, maintenance and support services, and for other related expenses. In furtherance of its obligation hereunder, Franchisee shall, (i) upon execution of this Franchise Agreement, execute and deliver to Franchisor a Software Sublicense Agreement (the "Software Agreement") related to Franchisor's proprietary Property Management Platform / PMS software, and fully comply with all of its obligations under such Software Agreement throughout its term; and (ii) not later than ninety (90) days before the anticipated Opening Date, make application through Franchisor for a data circuit, as specified by Franchisor, for communication between the Computer System and Franchisor's Reservation System and network. Franchisee shall install the data circuit not later than thirty (30) days before the anticipated Opening Date. Franchisee may not open before the approved installation of the Computer System, including the data circuit. Notwithstanding the foregoing, Franchisee shall not purchase, install, utilize or maintain any computer software, hardware or other telecommunications line that has not been previously approved in writing by Franchisor.

5.17.2 Franchisee shall comply with all applicable legal, regulatory, payment card brand requirements and brand standards regarding the use of information technology. Franchisee shall comply with the then-current Payment Card Industry Data Security Standards ("PCI DSS") as those standards may be revised by the PCI Security Standards Council, LLC or any successor organization, including (i) implementing (at Franchisee's expense) all security requirements that the PCI Security Standards Council, LLC (or its successor) requires of a merchant that accepts payment cards, and (ii) participating in (at Franchisee's expense) a standardized PCI DSS compliance program that is provided by a PCI DSS vendor, in each case, approved by Franchisor in its discretion. Franchisee shall, at its expense, demonstrate full compliance through means which may include having an independent third party qualified security assessor conduct a PCI DSS audit and upload an attestation of compliance to a portal or vendor designated by Franchisor. In the event Franchisee is unable to demonstrate full compliance: (i) Franchisor may require Franchisee to engage the services of an approved vendor to assist Franchisee to demonstrate full compliance on an ongoing basis; (ii) Franchisor may cut off Franchisee's ability to process reservations and check-ins until compliance is proven; and (iii) Franchisee must reimburse Franchisor for any costs and expenses incurred by Franchisor in verifying Franchisee's compliance and/or securing a vendor to assist Franchisee. Franchisor may require Franchisee to use, and directly contract with, certain approved third-party vendors, and in some cases a single approved third-party vendor, for some or all of Franchisee's managed firewall, other technology security compliance and/or card brand or government requirements related to the transmission and processing of payment card transactions and information. Franchisee shall immediately notify Franchisor if Franchisee becomes aware of any breach, or suspected breach, of card holder data or personally identifiable information, whether notice is provided by Franchisee's credit card processor, law enforcement or any other party.

5.17.3 Franchisee shall implement all safeguards reasonably necessary for protecting customer and cardholder data from unauthorized disclosures and addressing data security risks that could

arise from network connections between Franchisee's Computer System and Franchisor's technology systems. Franchisee must assess the vulnerability of its Computer System and implement industry standard practices for maintaining data privacy and information security appropriate to the nature of that data. This responsibility includes Franchisee's use of data security protection measures to prevent unauthorized access to and use of such data via Franchisee's on-site technology as well as any technology hosted by third parties on Franchisee's behalf, including Franchisee's property management system.

5.18 Taxes:

5.18.1 Franchisee shall promptly pay when due all taxes levied or assessed by any federal, state or local tax authority, and any and all other indebtedness incurred by Franchisee in connection with the operations of the Inn. Franchisee shall pay to Franchisor an amount equal to any sales tax, gross receipts tax, or similar tax imposed on Franchisor or its Affiliates with respect to any payments to Franchisor or its Affiliates required under this Franchise Agreement.

5.18.2 In the event of any *bona fide* dispute as to liability for taxes assessed or other indebtedness, Franchisee may contest the validity of the amount of the tax or indebtedness in accordance with the procedures of the taxing authority or applicable law, provided that such action does not result in any liability to or assessment of, any fine, penalty, or fee against, Franchisor; however, in no event shall Franchisee permit a tax sale or seizure by levy of execution or similar writ or warrant, or attachment by a creditor, to occur against the Inn, any part thereof, or any of its assets.

5.19. Casualty: If at any time during the term of this Franchise Agreement the Inn is damaged by fire or other casualty and the cost to repair such damage is reasonably estimated to be not more than fifty percent (50%) of the fair market value of the Inn, Franchisee shall expeditiously repair the damage. If the reasonable estimated cost to repair the damage exceeds such amount, Franchisee shall immediately notify Franchisor and shall elect, by written notice to Franchisor delivered within sixty (60) days following the date of the casualty, to repair or rebuild the Inn in accordance with the Standards or to terminate this Franchise Agreement. Any such notice of termination shall be effective sixty (60) days after receipt of the notice by Franchisor. If Franchisee elects to repair the damage, Franchisee shall commence reconstruction within six (6) months after the date of the casualty, shall expeditiously continue with such reconstruction on an uninterrupted basis and, subject to Franchisor's inspection and final approval, shall reopen the Inn for continuous business operations as soon as practicable, but in any event within eighteen (18) months after closing of the Inn, giving Franchisor four (4) weeks' advance notice of the date of reopening. Franchisor shall have the right to terminate this Franchise Agreement by written notice to Franchisee if Franchisee fails to reconstruct the Inn and recommence operations in accordance with the time periods specified in this Section and the Standards. If Franchisee elects to repair damages done to the Inn pursuant to this Section, Franchisor reserves the right to require Franchisee to repair/renovate/rebuild both the damaged and undamaged portions of the Inn to then-current Standards.

6. PROPRIETARY MARKS

6.1 Use by Franchisee: Unless otherwise approved in writing by Franchisor, Franchisee shall:

6.1.1 Use the Proprietary Marks only on and after the Opening Date.

6.1.2 Use only the Proprietary Marks designated by Franchisor and shall use them only in the manner authorized by Franchisor. Any unauthorized use thereof shall constitute an infringement of the rights of Franchisor and its Affiliates owning rights in the Proprietary Marks.

6.1.3 Use the Proprietary Marks only for the operation of the Inn at the Approved Location.

6.1.4 Not use the Proprietary Marks to incur any obligation or indebtedness on behalf of Franchisor or its Affiliates.

6.1.5 Not use the Proprietary Marks as part of its corporate or other legal name nor shall Franchisee use the Proprietary Marks as part of its domain name except as permitted by and subject to Franchisee's strict compliance with Franchisor's Internet Style Guide and Manuals, as amended from time to time.

6.1.6 File and maintain the requisite trade, fictitious or assumed name registrations, and shall execute any documents, in each case as deemed necessary by Franchisor to obtain protection for the Proprietary Marks or to maintain their continued validity and enforceability.

6.1.7 Identify itself as the owner of the Inn, and a franchisee of the Red Roof Inn System, in conjunction with any use of the Proprietary Marks, including, but not limited to, on stationery, invoices, order forms, receipts, business cards, and contracts, and at such conspicuous locations on the Inn premises as Franchisor may direct in writing.

6.2 Exclusive Property of Franchisor: Franchisee acknowledges and agrees that:

6.2.1 Franchisor or its Affiliate is the owner of all right, title and interest in and to the Proprietary Marks and the goodwill associated with and symbolized by them, and Franchisor has the exclusive right to use, and to license others to use, the Proprietary Marks in connection with the franchising, promotion and development of the System.

6.2.2 The Proprietary Marks are valid and identify the System and Red Roof Inns operating thereunder.

6.2.3 During the term of this Franchise Agreement and after its expiration, Franchisee shall not directly or indirectly contest the validity of the Proprietary Marks, Franchisor's (or Franchisor's Affiliates') ownership, exclusive right to use and license others to use the Proprietary Marks or the ownership of the Proprietary Marks by Franchisor or its Affiliate.

6.2.4 Franchisee's use of the Proprietary Marks pursuant to this Franchise Agreement does not give Franchisee any ownership or other interest in or to the Proprietary Marks.

6.2.5 Any and all goodwill arising from Franchisee's use of the Proprietary Marks in the operation of its Inn under the System shall inure exclusively to the benefit of Franchisor and its Affiliates, and upon expiration or termination of this Franchise Agreement, no monetary amount shall be attributed to any goodwill associated with Franchisee's use of the System or the Proprietary Marks.

6.2.6 Franchisor reserves the right, in its sole discretion, to substitute different Trademarks or service marks for the Proprietary Marks for use in identifying the System and the facilities operating under the System. Franchisee agrees to comply promptly in connection with any such substitution, at Franchisee's expense.

6.2.7 Franchisor has sole discretion over any secondary designations by which the Inn will or may be identified. If the Inn is to be identified with a secondary designation of any kind Franchisee shall obtain written approval from Franchisor before utilizing any such secondary designation. Franchisor

maintains sole discretion over said designations and may at any time during the term of the agreement change said designation provided that the Inn's name shall always include the name of the brand. Franchisee shall not identify the Inn with any intellectual property rights, brand, name or generic designation (such as by way of example only "Conference Center", "Resort" or "Spa") or any demand generator or geographic descriptor (such as by way of example only "East', "West", "North", "South", "University" or "Airport") without Franchisor's approval. Franchisor has sole discretion over this determination.

6.3 Infringement by Others:

6.3.1 Franchisee shall promptly notify Franchisor of any unauthorized use of the Proprietary Marks or marks confusingly similar to the Proprietary Marks and any challenge to (i) the validity of the Proprietary Marks, (ii) the ownership of or exclusive right to use and license the Proprietary Marks by Franchisor or its Affiliate, (iii) Franchisor's right to use and to license others to use the Proprietary Marks, or (iv) Franchisee's right to use the Proprietary Marks. Franchisee acknowledges that Franchisor and its Affiliate have the sole right to initiate, direct and control any administrative proceeding or litigation involving the Proprietary Marks, including any settlement thereof. Franchisor and its Affiliate have the right, but not the obligation, to take action against uses by others that may constitute infringement of the Proprietary Marks.

6.3.2 Franchisor shall defend Franchisee against any third-party claim, suit or demand which alleges that Franchisee's use of the Proprietary Marks infringes the rights of such third party, provided that Franchisee has used the Proprietary Marks in accordance with this Franchise Agreement, the Standards, the Manuals and other instructions issued by Franchisor from time to time. If Franchisor, in its sole discretion, determines that Franchisee has used the Proprietary Marks in accordance with the foregoing requirements, the cost of Franchisee's defense, including the cost of any judgment or settlement, shall be borne by Franchisor, and Franchisor shall be entitled to use its counsel of choice. If Franchisor, in its sole discretion, determines that Franchisee has not used the Proprietary Marks in accordance with such requirements, the cost of Franchisee's defense, including the cost of any judgment or settlement, shall be borne by Franchisee.

6.3.3 In the event of any litigation or administrative proceeding relating to the Proprietary Marks, Franchisee shall execute any and all documents and do all acts that may, in the opinion of Franchisor, be necessary or appropriate to carry out such defense or prosecution, including, but not limited to, becoming a nominal party to any legal action. Except to the extent that such litigation is the result of Franchisee's use of the Proprietary Marks in a manner inconsistent with the terms of this Franchise Agreement, Franchisor agrees to reimburse Franchisee for its out-of-pocket costs for such acts.

7. MANUALS

7.1 Business Operations: In order to protect the reputation and goodwill of Franchisor and to maintain uniform standards of operation under the Proprietary Marks, Franchisee shall conduct its operations hereunder in accordance with the Manuals.

7.2 Confidentiality: Franchisee shall at all times treat the Manuals and the information contained therein as confidential and shall use all reasonable efforts to maintain the confidentiality thereof, in accordance with Section 8 of this Franchise Agreement. The Manuals shall remain at all times the sole property of Franchisor (or its approved or designated suppliers if they supply the Manuals) and any hard copies shall be kept in a secure place on the Inn premises. Franchisee shall keep access to electronic copies of the Manuals secure.

7.3 Modification: Franchisor shall have the right to add to or otherwise modify the Manuals from time to time. Franchisee shall ensure that any hard copy of the Manuals in Franchisee's possession is kept up-to-date. In the event of any dispute as to the content of the Manuals, the terms of the master copies of the Manuals maintained by Franchisor at Franchisor's home office shall control.

8. CONFIDENTIAL INFORMATION

8.1 Franchisor's Confidential Information: Franchisee acknowledges that, pursuant to this Franchise Agreement, it will receive valuable Confidential Information. Franchisor's "Confidential Information" means the proprietary property management software, the Manuals (including all supplements and revisions thereto), any other manuals issued for use in connection with the establishment and operation of Red Roof Inns, and any and all other materials, information, procedures, techniques or data which Franchisor (or as the case may be its approved or designated supplier) provides (including, without limitation, the site selection, operational, sales, promotional, and marketing methods and techniques of the System), except information which Franchisee can demonstrate came to Franchisee's attention by proper means before disclosure thereof by Franchisor (or as the case may be its approved or designated supplier), or which, at or after the time of such disclosure, had become or later becomes a part of the public domain, through proper publication or communication by others and which does not violate this Franchise Agreement or any agreement Franchisor (or as the case may be its approved or designated supplier) may have with a third party.

8.2 Use of Franchisor's Confidential Information/Enforcement:

8.2.1 Franchisee shall not, during the term of this Franchise Agreement or thereafter, misuse, communicate, divulge, or disclose to any third party, or use for the benefit of any other person any Confidential Information, knowledge or know-how concerning Franchisor, the System, or the operation of the Inn, which may be communicated to Franchisee or its owners, or of which Franchisee or its owners may be apprised, by virtue of Franchisee's operation under the terms of this Franchise Agreement. Further, after the termination or expiration of this Franchise Agreement, Franchisee and its owners shall not use the Confidential Information for its or their own benefit and shall surrender all Confidential Information to Franchisor. Franchisee shall not, at any time, without Franchisor's prior written consent, copy, duplicate, record or otherwise reproduce any Confidential Information, in whole or in part. Franchisee shall divulge such Confidential Information only to such of its employees, contractors, architects, lenders, investors, agents or others who must have access to the Confidential Information in connection with the performance of this Franchise Agreement or the operation of the Inn pursuant hereto and who have executed covenants satisfactory to Franchisor to maintain the confidentiality thereof, copies of which shall be submitted to Franchisor at Franchisor's request.

8.2.2 Franchisee agrees that the existence of any claims it may have against Franchisor or Franchisor's Affiliates, whether or not arising from this Franchise Agreement, shall not constitute a defense to the enforcement by Franchisor of the covenants in this Section 8. Franchisee and its owners further acknowledge that any violation of the terms of this Section 8 would result in irreparable injury to Franchisor or its Affiliates for which no adequate remedy at law may be available, and Franchisee and its owners accordingly consent to the issuance of an injunction prohibiting any conduct by them in violation of the terms of this Section 8. Franchisee agrees to pay all costs and expenses (including reasonable attorneys' fees and court costs) incurred by Franchisor or its Affiliates in connection with the enforcement of this Section 8, including all costs and expenses for obtaining specific performance, or an injunction against any violation, of the requirements of Section 8.

8.2.3 At Franchisor's request, Franchisee shall obtain covenants similar in substance to those in this Section 8, in a form acceptable to Franchisor, from any of its owners and from such of Franchisee's officers as Franchisor may require.

8.2.4 The covenants in this Section 8 shall survive the termination, expiration or transfer of this Franchise Agreement.

8.3. Franchisee's Confidential Information: Franchisor acknowledges that during the term of this Franchise Agreement it may obtain confidential or proprietary information belonging to or concerning Franchisee and/or the operation of the Inn, through reports provided by Franchisee, inspections or evaluations of the Inn, the Computer System, or other means. Franchisor shall use all reasonable measures to protect Franchisee's confidential or proprietary information, provided that Franchisor shall have the right to use (and to allow its approved or designated suppliers to use) all such Confidential Information in evaluating and administering the System and the operation of individual Red Roof Inns, including Franchisee's Inn, and may disclose such Confidential Information to third parties, including in reports of hotel/motel industry data and franchise earnings claims, provided that unless otherwise required by law, individual franchise or Inn results will be reported without specifically identifying Franchisee or the Inn.

9. ACCOUNTING AND RECORDS

9.1 Record Retention: Franchisee shall maintain and preserve, for at least five (5) years from the date of their preparation, complete and accurate books, records, and accounts showing the results of operation of the Inn, in the form and manner prescribed by Franchisor from time to time in the Manuals or otherwise in writing, such requirement to survive termination. In connection with its keeping of such accounts and records, Franchisee, at its expense, shall:

9.1.1 Install and maintain such equipment or participate in such services (including Computer System), make such arrangements and follow such procedures as Franchisor may require in the Manuals or otherwise in writing, to permit Franchisor to access each night during the term of this Franchise Agreement, from Franchisee's Computer System, information on the occupancy, average daily room rate, rooms sold, Gross Room Revenue, and such other data and information attributable to the Inn as Franchisor may require (the "Reports"). To the extent the Reports for any calendar month or partial calendar month are not furnished to Franchisor by Franchisee's Computer System, as provided herein, Franchisee shall submit such Reports to Franchisor within twenty (20) days following the end of each calendar month.

9.1.2 Upon Franchisor's request, submit to Franchisor within ninety (90) days following the end of each fiscal year (in the form prescribed by Franchisor): (a) an annual income statement for such fiscal year, and (b) a balance sheet as of the end of such fiscal year. If such statement is audited, a copy of the audited statement, together with the auditor's report, shall be furnished. Each statement shall be signed by an authorized representative of Franchisee attesting that it is true and correct.

9.1.3 Submit to Franchisor, for review and/or auditing, such other forms, periodic and other reports, records, information, and data as Franchisor may reasonably designate, in the form and at the times and places reasonably required by Franchisor, upon request and as specified from time to time in the Manuals or otherwise in writing. All such reports and information received by Franchisor pursuant to this Franchise Agreement shall be the property of Franchisor, and Franchisor shall have the right to use such information in its reasonable discretion, subject to the limitations set forth in Section 8.3 of this Franchise Agreement, for the benefit of the entire System.

9.2 Examination by Franchisor: Franchisor or its designated agents shall have the right at any time to examine and copy, at Franchisor's expense, all books, records and tax returns of Franchisee related

to the Inn and, at Franchisor's option, to have an independent audit made. Such records shall be made available to Franchisor or its agents at the Approved Location as soon as practical but not more than three (3) days after Franchisee receives written notice of the request. If all books, records and tax returns of Franchisee related to the Inn are not made available to Franchisor at a scheduled audit; the audit will be deemed failed. If an inspection or audit reveals that Franchisee has failed to pay Franchisor or its approved or designated suppliers any sums required to be paid as provided by this Franchise Agreement, then Franchisee shall immediately pay Franchisor or its approved or designated suppliers the amount of such deficiency, any late fees, and interest from the date such amount was due until paid, as provided in Section 4.6. If an inspection discloses an underpayment to Franchisor of two percent (2%) or more of the total amount that should have been paid to Franchisor or its approved or designated suppliers, Franchisee shall, in addition to payment of such deficiency, with late fees and interest, reimburse Franchisor for any and all costs and expenses incurred in connection with the inspection or audit (including, without limitation, reasonable accounting and attorneys' fees). If Franchisee fails an audit (whether because of a failure to make records available as required above or because the inspection reveals that Franchisee has failed to pay all amounts payable), Franchisor may re-inspect the books and Franchisee shall bear the re-inspection costs. The foregoing remedies shall be in addition to any other remedies Franchisor may have.

10. MARKETING PROGRAM AND RESERVATION SYSTEM

10.1. Use of Marketing and Reservation Fee:

10.1.1 Franchisor shall use the Marketing and Reservation Fee received pursuant to Section 4.3 in a manner Franchisor determines, in its sole discretion, to be necessary or appropriate to develop, operate, support or administer a marketing program (the "Marketing Program") including but not limited to (a) marketing, advertising, reservation confirmations, the development of new guests and repeat visits by guests, and systems designed for such purposes (including any and all costs associated with developing, preparing and administering reservation services and developing the specifications for the Computer System, phone lines and phone operations), (b) developing, preparing, producing, directing, administering, conducting, maintaining and disseminating advertising, marketing, telemarketing, promotional and public relations materials, programs and campaigns, (c) developing, preparing, producing, directing, administering, conducting, maintaining, publishing and disseminating the Directory, (d) creating and maintaining internet-based advertising and marketing for the System (through a Red Roof Inn website or otherwise), (e) conducting market research, and (f) developing, operating, supporting and/or administering other marketing programs; as well as developing, operating, supporting and/or administering the Reservation System. The Marketing and Reservation Fee may be applied by Franchisor to defray the reasonable administration costs and overhead costs Franchisor and/or an Affiliate incurs in providing and/or administering the Reservation System and Marketing Program, including, but not limited to, the cost of providing accounting, collection, bookkeeping, reporting and legal services. Franchisor or an Affiliate may provide products or services to develop, operate, direct, provide and/or administer the Reservation System and Marketing Program. Any such products or services provided by Franchisor or an Affiliate will be provided at a cost comparable to those costs that would have been otherwise incurred if such products or services were obtained from unaffiliated third parties.

10.1.2 Franchisee agrees and acknowledges that the Reservation System and Marketing Program are intended to maximize general public recognition, acceptance and use of the System and of Franchisor's brands, and that in administering the Marketing and Reservation Fee Franchisor is not obligated to: make expenditures for Franchisee which are equivalent or proportionate to Franchisee's Marketing and Reservation Fee, spend money on advertising in Franchisee's local area, or to ensure that Franchisee benefits directly or pro rata from expenditures for the marketing and reservation programs.

10.1.3 The aggregate of the Reservation and Marketing Fee Franchisor collects from Franchisee and other franchisees in the System does not constitute a trust and Franchisor is not a fiduciary with respect to such amounts. Franchisor may aggregate the Marketing and Reservation Fees with other funds of Franchisor in one or more accounts in financial institutions and is not obligated to administer the proceeds as a separate fund. However, an unaudited annual report of the receipts and expenditures of the Reservation System and Marketing Program shall be made available to Franchisee upon request.

10.1.4 Franchisor reserves the right to use Marketing and Reservation Fees to fund advertising, marketing and reservation support activities separately for Red Roof Inns or together, in whole or in part, with other brands owned by its Affiliates when business circumstances warrant. Such combined activity may be on a specific advertising effort in one or more markets, joint campaign or longer-term commitment basis, in Franchisor's sole discretion. Franchisor cannot assure that the benefits from joint activities will be proportional to relative contributions of Franchisor and the other Affiliate-owned hotel brands. Any jointly funded advertising will position Red Roof Inns as a co-equal brand with the other Affiliate-owned brands.

10.2 Advertising Done by Franchisee:

10.2.1 In addition to the Marketing and Reservation Fee, Franchisee shall pay the following: (i) all of Franchisee's expenditures for local billboard advertising and other Inn-specific advertising and promotions and (ii) certain special promotion support materials, such as the in-room acrylic holders for promotional materials, point-of-sale or other such materials used to promote the Red Roof Inn System from time to time.

10.2.2 Franchisee may, at Franchisee's expense, conduct local and regional marketing programs and related activities subject to Franchisor's prior written approval; provided, that in no event shall Franchisee advertise, promote, post or list information relating to the Inn available on the internet or other electronic media, except in accordance with Section 10.5 below or as permitted and subject to Franchisee's compliance with the Standards.

10.2.3 Franchisee shall participate in any designated one-time marketing, advertising or quality assurance programs designated or conducted by Franchisor, and pay the cost of participating, subject to the limitations in this paragraph. The amount of Franchisee's required payment shall not exceed Two Thousand Five Hundred Dollars ($2,500) in the aggregate in the first calendar year in which Franchisor first requires such payments. The cost of participation in subsequent calendar years may be increased by no more than 5% over the previous calendar year requirement.

10.3 Cooperatives:

10.3.1 Franchisor shall have the right, exercisable at any time, to require Franchisee to join with Franchisor, its Affiliates and/or other franchisees in a specified geographic area in local and regional cooperative advertising and marketing materials (each, a "Cooperative"). In no event shall Franchisee be required to be a member of more than one Cooperative at a time for each Red Roof Inn operated by Franchisee under franchise agreements with Franchisor.

10.3.2 Franchisee agrees to be bound by the terms of the Cooperative agreement to be entered into with other franchisees in such Cooperative as may be designated by Franchisor, which may include Red Roof Inn locations owned or operated by Franchisor or by any entity controlled by Franchisor or its Affiliates.

10.3.3 Franchisee shall contribute to such Cooperative such amounts as are determined by the Cooperative, which shall not be greater than one percent (1%) of the Gross Room Revenues of each Red Roof Inn operated by the members of the Cooperative. The contribution to the Cooperative shall be in addition to, and not in lieu of, the Marketing and Reservation Fee. Each member of the Cooperative shall contribute at the same percentage of its Gross Room Revenues.

10.3.4 If a Cooperative has been established for the area in which the Inn is located at the time the Inn opens for business, Franchisee shall immediately become a member of the Cooperative. If a Cooperative is established for the area in which the Inn is located during the term of this Franchise Agreement, Franchisee shall become a member no later than thirty (30) days after written notification by Franchisor that the Cooperative has commenced operation.

10.3.5 Franchisee agrees to abide by all rules, regulations and bylaws, which shall be implemented and, as necessary, amended with Franchisor's prior written consent.

10.3.6 No advertising or promotional plans or materials may be used by a Cooperative or

10.3.7 furnished to its members without Franchisor's prior consent.

10.4 Compliance with Standards: Recognizing the value of advertising and the importance of the standardized advertising programs to the furtherance of the goodwill and public image of the System, Franchisee agrees that all advertising by Franchisee shall be conducted in a dignified manner and shall conform to the Standards and other requirements as Franchisor may otherwise specify in writing. At least fifteen (15) business days before the date on which Franchisee intends to print or record the materials, Franchisee shall submit to Franchisor, for its prior written approval, samples of all proposed advertising and promotional materials for the Inn and a statement of the intended use of each. Any materials that are not in clear violation of Franchisor's published guidelines for form and content, which are submitted to Franchisor and not disapproved in writing within ten (10) business days following the date such materials are received by Franchisor shall be deemed approved. Franchisor may, upon thirty days' prior written notice, revoke its approval of any advertising and promotional materials previously approved or deemed approved, at which point Franchisee shall immediately cease its use of same.

10.5 Franchise Website:

10.5.1 In the event Franchisor maintains a website that provides information to the public about Franchisor and its franchise systems (including the System and the accommodations and services that Red Roof Inns provide), Franchisor may use the Marketing and Reservation Fee to pay or reimburse the costs associated with the development, maintenance and update of the website.

10.5.2 Franchisor may (but is not required to) include at the website an interior page containing information about the Inn. If Franchisor includes such information on the website, Franchisor may require Franchisee to prepare all or a portion of the page, at Franchisee's expense, using a template that Franchisor provides. All such information will be subject to Franchisor's approval before posting.

10.5.3 Although not required to do so, Franchisor also may develop or identify an electronic network (an "Intranet") through which Franchisor and its franchisees can communicate by e-mail or similar electronic means, Franchisor may post information related to the Red Roof Inn System, and Franchisee may access information related to its operation of the Inn. If Franchisor develops such an Intranet, Franchisee agrees to use the facilities of the Intranet in strict compliance with the Standards (including, without limitation, protocols and restrictions relating to the encryption of Confidential Information and prohibitions against the transmission of libelous, derogatory or defamatory statements).

10.5.4 In the event Franchisee elects to create a website for the Inn, such website must meet the Standards, including, but not limited to, any guidelines for domain names and the look and content of the website, as indicated in the Internet Style Guidelines or as otherwise designated in writing by Franchisor from time to time. If Franchisee elects to create a website for the Inn pursuant to this Section 10.5.4, Franchisee will be responsible for all costs and expenses associated with the creation, development and maintenance of such website.

11. INSURANCE

11.1 Insurance: Before the commencement of any activities under this Franchise Agreement, Franchisee shall procure, and shall maintain in full force and effect at all times during the term of this Franchise Agreement, at Franchisee's sole expense, an insurance policy or policies of the types, in the coverage amounts, and with the terms specified in the Manuals, which include the following as of the Effective Date:

11.1.1 Commercial Property Insurance with coverage on an all risk special form basis, insuring the Inn, fixtures, equipment, improvements and the betterments, and for full recovery of the net profits and continuing expenses of the Inn (including rental value) for a twelve (12) month period must be carried. Property coverage must be written with agreed amount endorsement and/or no co-insurance on a replacement cost basis. Continuing expenses must specifically include royalty/license fees and other fees payable to Franchisor and its Affiliates. In the event of damage or destruction to the Inn, unless the mortgagee requires otherwise, the proceeds of any such insurance shall be used to repair or restore the Inn in accordance with renovation or construction plans and specifications prepared by Franchisee and approved in writing by Franchisor. Franchisor, its Affiliates and successors, and their respective past and present officers, directors, partners, agents, and employees shall be included as a loss payee under the policy in relation to commercial property and business interruption insurance. If the Inn is located within a high hazard flood zone, flood insurance is required up to the full limits offered by the National Flood Insurance Program for each and every building.

11.1.2 Commercial General and Commercial Umbrella Liability Insurance with independent contractor's coverage and coverage for liability assumed under contract, for libel, slander, defamation, false arrest, detention, or imprisonment, malicious prosecution, wrongful entry, sexual assault or molestation, assault and battery, invasion of privacy and for any claim for loss of property of Franchisor or any guest caused by a dishonest or fraudulent act by an employee of Franchisee. The General Liability minimum limits are Two Million Dollars ($2,000,000) in the aggregate and One Million Dollars ($1,000,000) each occurrence. Umbrella insurance must also be carried on a follow form basis with a minimum limit of Five Million Dollars ($5,000,000) in the aggregate and must include coverage for sexual assault or molestation and assault and battery. In addition, if alcoholic beverages are sold at the Inn, Dram Shop/Liquor Liability Insurance shall also be provided with limits of not less than One Million Dollars ($1,000,000) per occurrence and One Million Dollars ($1,000,000) in the aggregate, with a Five Million Dollars ($5,000,000) aggregate umbrella. The policy shall be written on the then-current ISO occurrence form (or a substitute form providing equivalent coverage) and shall also provide Broad Form Blanket contractual liability coverage Franchisor, its Affiliates and successors, and their respective past and present officers, directors, partners, agents, employees shall be endorsed as an additional insured under the policy, such evidence shall be by an Additional Insured Endorsement – Grantor of Franchise, ISO Form CG 2029 or its equivalent, Additional Insured wording on a Certificate of Insurance is not acceptable. General Liability limits must be written on a per location basis. Umbrella/Excess liability coverage must be a follow form to the liability policies. If any coverage required by this Section 11.1.2 is not included in the then-current ISO occurrence form, it can be provided by separate policy. The coverage in this Section 11.1.2 shall in every instance be primary and without right to contribution from any coverage maintained by Franchisor or its Affiliates. Franchisee shall provide notice to Franchisor of any claim or suit arising out of

or in connection with its operation of the Inn within three (3) days of its receipt thereof. Such insurance will contain a waiver of subrogation in favor of Franchisor, its Affiliates and successors and their respective past and present officers, directors, partners, agents, and employees on all liability policies referenced.

11.1.3 Automobile Liability Insurance (and if necessary, Umbrella Liability Insurance) for all owned, non-owned and hired vehicles, covering bodily injury, death and property damage with a minimum combined single coverage limit of not less than One Million Dollars ($1,000,000). Umbrella insurance must also be carried on a follow form basis with a minimum limit of Five Million Dollars ($5,000,000). Franchisor, its Affiliates and successors, and their respective past and present officers, directors, partners, agents, employees shall be endorsed as an additional insured under the policy. The coverage in this Section 11.1.3 shall in every instance be primary and without right to contribution from any coverage maintained by Franchisor or any Affiliate.

11.1.4 Statutory Workers' Compensation Insurance with employers liability and/or commercial umbrella insurance limits not less than Five Hundred Thousand Dollars ($500,000) each accident for bodily injury by accident or Five Hundred Thousand Dollars ($500,000) each employee for bodily injury by disease. Franchisee agrees to waive all rights of subrogation against Franchisor and its Affiliates and successors, their respective past and present officers, directors, partners, agents, and employees for recovery of damages.

11.1.5 Cyber Liability Insurance covering privacy and data breach, including but not limited to, claims for guest and employee information taken or accidentally leaked from hard copies or technology breaches with coverage limits not less than One Million Dollars ($1,000,000), with a One Million Dollar ($1,000,000) limit for regulatory fines, a Two Hundred Fifty Thousand Dollar ($250,000) limit for PCI DSS fines levied against any technology breach, a One Million Dollar ($1,000,000) limit for legal services, public relations, and crisis management expenses, and a Fifty Thousand Dollar ($50,000) limit for notified individuals to whom notification, call center and credit or identity monitoring services will be provided. Franchisor may procure Cyber Liability Insurance for Franchisee, in which case Franchisee shall reimburse Franchisor for the insurance premiums paid by Franchisor.

11.1.6 Employment Practices Liability coverage for ownership, management, and employing entities covering claims for sexual harassment, wrongful termination, discrimination, and Americans with Disability Act claims with a coverage limits of One Million Dollars ($1,000,000), One Million Dollars ($1,000,000) additional defense limit, Fifty Thousand Dollars ($50,000) defense limit provided to Franchisor, Fifty Thousand Dollars ($50,000) wage and hour coverage for wage and hour claims, and One Hundred Fifty Thousand Dollars ($150,000) immigration practices claim defense.

11.1.7 The insurance coverage described above shall be placed with an insurance company or companies having a Bests Key Rating Guide of A-V or better and be satisfactory to Franchisor. Any and all deductibles and/or self-insured retentions are the sole responsibility of Franchisee. No such required policy may have a deductible that exceeds Twenty-Five Thousand Dollar ($25,000), which such deductible shall be the responsibility of Franchisee.

11.2 Additional Insured: Franchisee agrees to direct its insurance company to furnish to Franchisor at least ten (10) days before the commencement of construction or renovation of the Inn, and again at least ten (10) days before the anticipated Opening Date, current certificates of insurance indicating: (a) the name and address of the Inn; (b) that with regard to the coverage in Sections 11.1.1, 11.1.2 and 11.1.3 above, Franchisor, its Affiliates and successors, and their respective past and present officers, directors, partners, agents and employees are additional insureds; (c) that, with regard to the coverage in Section 11.1.4 above, the insurer has waived subrogation; and (d) evidence showing that the premiums thereof have been paid. Additionally, evidence of renewal shall be furnished to Franchisor before the

expiration date of such insurance. Such policy or policies shall stipulate that Franchisor shall receive a thirty (30) days written notice of cancellation or reduction in coverage or other alteration of the policy or policies. All certificates of insurance shall be addressed to:

Red Roof Franchising, LLC
c/o Lockton Companies.
5 Centerpointe Drive, Suite 400
Lake Oswego, OR 97035

With a copy to: Franchise Legal Department
Red Roof Franchising, LLC
7815 Walton Parkway
New Albany, OH 43054
Facsimile Number (614) 225-5328

The Certificate Holder and additional insured should be listed on the certificate of insurance and the Additional Insured endorsement as follows:

Red Roof Franchising, LLC and Red Roof Inns, Inc.

11.3 Change of Required Coverage: Franchisor may from time to time during the term of this Franchise Agreement, at its sole option, require that the minimum limits and types of insurance coverage described Section 11.1 be reasonably increased or changed in any manner (including, without limitation, amounts and types of coverage) as determined solely by Franchisor. Franchisee shall comply with such requirements, at Franchisee's sole cost and expense, and shall deliver evidence of such compliance to Franchisor within thirty (30) days of its receipt of written demand by or on behalf of Franchisor for any such increase or change in said insurance.

11.4 Other:

11.4.1 Franchisee's obligation to obtain and maintain the policy or policies described in this Section 11, in the amounts specified in this Section 11 or in the Manuals, shall not be limited in any way by reason of any insurance which may be maintained by Franchisor or Franchisor's approved or designated suppliers, nor shall Franchisee's performance of that obligation relieve it of liability under the indemnity provisions in Section 15 of this Franchise Agreement. Nothing contained herein shall be deemed to be a representation by Franchisor that the required insurance coverages will insure Franchisee in part or in whole against any or all insurable risk arising from or in connection with the establishment or operation of the Inn.

11.4.2 Upon the execution of this Franchise Agreement, on each policy renewal date thereafter, and each time a change is made in any insurance or insurance carrier, Franchisee shall submit evidence of satisfactory insurance, as specified in this Section 11.

11.4.3 Should Franchisee, for any reason, fail to procure or maintain the insurance required by this Franchise Agreement, as such requirements may be revised from time to time by Franchisor in the Manuals or otherwise in writing, Franchisor shall have the right and authority (but not the obligation) to procure such insurance and to charge the cost of such policy thereof to Franchisee, which charge, plus a reasonable fee for Franchisor's efforts in so acting (not to exceed Two Thousand Five Hundred Dollars ($2,500)), shall be payable by Franchisee immediately upon notice. The foregoing remedies shall be in addition to any other remedies Franchisor or its Affiliates may have.

11.4.4 Notwithstanding anything to the contrary stated herein, Franchisor shall under no circumstances be liable for any premiums or costs of insurance and/or indemnification or defense incurred by Franchisee to fulfill any of the insurance requirements stated herein.

12. TRANSFER OF INTEREST

12.1 Transfer by Franchisor: Franchisor may transfer or assign this Franchise Agreement or any part of its rights or obligations under this Franchise Agreement to any person or legal entity, provided that the transferee is an entity to which Franchisor transfers all or substantially all of the franchise agreements for Red Roof Inns and the transferee or assignee accepts the transfer or assignment. Franchisee agrees that Franchisor shall have no liability after the effective date of such transfer or assignment for the performance of any obligations under this Franchise Agreement.

12.2 Transfer by Franchisee:

12.2.1 Franchisee understands and acknowledges that the rights and duties set forth in this Franchise Agreement are personal to Franchisee, and that Franchisor has granted this Red Roof Inn franchise in reliance on Franchisee's business skills, financial capacity and character of Franchisee and its owners and on the Guarantee, Indemnification and Acknowledgement Agreement attached to this Franchise Agreement as Exhibit C. Accordingly, except as permitted in this Section 12, neither Franchisee nor any of its owners shall sell, assign, transfer, convey, exchange, gift, lease, sublease, pledge, mortgage or otherwise encumber, whether for consideration or otherwise, any direct or indirect ownership interest in Franchisee, this Franchise Agreement, the Inn, or substantially all of the assets of the Inn, whether by merger or otherwise and whether or not such event constitutes a transfer or assignment under applicable law (each event, a "Transfer").

12.2.2 Notwithstanding anything in this Section 12, Franchisee shall at all times during the term of this Franchise Agreement own or control the real property and all improvements thereon at the Approved Location. Any change of ownership or control of the real property and improvements thereon at Approved Location is subject to Franchisor's prior written consent.

12.3 Franchisor's Consent to Transfer: For Franchisor to consider granting consent for a proposed Transfer, which consent may be withheld based on any reasonable grounds, Franchisee or the transferring owner shall provide Franchisor at least sixty (60) days prior written notice of any proposed Transfer, in such form as Franchisor may require, together with: (i) all information which Franchisor believes would be appropriate for consideration by Franchisor in connection with Franchisor's review of the proposed transfer and (ii) a non-refundable transfer application fee in the amount of Two Thousand Five Hundred Dollars ($2,500) (the "Transfer Application Fee"). This Transfer Application Fee, which is in addition to the Transfer Fee, if applicable, required by Section 12.3.4, and shall not obligate Franchisor to approve the proposed Transfer. Upon Franchisor's request, Franchisee shall provide such additional information and documentation relating to the proposed Transfer as Franchisor may reasonably require. Franchisor may, in its sole discretion, require any or all of the following as conditions of its approval of a proposed Transfer:

12.3.1 Franchisee's compliance with all terms of this Franchise Agreement and any other agreement between Franchisee and Franchisor, including, but not limited to, curing any and all existing defaults or events that would become defaults with the giving of notice and the passage of time, including the payment in full of all unpaid obligations owed to Franchisor, its Affiliates or approved or designated suppliers.

12.3.2 Franchisee agrees to remain liable for all of its obligations to Franchisor which arose before the effective date of the Transfer and executes any and all instruments reasonably requested by Franchisor to evidence such liability.

12.3.3 Franchisee and its owners execute a general release, in a form satisfactory to Franchisor, that waives, releases and discharges all claims that Franchisee, its owners, their Affiliates and the respective officers, directors, employees and agents of each of them have, have had or may ever have, against Franchisor, its Affiliates and their respective officers, directors, shareholders, employees or agents, past or present, in their corporate or individual capacities arising or accruing up to the date of Transfer.

12.3.4 Franchisee pays to Franchisor a transfer fee of Fifteen Thousand Dollars ($15,000) upon closing of the Transfer (the "Transfer Fee"); provided, however, that if Franchisee does not timely submit information and other items described in this Section, or if Franchisee's proposed Transfer requires Franchisor to engage outside parties to evaluate the proposed Transfer, then, in addition to the Transfer Fee, Franchisor may require Franchisee to reimburse Franchisor for its reasonable out-of-pocket costs and expenses associated with the Transfer, including, without limitation, legal and accounting fees.

12.3.5 The transferee meets Franchisor's then-current qualifications for new franchisees, including, but not limited to, the ability to demonstrate to Franchisor's satisfaction that the transferee and, if applicable, its owners possess good moral character, business reputation and credit rating and adequate financial resources and capital to operate the Inn.

12.3.6 The transferee and the transferee's manager(s), at transferee's expense, complete any training programs then in effect for new franchisees to the satisfaction of Franchisor.

12.3.7 The transferee agrees, at the transferee's expense, to upgrade the Inn to conform to the then-current Standards and specifications for Red Roof Inns operating under the System (and execute a form created by us to evidence such obligation), and to complete such upgrading within a reasonable time specified by Franchisor.

12.3.8 The transferee shall execute the following: the then-current form of transfer agreement and consent, and the then-current form of Red Roof Inn franchise agreement. Transferee shall also execute any other ancillary agreements as Franchisor may require. Notwithstanding the terms of any new franchise agreement, the transferee shall not be required to pay the initial franchise fee.

12.3.9 The transferee and its owners, if applicable, execute Franchisor's then-current form of guarantee of the transferee's performance of its obligations under the assumed or new franchise agreement.

12.3.10 If applicable, Franchisee and the transferee execute Franchisor's then-current transfer agreement covering termination of this Franchise Agreement.

12.4 Transfer to Related Entity of Franchisee or Other Business Entity: Notwithstanding the terms of Section 12.3, Franchisee shall have the following Transfer rights:

12.4.1 From the Effective Date to the date which is six (6) months from the Opening Date (the "Transfer of Convenience Period") Franchisee or all the owners of Franchisee shall be permitted to make one Transfer to a transferee entity owned by the owners in the same proportions as set forth in this

Franchise Agreement, without payment of a Transfer Application Fee or a Transfer Fee. Franchisor's consent may, in its sole discretion, be conditioned on the following requirements:

12.4.1.1 Evidence of the transferee entity's governing documents, which shall provide that its activities are confined exclusively to operate the Red Roof Inn franchise and activities related thereto;

12.4.1.2 The transferee entity, and its owners shall enter into an agreement, in a form satisfactory to Franchisor, unconditionally guaranteeing the full payment and performance of the transferee entity's obligations to Franchisor; and

12.4.1.3 Franchisee shall assign the Franchise Agreement in a form acceptable to Franchisor.

12.4.2 After expiration of the Transfer of Convenience Period, Franchisee, or the owners of Franchisee collectively, shall have the right to transfer up to a total of twenty percent (20%) of ownership in Franchisee (in the aggregate for the entire term considering all Transfers collectively, whether effected in one or a series of transactions), without payment of a Transfer Application Fee or Transfer Fee. Franchisor's consent may, in its sole discretion, be conditioned on the following requirements:

12.4.2.1 Franchisee provides prior written notice to Franchisor;

12.4.2.2 All new owners execute a guarantee in a form acceptable to Franchisor;

12.4.2.3 Revision of the ownership Schedule attached as Exhibit B to this Franchise Agreement.

12.4.2.4 All new owners meet Franchisor's then-current qualifications for new franchisees.

12.4.2.5 Such a transfer will not relieve a prior owner of its obligations under this Franchise Agreement prior to the Transfer. For such obligations accruing after the Transfer, the prior owner shall continue to be obligated unless the new owner accepts responsibility for those obligations.

12.4.3 At any time during the initial term of this Franchise Agreement, an owner that owns a majority interest in Franchisee may acquire the interest of one or more minority owners upon the conditions:

12.4.3.1 Franchisee submits notice of such Transfer to Franchisor;

12.4.3.2 Franchisee pays the Transfer Fee, and

12.4.3.3 Franchisee obtains the execution of such guarantees or assumptions of liability as Franchisor may require.

12.4.3.4 Transfers under this Section 12.4.3 shall not require execution of a new Franchise Agreement.

12.5 Right of Franchisee's Heirs Upon Death or Disability of Franchisee: In the event of the death or medically certified incapacity of an individual Franchisee who is a sole proprietor or any owner of a Franchisee that is a corporation or other legal entity (a "Death or Incapacity"), an executor, administrator,

trustee or personal representative shall give Franchisor written notice of such Death or Incapacity within thirty (30) days thereof. Upon a Death or Incapacity, the Franchise Agreement may transfer to an executor, administrator, trustee or personal representative of Franchisee (a "Franchisee by Death or Incapacity") in accordance with such person's will, the intestacy laws of the state or otherwise by operation of law, provided that: (i) within one (1) year of such Death or Incapacity, the Franchisee by Death or Incapacity meets all of Franchisor's then-current qualifications for a new franchisee. A Transfer under this Section shall not be subject to a Transfer Application Fee or a Transfer Fee but shall be subject to the conditions of Section 12.3 and its subparts.

12.6 Franchisor's Right of First Refusal:

12.6.1 If Franchisee or its owners shall at any time decide to sell, transfer or assign any right or interest under this Franchise Agreement, or any ownership interest in Franchisee if Franchisee is a corporation, partnership or other entity, Franchisee or its owners shall first obtain a bona fide, executed, written offer from a responsible and fully disclosed purchaser and shall submit to Franchisor an exact copy of such offer, along with all items required in Section 12.3 and its subparts and any other additional information and documentation relating to the offer as Franchisor may require (the offer and all related documents and fees, the "Offer"). Franchisor shall have the right and option for a period of thirty (30) days after its receipt of delivery of the Offer, exercisable upon written notice to Franchisee or its owners, to purchase such rights or interests for the price and on the terms and conditions contained in the Offer, provided that Franchisor may substitute equivalent cash for any form of payment proposed in the Offer. If Franchisor elects to accept the Offer, the Transfer Application Fee will be refunded and closing on such purchase must occur within the later of (i) ninety (90) days from the delivery of Franchisor's delivery of written notice of intent to purchase; or (ii) ninety (90) days after the date Franchisor receives and obtains all necessary permits and approvals, or such other date as the parties may agree upon in writing.

12.6.2 If Franchisor does not exercise its right of first refusal, Franchisee or its owners may complete the sale of such interest to the bona fide purchaser pursuant to the requirements of this Section 12 and provided that if the sale to such purchaser is not completed in a manner substantially similar to the original terms of the Offer or if the sale to such bona fide purchaser is not completed within one (1) year after delivery of the Offer to Franchisor, Franchisor shall again have the right of first refusal provided herein.

12.6.3 Franchisor's failure to execute its right of first refusal under this Section shall not constitute a waiver of its subsequent rights of first refusal or any other provision of this Franchise Agreement.

12.6.4 Upon a request for a Transfer pursuant to this Section 12.6, including its subparts, Franchisor may assign its purchase rights under this Section 12.6 to a third party of Franchisor's choosing.

12.6.5 In the event an offer from a third party provides for payment of consideration other than cash or involves certain intangible benefits, Franchisor may elect to purchase transferor's interest for the reasonable cash equivalent. If the parties cannot agree within a reasonable time on the reasonable cash equivalent of the non-cash portion of the offer, then such amount shall be determined by two (2) appraisers, with each party selecting one (1) appraiser, and the average of their determinations shall be the exercise price. After determination of the exercise price by the appraisers, Franchisor may elect to exercise its right of first refusal at that price or not. In the event of an appraisal, each party shall bear its own legal and other costs and shall bear the appraisal fees equally. If Franchisor exercises its right of first refusal, it shall have the right to set off against any payment due to Franchisee (i) all fees for any independent appraiser due from Franchisee, and (ii) all amounts due Franchisor, its Affiliates and its approved or designated suppliers from Franchisee, Franchisee's owners, and any of Franchisee's Affiliates.

12.7 Public Sale by Franchisee: In addition to the other requirements of this Section 12, securities in Franchisee may be offered to the public only in compliance with this Section 12.7. All materials required by federal or state law to be filed in connection with the offer or sale of any interest in Franchisee shall be submitted to Franchisor for review before filing with any governmental agency and any materials to be used in any offering of interests exempt from filing shall be submitted to Franchisor for review before their use. Franchisor's review of any offering materials shall be limited solely to the subject of the relationship between Franchisee and Franchisor. No Franchisee offering shall imply, by use of the Proprietary Marks or otherwise, that Franchisor is participating as an underwriter, issuer or offer or of Franchisee's or Franchisor's securities. Franchisee and other participants in the offering must fully indemnify Franchisor in connection with the offering. For each proposed offering, Franchisee shall pay to Franchisor a non-refundable offering fee of Ten Thousand Dollars ($10,000) or such greater amount as is necessary to reimburse Franchisor for its reasonable costs and expenses associated with reviewing the proposed offering, including, without limitation, legal and accounting fees.

12.8 Other Transfer Provisions:

12.8.1 At Franchisor's request, Franchisee shall obtain covenants similar in substance to those in this Section 12, in a form specified by Franchisor, from any of its owners agreeing not to engage in a Transfer except in accordance with the terms and conditions of this Franchise Agreement; provided, that this provision shall not apply to owners that are required to comply with the reporting requirements under Section 13 or Section 15 of the Securities Exchange Act of 1934.

12.8.2 Without limiting any of the provisions of this Section 12, throughout the term of this Franchise Agreement, Franchisee's governing documents shall provide that no transfer of any interest in Franchisee may be made except in accordance with this Section 12, and any certificate issued by Franchisee evidencing such interests shall bear a conspicuous printed legend to that effect. Upon Franchisor's request, Franchisee shall furnish to Franchisor copies of its governing documents and any other documents Franchisor may reasonably request. No change affecting the power to direct and control the affairs of Franchisee shall be made in Franchisee's governing documents, nor shall Franchisee or the owners enter into any shareholders' agreement, management agreement, voting trust or other arrangement affecting the power to direct and control the affairs of Franchisee, without Franchisor's prior written consent.

12.8.3 Franchisee shall not enter into any third party management agreement, or other similar arrangement for the operation of the Inn without Franchisor's approval.

13. DEFAULT AND TERMINATION

13.1 Early Termination: If this Franchise Agreement terminates prior to the Expiration Date, such termination will result in damages payable to Franchisor, including lost future revenue and profits to Franchisor, harm to the goodwill associated with the System and the Proprietary Marks, and increased costs to Franchisor to redevelop or re-franchise the market in which the Inn is located. Franchisor and Franchisee agree that such damages may be difficult to quantify or estimate. Therefore, if the Franchise Agreement is terminated due to Franchisee's failure to open the Inn, as specified in the Renovation Addendum, Construction Addendum or otherwise, Franchisee agrees to pay Franchisor liquidated damages as set forth in the Renovation Addendum or Construction Addendum, as applicable. If the Franchise Agreement is terminated after the Opening Date, Franchisee agrees to pay to Franchisor, as a result of such termination, and in addition to any other monies owed hereunder, liquidated damages (for early termination and not as a penalty) equal to the greater of (a) $100,000 or (b) the average of the monthly Royalty Fee, Marketing and Reservations Fee and Preferred Members Program Fee required by the Franchise Agreement for the thirty-six (36) months preceding Franchisee's termination (or if Franchisee has been operating the Inn as a

Red Roof Inn for less than thirty-six (36) months, the average of the months Franchisee operated the Inn as a Red Roof Inn before termination), multiplied by the lesser of (i) thirty-six (36), or (ii) the number of months remaining in the term of this Franchise Agreement. Franchisee shall pay Franchisor the payment specified in this Section no later than five (5) days following: the termination of this Franchise Agreement or Franchisor's written request thereof. In addition to Franchisor's right to the payment of liquidated damages as provided in this Section, Franchisor shall not otherwise be limited in its ability to recover other monies due under the Franchise Agreement and to otherwise seek damages or equitable relief for the harm caused by the conduct which gave rise to the termination, as well as for any other defaults of Franchisee under the Franchise Agreement and to obtain such other relief in law or equity as provided for in this Franchise Agreement; provided, that Franchisor shall not be entitled to recover damages for lost future revenue or profits, loss of good will, or cost of redeveloping or refranchising the market in which the Inn is located, in excess of the liquidated damages specified in this Section.

13.2 Events of Default: The occurrence of any of the following events shall constitute a default under this Franchise Agreement:

13.2.1 Franchisee becomes insolvent or makes a general assignment for the benefit of creditors; a petition in bankruptcy is filed by Franchisee or such a petition is filed against, and consented to by, Franchisee; Franchisee is adjudicated as bankrupt; if a bill in equity or other proceeding for the appointment of a receiver of Franchisee or other custodian for Franchisee's business or assets is filed and consented to by Franchisee; if a receiver or other custodian (permanent or temporary) of Franchisee's assets or property, or any part thereof, is appointed by any court of competent jurisdiction; if proceedings for a composition with creditors under any state or federal law is instituted by or against Franchisee; Franchisee is dissolved; execution is levied against the Inn or any part or asset of the Inn, or suit to foreclose any lien or mortgage against the Inn or any part or asset of the Inn is instituted against Franchisee and not dismissed within ninety (90) days; or if the Inn or any part or asset of the Inn is sold after levy;

13.2.2 The failure of an executor, administrator, trustee or personal representative of a deceased Franchisee to comply with the provisions of Section 12.5;

13.2.3 Franchisee ceases to do business at the Approved Location, or ceases to operate the Inn under the Proprietary Marks and System, or loses the right to possession of the Inn, or otherwise forfeits the right to operate the Inn at the Approved Location; provided, that if the cessation of business or loss of possession results from a fire or other casualty, then the provisions of Section 5.19 of this Franchise Agreement shall apply;

13.2.4 The construction, renovation, maintenance or operation of the Inn, in the sole opinion of Franchisor, presents a threat or danger to public health or safety and an immediate shutdown of the Inn is either required by competent authority or reasonably determined by Franchisor to be essential to avoid substantial liability or loss of goodwill;

13.2.5 Franchisee, any owner or any entity controlled by any owner is convicted of a felony or any other crime or offense, or if Franchisee, any owner or any entity controlled by any owner acts, or operates the Inn or any other business, in any manner that is reasonably likely, in the sole opinion of Franchisor, to adversely affect the System, the Proprietary Marks, the goodwill associated therewith or Franchisor's or its Affiliate's interests therein;

13.2.6 Any Transfer or attempted Transfer in violation of Section 12 of this Franchise Agreement;

13.2.7 Franchisee or any owner fails to comply with the covenants in Sections 7 and 8, Franchisee fails to exercise reasonable care to prevent disclosure of Franchisor's Confidential Information, or Franchisee uses the Property Management Platform / PMS software outside the scope of the Software Agreement or otherwise breaches the Software Agreement;

13.2.8 Franchisee or any owner makes any material false statements or omissions, negligently or otherwise, in connection with Franchisee's Application for the franchise, the execution of this Franchise Agreement, or in connection with any information submitted to Franchisor;

13.2.9 Franchisee or any owner misuses or participates in any unauthorized use of the Proprietary Marks or otherwise adversely impacts the goodwill associated therewith or Franchisor's or its Affiliate's rights therein, including, without limitation, any use of the Proprietary Marks before receiving written authorization to open the Inn as a Red Roof Inn, except as otherwise expressly permitted under the Renovation Addendum or Construction Addendum, as applicable;

13.2.10 Franchisee commits a default of any terms of the Franchise Agreement more than three times in any consecutive twelve (12) month period, whether the same or different defaults, and whether or not such defaults are cured after notice;

13.2.11 Franchisee fails to strictly comply with the terms of the Renovation Addendum or Construction Addendum, as applicable, on or before the dates set forth therein, including, without limitation, if Franchisee opens the Inn before receiving Franchisor's written approval to do so pursuant to the Renovation Addendum or Construction Addendum, as applicable;

13.2.12 If Franchisee fails, refuses or neglects to pay any monies owing to Franchisor or its approved or designated suppliers when due, or to submit the financial information or other Reports required by Franchisor under this Franchise Agreement;

13.2.13 If, in connection with the establishment or operation of the Inn, Franchisee, by act or omission, allows a continuing violation of any law, ordinance, rule or regulation of a governmental agency, in the absence of a good faith dispute over its application or legality and without having promptly resorted to an appropriate administrative or judicial forum for relief therefrom;

13.2.14 If Franchisee fails to comply with the requirements concerning the upgrading of the Inn set forth in Section 5.1 hereof;

13.2.15 If Franchisee lists the Inn on an internet site or in other electronic media in violation of Sections 10.2 or 10.5 of this Franchise Agreement;

13.2.16 If Franchisee fails any quality measurement of the Inn, or otherwise fails to maintain Franchisor's Standards or comply with Franchisor's procedures as set forth in the Manuals or otherwise in writing; or

13.2.17 If after receipt of written demand from Franchisor, Franchisee fails to timely comply with its obligations in violation of Section 15.2 of this Franchise Agreement.

13.3 Termination: Upon the occurrence of any of the events set forth in Section 13.2, Franchisor may, without prejudice to any other rights or remedies contained in this Franchise Agreement or provided by law or equity, terminate this Agreement. Such termination shall be effective immediately without notice upon the occurrence of the events set forth in paragraph 13.2.1. Such termination shall be effective immediately upon written notice upon the occurrence of the events set forth in paragraphs 13.2.2 through

13.2.11. Such termination shall be effective thirty (30) days (five (5) days for monetary defaults) after written notice upon the occurrence of the events set forth in paragraphs 13.2.12 through 13.2.17 if such defaults are not cured within such period. If Franchisee cures such default and requests reinstatement to the System and Franchisor agrees to do so, Franchisor may, at its discretion, charge Franchisee the then-current Reinstatement Fee, which is currently Five Thousand Dollars ($5,000).

13.4 Franchisor's Additional Remedies: In the event Franchisee commits any default of this Franchise Agreement, and if Franchisee fails to cure any such default which may be cured as permitted hereunder, Franchisor may, in its sole discretion, in lieu of, or as a preliminary action before, terminating this Franchise Agreement as provided in Sections 13.2 or 13.3, cease accepting reservations from guests for lodging at Franchisee's Inn through the Reservation System (provided, that Franchisor shall preserve, and Franchisee shall honor, all reservations received before the date reservations cease to be accepted), and/or refuse to provide any operational or procurement support, and/or refuse to list the Inn in the Directory, until the default is cured. During any period in which some or all of the services listed above are suspended, Franchisee shall nevertheless comply with all of its obligations under this Franchise Agreement, including the obligation to pay all fees.

14. OBLIGATIONS UPON TERMINATION

14.1 Obligations of Franchisee: Upon termination or expiration of this Franchise Agreement, Franchisee shall, at its expense:

14.1.1 Immediately cease to operate the Inn under the System and shall not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former Red Roof Inn franchisee.

14.1.2 Immediately and permanently cease to use, by advertising or in any other manner whatsoever, the name "Red Roof Inn," any other Proprietary Marks or identifying characteristics of the System, and any and all Confidential Information, methods, procedures and techniques associated with the System including, but not limited to, the Computer System. Franchisee shall remove and discontinue using for any purpose, any and all signs, fixtures, furniture, furnishings, equipment, software, advertising, materials, stationery, supplies, forms or other articles, which display the Proprietary Marks. Nothing herein contained shall allow Franchisee to sell or Transfer any of the foregoing without obliterating any Proprietary Marks or distinctive features of the System, unless transferred to Franchisor, its designee, or another franchised Red Roof Inn. Any signs bearing the Proprietary Marks which Franchisee is unable to remove within one (1) day following expiration or termination of this Franchise Agreement shall be completely covered by Franchisee until the time of their removal, which shall be within ten (10) days following the expiration or termination of this Franchise Agreement. Franchisee agrees that all signs that are not timely removed pursuant to this Section may be removed by Franchisor, and all legal and other costs related to such removal shall be borne by Franchisee.

14.1.3 Immediately make such modifications or alterations as may be necessary to distinguish the Inn so clearly from its former appearance and from other Red Roof Inns as to prevent any possibility of confusion therewith by the public, including, without limitation, removing of all distinctive physical and structural features identifying Red Roof Inns or the System, removing of all distinctive signs and emblems, and removing or altering of any design or decor features that Franchisor, in its sole discretion, determines to be indicative of a Red Roof Inn, including, without limitation, the removal of the Red Roof Inn hoods and the exterior and interior color schemes. Franchisee shall, at Franchisee's expense, make such specific additional changes as Franchisor may reasonably request for purposes of de-identifying the Inn. Franchisee shall do all things necessary to prevent the operation of any business at the Approved Location (by Franchisee or others) in violation of this Section 14.1.

14.1.3.1 Without limiting the foregoing, (a) the following distinctive features or devices associated with the System shall be painted colors other than the then-current colors used by Red Roof Inns: Sign Cans for all signs, Sign Poles for all signs, Doors, and Railings; and (b) the following distinctive features or devices associated with the System shall be completely removed from the Approved Location: Logo Sign Faces, Non-Logo Signs in Red Roof Inn colors and font, Red Roof Inn Posters, Red Roof Inn Drapes, Red Roof Inn Bedspreads and top sheets, and Red Roof Inn-designated coffee machine and presentation, Phone Face Plates, Signage on the back of guest doors, Pool Signage and Red Roof Inn Theft Disclaimer Signage.

14.1.3.2 Until all modifications and alterations required by this Section 14.1 are completed, Franchisee shall (i) maintain a conspicuous sign at the registration desk in a form specified by Franchisor stating that the Inn is no longer associated with the System, and (ii) advise all guests or prospective guests who telephone the Inn that it is no longer associated with the System.

14.1.3.3 If Franchisee fails to initiate immediately and timely complete the alterations described herein Franchisee acknowledges and agrees that Franchisor or its designated agents may enter the premises of the Inn and adjacent areas at any time and make such alterations, at Franchisee's sole risk and expense, without responsibility for any actual or consequential damages to the property of Franchisee or others, and without liability for trespass or other tort or criminal act. Franchisee expressly acknowledges that its failure to make such alterations timely and completely will cause irreparable injury to Franchisor.

14.1.4 Take such action as may be necessary to cancel any trade, fictitious or assumed name or equivalent registration which contains the mark "Red Roof Inn" or any other Proprietary Marks, and Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within five (5) days after termination or expiration of this Franchise Agreement.

14.1.5 Refrain from using any reproduction, counterfeit, copy, or colorable imitation of the Proprietary Marks, in connection with the operation of any other business or the promotion thereof. Franchisee further agrees not to utilize any design or decor features, designation of origin, description or representation (including, but not limited to, reference to Franchisor, the System, or the Proprietary Marks) which, in Franchisor's sole discretion, suggests or represents a present or former association or connection with Franchisor, the System, or the Proprietary Marks.

14.1.6 Timely pay all sums owing to Franchisor, its Affiliates and its approved or designated suppliers, including all amounts required under Section 14.1.7 below. Franchisor shall have the right, within sixty (60) days following the termination or expiration of this Franchise Agreement, to inspect the Inn premises and offices, and conduct a review and/or an audit of Franchisee's books and records for the purpose, among other things, of assuring Franchisee's compliance with the provisions of this Section 14. Such books and records shall be made available to Franchisor at the Approved Location upon five (5) days written notice to Franchisee.

14.1.7 Pay upon demand to Franchisor all damages, costs and expenses, including reasonable attorneys' fees, incurred by Franchisor in connection with Franchisee's default and/or the early termination or expiration of this Franchise Agreement including, without limitation, a fee of Two Thousand Five Hundred Dollars ($2,500) per day for Franchisee's failure to comply with the obligations set forth in this Section ("De-Identification Fee"), and those incurred to enforce and/ or obtain injunctive or other relief in connection with this Section 14.

14.1.8 Immediately return to Franchisor all Manuals and other Confidential Information, and all other records, files, instructions, correspondence and other materials provided by Franchisor related

to the operation of the Inn, and all copies thereof (all of which are acknowledged to be Franchisor's property), and shall retain no copy or record of any of the foregoing, with the exception of Franchisee's copy of this Franchise Agreement, any correspondence between the parties, and any other documents which Franchisee reasonably needs for compliance with any provision of law.

14.2 Franchisor's Fixture Purchase Option Upon Expiration or Termination: Franchisor shall have the option, (which may be assigned by Franchisor to any person, including its Affiliates) to be exercised within thirty (30) days after the termination or expiration of this Franchise Agreement, to purchase from Franchisee any or all of the furnishings, signs, fixtures, supplies or inventory of Franchisee bearing the Proprietary Marks at their then-current fair market value. If the parties are unable to agree on fair market value within ten (10) days after the termination or expiration of this Franchise Agreement, then such amount shall be determined by two (2) licensed appraisers, with each party selecting one (1) appraiser, and the average of their determinations shall be the appraised value. The two (2) appraisers shall determine fair market value within ten (10) days after their appointment. If the amount determined by the appraisers is not acceptable to Franchisor, then Franchisor shall have the option to withdraw its offer. Each party shall bear its own legal and other costs and shall bear the appraisal costs equally. If Franchisor elects to exercise any option herein provided, it shall have the right to set off all amounts due from Franchisee, if any, against any payment due hereunder to Franchisor, its Affiliates and its approved or designated suppliers.

15. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

15.1 Independent Contractor: The parties hereto understand and agree that, in connection with its performance under this Franchise Agreement, Franchisee, its agents, employees and successors, shall act as independent contractors, and nothing herein shall at any time be construed to create the relationship of employer and employee, partnership, principal and agent, or joint venture between Franchisor (or its Affiliates) and Franchisee. In addition, Franchisee shall have no right or authority to enter into any contract, commitment, or agreement, or to speak on behalf of, or incur any debt or obligation in the name or on behalf of, Franchisor or its Affiliates unless expressly authorized to do so in writing by Franchisor. Franchisee shall exercise full and complete control over, and have full responsibility for, its contracts, daily operations, labor relations, employment practices and policies, including but not limited to recruitment, selection, hiring, disciplining, firing, compensation, work rules and schedules of its employees. During the term of this Franchise Agreement, Franchisee shall at all times hold itself out to the public as an independent contractor who independently owns and operates the Inn pursuant to a franchise agreement from Franchisor.

15.2 Indemnification and Release:

15.2.1 Franchisee assumes full responsibility and liability for its construction, renovation, establishment or operation of the Inn and Franchisee's performance under this Franchise Agreement. Franchisor and its Affiliates shall in no event be liable by reason of any act or omission of Franchisee in its construction, renovation, establishment or operation of the Inn or its performance under this Franchise Agreement or for any claim or judgment arising therefrom against Franchisee or Franchisor or its Affiliates.

15.2.2 Franchisee shall indemnify, protect, defend release and hold harmless Franchisor, its Affiliates and predecessors, their respective successors and assigns, and the officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each of them, past or present (the "Indemnitees"), from and against any and all payments of money (including, without limitation, all liabilities, losses, damages, claims, suits, demands, fines, settlement amounts, costs, expenses, attorneys' fees, investigative fees and court costs) for injury to property or persons including death (and in addition including, without limitation, the injury or death of any of Franchisee's employees or agents or damage to any of their property) which may arise out of or in connection with any act or

omission, whether actual or alleged, negligent or otherwise, of Franchisee, its employees or agents, in connection with Franchisee's ownership, construction, renovation, establishment or operation of the Inn, the performance of Franchisee, its employees or agents, under this Franchise Agreement (including, but not limited to, fraudulent or dishonest acts of Franchisee or its employees or agents, personal injury, slander, libel, defamation, false arrest, detention or imprisonment, malicious prosecution, wrongful entry or eviction, invasion of privacy, or disclosure of any customers personally identifiable or credit card information),or the default by Franchisee or its owners of any representation, warranty, or obligation under this Franchise Agreement. Franchisee's obligations under this Section 15.2.2 shall also extend to circumstances in which the damages to property or persons including death (and in addition including, without limitation, the injury or death of any of Franchisee's employees or agents or damage to any of their property) arise in whole or in part as a result of the negligent acts or omissions of the Indemnitees, but shall not apply to the extent they are caused by the intentional or willful misconduct of such Indemnitee. The obligations of Franchisee under Section 15.2.2 shall survive the termination or expiration of this Franchise Agreement. Franchisee shall comply with its obligations hereunder within ten (10) business days of its receipt of Franchisor's written demand for indemnification.

15.2.3 Franchisor shall have the right, through counsel of its own choosing and at Franchisee's sole cost and expense, to direct, manage and control its defense of any matter to the extent that it could directly or indirectly affect Franchisor or its Affiliates. In addition to the foregoing, Franchisee also will reimburse Franchisor or its Affiliates for all expenses reasonably incurred by Franchisor or its Affiliates to protect themselves from, or to remedy, defaults by Franchisee under this Franchise Agreement.

15.2.4 Franchisee agrees that all of the obligations of Franchisor under this Franchise Agreement are to Franchisee, and no other party is entitled to rely on, enforce or obtain relief for default of, such obligations, directly or indirectly, by subrogation or otherwise. Franchisee agrees and understands that Franchisor and its Affiliates shall not, nor shall they have the obligation to, indemnify or hold Franchisee harmless from and against any action or claim by any third party based upon Franchisor's or its Affiliates' exercise of any of its rights in accordance with the terms of this Franchise Agreement.

16. ACKNOWLEDGMENTS AND REPRESENTATIONS

16.1 Acknowledgments by Franchisee: Franchisee acknowledges that:

16.1.1 It has independently investigated the business franchised hereunder, including current and potential market conditions, competitive factors and risks, and recognizes that the business venture contemplated by this Franchise Agreement involves business risks and that its success will be largely dependent upon the ability of Franchisee as an independent business owner.

16.1.2 It has not received from Franchisor or its representatives, or relied on, any representation, warranty or guaranty, express or implied, whatsoever, including, but not limited to, the potential volume, profits or success of the business venture contemplated by this Franchise Agreement, or that otherwise contradicts the information in Franchisor's Franchise Disclosure Document.

16.1.3 It has received a completed copy of this Franchise Agreement, the exhibits and addenda hereto, and the agreements relating thereto, if any, at least seven (7) calendar days before the date on which this Franchise Agreement was executed, or such longer period as required by the law of the state in which the Inn is located. Franchisee further acknowledges that Franchisee has received the Franchise Disclosure Document required by the Federal Trade Commission and, if applicable, the state in which the Inn is located, at the earlier of (i) at least fourteen (14) calendar days before the date on which this Franchise Agreement was executed; or (ii), if required by state law, at the "first personal" meeting with Franchisor's representatives, or such longer period as required by the law of the state in which the Inn is located.

16.1.4 It has read and understood this Franchise Agreement, the Attachments, Exhibits, Schedules and Addenda hereto, and the agreements relating thereto, if any, and that Franchisor has accorded Franchisee ample time and opportunity to consult with advisors of Franchisee's own choosing about the potential benefits and risks of entering into this Franchise Agreement.

16.1.5 Franchisee acknowledges that the System may be supplemented, improved and otherwise modified from time to time by, and in the sole discretion of, Franchisor, and Franchisee agrees to comply with all reasonable requirements of Franchisor in that regard.

16.2 Representations by Franchisee: Franchisee represents and warrants to Franchisor that:

16.2.1 Franchisee represents that the owners named in Exhibit B to this Franchise Agreement have the legal and/or beneficial interests set forth in the ownership Schedule contained in Exhibit B to this Franchise Agreement. Franchisor shall have the right to approve any additional owners, and to require that each additional owner personally guarantee the Franchise Agreement. Upon Franchisor's request, Franchisee shall from time to time furnish Franchisor with a current list of all owners and their mailing addresses.

16.2.2 In recognition of the valuable specialized training and Confidential Information received by them pursuant to this Franchise Agreement, Franchisee and its owners covenant that during the term of this Franchise Agreement, except as otherwise approved in writing by Franchisor, Franchisee and its owners shall not, directly or indirectly, for itself or themselves, or through, on behalf of, or in conjunction with any other person or legal entity, divert or attempt to divert any present or prospective business or customer of any inn operating under the System to any competitor (other than an inn owned or franchised by Franchisor or an Affiliate of Franchisor), by direct or indirect inducement or otherwise.

17. MISCELLANEOUS

17.1 Notices: All notices pursuant to this Franchise Agreement shall be in writing and shall be personally delivered; sent by facsimile (if confirmed by regular mail within three (3) days); mailed by registered or certified mail, return receipt requested; or dispatched by overnight delivery to the respective parties at the following addresses, unless and until a different address has been designated by written notice to the other party:

Notices to Franchisor: Chief Development Officer
Red Roof Franchising, LLC
7815 Walton Parkway
New Albany, OH 43054
Facsimile Number (614) 225-5328

With copy to: Franchise Legal Department
Red Roof Franchising, LLC
7815 Walton Parkway
New Albany, OH 43054
Facsimile Number (614) 225-5363

Notices to Franchisee: [Title]
[Franchisee]
[Address]

Facsimile Number:

Notice shall be deemed to have been received as follows: by personal delivery – at the time of delivery; by facsimile (if confirmed by regular mail as set forth above) - at time of faxing; by overnight delivery service - on the next business day following the date on which the notice was given to the overnight delivery service; and by registered or certified mail, return receipt requested - three (3) days after the date of mailing.

17.2 Nature of Agreement: This Franchise Agreement together with the Schedules, Exhibits and Addenda attached hereto are intended by Franchisor and Franchisee to be the final and binding expression of their agreement, to contain all of the material terms agreed to, be a complete and exclusive statement of the terms thereof and supersede all prior oral or written agreements, negotiations and representations. No representations, understandings or agreements, oral or written, have been made or relied upon in the making of this Franchise Agreement other than as specifically set forth herein. Unless otherwise provided in this Franchise Agreement, this Franchise Agreement and the Exhibits and Addenda attached hereto may only be amended, modified, or supplemented by a writing signed by authorized representatives of both Franchisor and Franchisee. Oral modification of this Franchise Agreement is not permitted, and Franchisee hereby waives any right to claim an oral modification of this Franchise Agreement. Nothing in this Franchise Agreement is intended to disclaim the representations made by Franchisor in the franchise disclosure document furnished to Franchisee.

17.3 Severability: In the event any provision of this Franchise Agreement, in whole or in part (or the application of any provision to a specific situation), is held to be invalid or unenforceable by the final judgment of a court of competent jurisdiction after appeal or the time for appeal has expired, such invalidity shall be limited to such specific provision or portion thereof (or to such situation), and this Agreement shall be construed and applied in such manner as to minimize such unenforceability. This Franchise Agreement shall otherwise remain in full force and effect.

17.4 Headings: The headings in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of any provision of this Franchise Agreement.

17.5 Construction of Agreement and Applicable Law:

17.5.1 This Franchise Agreement and any claims arising under it or in relation to it or to the relationships between the parties shall be governed, construed, interpreted and enforced by and under the laws of the State of Ohio, without regard to, and without giving effect to, the application of Ohio conflict-of-law rules; except that if Ohio law would invalidate or make unenforceable any provision of this Franchise Agreement, then that provision will be governed by the law of any relevant state whose law would uphold or enforce the provision.

17.5.2 All Schedules, Exhibits, and Addenda to this Franchise Agreement are incorporated herein by reference as if fully set forth herein.

17.6 Dispute Resolution: Franchisor has established a policy for Franchisee to air and resolve grievances, issues and disputes internally. If the parties are unable to resolve such disputes through this policy, the parties agree to submit any claim, controversy or dispute arising out of or relating to this Franchise Agreement (including the Attachments, Exhibits, Schedules and Addenda hereto) or the relationship created by this Franchise Agreement (with the exception of those disputes concerning failure to commence or complete construction or renovation, failure to commence operations, insurance, insurance requirements, monetary obligations, indemnification, quality inspection ratings, the Inn has ceased operations, unauthorized use of trademarks, failure to de-identify) to non-binding mediation before bringing such claim, controversy or dispute in a court or before any other tribunal. The parties shall select a mediator within thirty (30) days of request of mediation by either party. The mediation shall be conducted through

either an individual mediator or a mediator appointed by a mediation services organization or body approved by Franchisor and experienced in the mediation of lodging service business disputes or franchise disputes, and shall be conducted at a location selected by Franchisor that is reasonably proximate to the Inn. The costs and expenses of any such mediation, including compensation and expenses of the mediator (and except for the attorneys' fees incurred by either party), shall be borne by both parties equally. If the parties are unable to resolve the claim, controversy or dispute within ninety (90) days after either party requests mediation, then either party may bring a legal proceeding under Section 17.8 below to resolve such claim, controversy or dispute unless such time period is extended by written agreement of the parties. Notwithstanding the foregoing, Franchisor may bring an action for injunctive or other extraordinary relief (including, without limitation, specific performance), or involving the possession or disposition of, or other relief relating to, real property in a court having jurisdiction and in accordance with Section 17.7 below, without first submitting such action to mediation.

17.7 Jurisdiction and Venue: With respect to any claims, controversies or disputes which are not finally resolved through mediation or as otherwise provided above, Franchisor, Franchisee, and owners hereby irrevocably submit themselves to the jurisdiction of the state and federal courts located in Columbus, Ohio having subject matter jurisdiction of the claim, and hereby waive all objections to personal jurisdiction for the purpose of carrying out this provision. Franchisee and owners hereby agree that service of process may be made upon any of them in any proceeding relating to or arising out of this Franchise Agreement or the relationship created by this Franchise Agreement by any means allowed by the laws and applicable rules of procedure of the United States, the State of Ohio, Franchisee's or its owner(s)' state(s) of residence, or the state in which the Inn is located.

17.8 Litigation:

17.8.1 No right or remedy conferred upon or reserved to Franchisor or Franchisee by this Franchise Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy provided herein or permitted by law or equity, but each shall be cumulative of every other right or remedy.

17.8.2 **To the extent permitted by law, Franchisor and Franchisee and its owners irrevocably waive trial by jury in any action, proceeding or counterclaim, whether at law or in equity, brought by either of them against the other. Any and all claims and actions arising out of or relating to this Franchise Agreement, the relationship of Franchisee and Franchisor, or Franchisee's operation of the Inn, brought by either party hereto against the other, whether in mediation or a legal action, shall be commenced within three (3) years from the occurrence of the facts giving rise to such claim or action, notwithstanding any applicable statute of limitations, or such claim or action shall be barred.**

17.8.3 **Except for any indemnification obligations in Section 17, Franchisor and Franchisee and its owners hereby waive to the fullest extent permitted by law any right to or claim of any punitive or exemplary damages against the other, provided, that this provision shall not serve as a waiver of rights to damages set forth in Section 13.**

17.8.4 In connection with any suit or proceeding, brought by Franchisor or Franchisee to enforce any of their respective rights under this Franchise Agreement, the prevailing party in such suit or proceeding shall be entitled to recover its reasonable attorney's fees and expenses of litigation and its court costs incurred therein.

17.9 Consent and Waiver:

17.9.1 Whenever this Franchise Agreement requires the prior approval or consent of Franchisor, Franchisee shall make a timely written request therefor to Franchisor, and such approval or consent shall not be valid unless given in writing and signed by an authorized officer of Franchisor. Franchisor may, in its sole discretion, withhold its approval or consent to any such request unless otherwise provided for herein.

17.9.2 Except for the obligations of Franchisor specifically set forth in this Franchise Agreement, Franchisor makes no warranties or guaranties upon which Franchisee may rely. Franchisor assumes no liability or obligation to Franchisee by providing any waiver, approval, consent or suggestion to Franchisee in connection with this Franchise Agreement, or by reason of any delay or denial of any request therefore.

17.9.3 Franchisor will not be deemed to waive or impair any right, power or option this Franchise Agreement reserves (including, without limitation, Franchisor's right to demand exact compliance with every term, condition and covenant of this Agreement) because of any custom or practice at variance with this Franchise Agreement's terms; Franchisor's waiver of or failure to exercise any right, power or option, whether of the same, similar or different nature, with other Red Roof Inn franchisees; or the existence of franchise agreements for other Red Roof Inn locations which contain provisions different from those contained in this Franchise Agreement. Franchisor's waiver of any particular default of Franchisee shall not affect or impair Franchisor's rights with respect to any subsequent default of the same, similar or different nature; nor shall any delay, forbearance or omission of Franchisor to exercise any power or right arising out of any breach or default by Franchisee affect or impair Franchisor's rights with respect to such default, or Franchisor's right to declare any subsequent breach or default and to terminate this Franchise Agreement before the expiration of its term. Subsequent acceptance by Franchisor of any payments due to it hereunder shall not be deemed to be a waiver by Franchisor of any preceding default by Franchisee of any terms, covenants or conditions of this Franchise Agreement.

17.9.4 In the event that either party hereto shall be delayed, hindered in, or prevented from, the performance of any act required hereunder by reason of strikes, lock-outs, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection or natural disaster (all referred to herein as "Force Majeure"), then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. Force Majeure shall not include Franchisee's lack of adequate financing. Notwithstanding the foregoing, in no event shall the time periods established for commencement or completion of construction or renovation be excused, and/or extended in the aggregate for longer than (one) 1 year due to one or more events of Force Majeure.

[Signatures follow on next page.]

IN WITNESS WHEREOF, each of the parties hereto has caused this Franchise Agreement to be executed by its duly authorized representative as of the date first above written.

FRANCHISOR:
RED ROOF FRANCHISING, LLC,
a Delaware limited liability company

By: _____
Print Name: _____
Title: _____

FRANCHISEE:

,
a

By: _____
Print Name: _____
Title: _____

EXHIBIT A TO
RED ROOF INN FRANCHISE AGREEMENT

SUPPLEMENTAL TERMS

1. Expiration Date:
This Franchise Agreement shall expire twenty (20) years after the Opening (Effective Date for transfers) Date.

2. Approved Location:
The Approved Location for the Inn is

3. To be operated as:
☐ Red Roof Inn
☐ Red Roof Inn & Suites (See Addendum)
☐ Red Roof PLUS+ (See Addendum)
☐ Red Roof PLUS+ & Suites (See Addendum)

4. Exclusive Territory:
The Exclusive Territory is

5. The following Red Roof Inns are in existence within the Exclusive Territory on the date hereof:

6. Guest Rooms:
The Inn shall have guest rooms.

FRANCHISOR:
RED ROOF FRANCHISING, LLC,
a Delaware limited liability company

By: _____
Print Name: _____
Title: _____

FRANCHISEE:

,
a

By: _____
Print Name: _____
Title: _____

EXHIBIT B TO
RED ROOF INN FRANCHISE AGREEMENT

OWNERSHIP SCHEDULE

The following list identifies the owners of Franchisee:

Name	Type of Interest	Percentage Interest in Franchisee

Initial: _____
Franchisee

Initial: _____
Franchisor

EXHIBIT C TO
RED ROOF INN FRANCHISE AGREEMENT

GUARANTEE, INDEMNIFICATION AND ACKNOWLEDGMENT

As an inducement to and as additional consideration for Franchisor to enter into the Franchise Agreement, with Franchisee, the undersigned Guarantors, jointly and severally, hereby unconditionally agree to guarantee to Franchisor, its Affiliates, and their respective successors and assigns the due, complete and punctual performance and observance of all of Franchisee's financial obligations under the Franchise Agreement including, without limitation, the due and timely performance of all payment obligations (the "Guarantee"). Additionally, each Guarantor shall submit to Franchisor, upon written request from time to time, a copy of its current financial statement.

Upon demand by Franchisor, the undersigned will immediately make each payment required of Franchisee under the Franchise Agreement, including damages, costs and expenses owed by Franchisee, payments due under any indemnification claim for reimbursement and all other duties and obligations that are susceptible to being satisfied by payment. This Guarantee is a guarantee of payment, and not of collection. This Guarantee is a primary obligation of the undersigned and is an unconditional, absolute, irrevocable present and continuing obligation and guarantee of performance and is not subject to any defense other than that of full prior performance. The undersigned hereby waive any right to require Franchisor, its Affiliates, successors and assigns to: (a) proceed against Franchisee for any payment required under the Franchise Agreement; (b) proceed against or exhaust any security from Franchisee; or (c) pursue or exhaust any remedy, including any legal or equitable relief, against Franchisee or any other person. Without affecting the obligations of the undersigned under this Guarantee, Franchisor may, without notice to the undersigned, extend, modify, or release any indebtedness or obligation of Franchisee, or settle, adjust or compromise any claims against Franchisee. The undersigned waive notice of amendment of the Franchise Agreement and notice of demand for payment by Franchisee, and agree to be bound by any and all such amendments and changes to the Franchise Agreement.

The undersigned hereby agree to defend, protect, indemnify and hold Franchisor, its Affiliates, their respective successors and assigns, and the officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees, past or present, of each of them (the "Indemnitees"), harmless from and against any and all losses, damages, liabilities, costs and expenses (including, but not limited to, reasonable attorneys' fees, reasonable costs of investigation and court costs) resulting from, consisting of, or arising out of, or in connection with, any act or omission of, or any failure by Franchisee to perform any obligation of Franchisee under the Franchise Agreement, any amendment thereto, or any other agreement executed by Franchisee referred to therein.

The undersigned hereby acknowledge and agree to be individually bound by all of the terms of the Franchise Agreement, including, in particular, those contained in Sections 7, 8, 12, 14, 15, 16 and 17 of the Franchise Agreement. These sections contain a number of provisions that may affect the legal rights of the undersigned, including a waiver of jury trial, waiver of punitive or exemplary damages and limitations on when claims may be raised.

This Guarantee shall terminate upon the termination or expiration of the Franchise Agreement, except with respect to any and all obligations and liabilities which arose or accrued under the Franchise Agreement on or before the effective date of such termination, in which case this Guarantee shall remain in full force and effect with respect to such obligations or liabilities until such obligations or liabilities have been fully satisfied or discharged by the undersigned. In addition, all covenants which by their terms continue in force after the expiration or termination of the Franchise Agreement shall remain in force according to their terms. Upon the death of an individual guarantor, the estate of such guarantor shall be

bound by this Guarantee, but only for defaults and obligations hereunder existing at the time of death; and the obligations of the other guarantors will continue in full force and effect.

The undersigned shall pay Franchisor and any Indemnitees for all costs and expenses (including, but not limited to, reasonable attorneys' fees and court costs) they incur in connection with any action they bring to enforce this Guarantee or any other action related to or arising out of this Guarantee in which Franchisor or such Indemnitee is deemed to be the prevailing party.

Unless specifically stated otherwise, the terms used in this Guarantee shall have the same meaning as in the Franchise Agreement.

This Guarantee and any claims arising under it shall be governed, construed, interpreted and enforced by under the laws of the State of Ohio. In the event of any conflict of law, the laws of Ohio shall prevail, without regard to, and without giving effect to, the application of the State of Ohio conflict-of-law rules; except that if Ohio law would invalidate or make unenforceable any provision of this Franchise Agreement, then that provision will be governed by the law of any relevant state whose law would uphold or enforce the provision. With respect to any claims, controversies or disputes which arise under this Guarantee or the Franchise Agreement, the undersigned hereby irrevocably submit themselves to the jurisdiction of the state and federal courts located in Columbus, Ohio having subject matter jurisdiction of the claim, and hereby waive all objections to personal jurisdiction for the purpose of carrying out this provision. The undersigned hereby agree that service of process may be made upon any of them in any proceeding relating to or arising out of this Guarantee, or the Franchise Agreement or the relationship created by the Franchise Agreement by any means allowed by the laws and applicable rules of procedure of the United States, the State of Ohio, the state of residence of the Guarantor, or the state in which the Inn is located.

All notices pursuant to this Guarantee or the Franchise Agreement shall be in writing and shall be personally delivered; sent by facsimile (if confirmed by regular mail within three (3) days); mailed by registered or certified mail, return receipt requested; or dispatched by overnight delivery to the respective parties at the following addresses, unless and until a different address has been designated by written notice to the other party:

Notices to Franchisor:	Chief Development Officer Red Roof Franchising, LLC 7815 Walton Parkway New Albany, OH 43054 Facsimile Number (614) 225-5328
With copy to:	Franchise Legal Department Red Roof Franchising, LLC 7815 Walton Parkway New Albany, OH 43054 Facsimile Number (614) 225-5363
Notices to Guarantors:	[Guarantor Name] [Guarantor Address] Facsimile Number

Notice shall be deemed to have been received as follows: by personal delivery – at the time of

delivery; by facsimile (if confirmed by regular mail as set forth above); - at time of faxing; by overnight delivery service - on the next business day following the date on which the notice was given to the overnight delivery service; and by registered or certified mail, return receipt requested - three (3) days after the date of mailing.

The undersigned acknowledge that they have read and understood the Franchise Agreement, including the Attachments, Exhibits, Schedules and Addenda thereto, including this Guarantee, and any other agreements relating to the Franchise Agreement, and that Franchisor has accorded the undersigned ample time and opportunity to consult with advisors of their own choosing about the potential benefits and risks of entering into this Guarantee.

IN WITNESS WHEREOF, each of the undersigned has signed this Guarantee as of the date of the Franchise Agreement.

GUARANTORS

_____
[Insert Name]

Home Address: _____
_____

_____
[Insert Name]

Home Address: _____
_____

EXHIBIT G

CONSTRUCTION ADDENDUM TO THE FRANCHISE AGREEMENT

CONSTRUCTION ADDENDUM
TO RED ROOF INN FRANCHISE AGREEMENT

This Construction Addendum ("Construction Addendum") to the Red Roof Inn Franchise Agreement (the "Franchise Agreement") dated _____, 20__ (the "Effective Date") by and between RED ROOF FRANCHISING, LLC ("Franchisor") and ("Franchisee") with respect to the Red Roof Inn located at (the "Inn") is made effective as of the Effective Date.

RECITALS:

Franchisor and Franchisee wish to enter into this Construction Addendum to provide terms and conditions upon which the Inn shall be constructed at the Approved Location as a Red Roof Inn.

Now, therefore, in consideration of the mutual promises and covenants set forth herein and in the Franchise Agreement, the parties agree as follows:

1. Site Control. If not previously provided, within ninety (90) days after the execution of this Construction Addendum or before the Opening Date, whichever is earlier, Franchisee shall deliver to Franchisor satisfactory evidence, in the form of a warranty deed or long term lease, that it has secured ownership or the right to possession, of the Approved Location.

2. Construction Schedule. Franchisee shall comply with: all development and construction obligations set forth in this Construction Addendum and the construction schedule in Schedule A attached hereto and incorporated by reference.

3. Construction Plans and Specifications. Franchisee shall construct and equip the Inn in strict accordance with Franchisor's Standards and specifications and approved Construction Plans, all based on Franchisor's prototype plans. "Construction Plans" means the proposed renderings and specifications for the construction of the Inn, including, without limitation, architectural, mechanical, electrical, structural, civil engineering, and landscaping drawings, in such detail and containing such information (such as door locking systems and other safety features) as Franchisor may request.

3.1. Franchisee shall submit to Franchisor the Construction Plans on or before the date specified in Schedule A to this Construction Addendum. Franchisee acknowledges and agrees that all Construction Plans must be submitted to and approved by Franchisor.

3.2. The Construction Plans shall be prepared by a qualified architect, design firm, engineer and/or contractor (individually and collectively, a "Qualified Preparer"). Franchisee shall be required to submit to Franchisor such information concerning a Qualified Preparer's qualifications as Franchisor may request. Franchisee acknowledges and agrees that Franchisor is not, and shall not be, liable for the performance of any Qualified Preparer retained by Franchisee.

3.3. Upon submission of the Construction Plans to Franchisor, Franchisor shall approve or deny such Construction Plans in its sole discretion. Construction of the Inn shall not commence until the Construction Plans have been approved by Franchisor.

3.4. Franchisee acknowledges that Franchisor's approval of the Construction Plans is not, and should not be considered as, any assurance or guarantee that the Construction Plans will satisfy federal, state and/or local construction and/or zoning requirements, including, without limitation, compliance with the Americans with Disabilities Act. Franchisee shall be solely responsible for compliance with all federal, state and local laws. Franchisor shall not be responsible for architecture or engineering, code, zoning, or other

requirements or laws, ordinances, or regulations of any state, local or federal governmental body, or for any errors, omissions, or discrepancies of any nature in any drawings or specifications used for construction of the Inn. Franchisee's architect or contractor must certify to Franchisor that the Construction Plans satisfy all federal, state and local laws. Franchisee shall not reproduce, use or permit the use of any of the design concepts, drawings, or specifications of a Red Roof Inn without Franchisor's prior written approval.

4. Construction. Franchisee shall commence construction of the Inn on or before the date specified in Schedule A and shall give Franchisor written notice of the actual Commencement of Construction within five (5) days thereafter. "Commencement of Construction" shall mean the time at which the footings for the Inn are poured. After Commencement of Construction, Franchisee shall continue to construct the Inn (except for delays which may be caused by the occurrence of events constituting "Force Majeure") until construction is completed in strict accordance with the approved Construction Plans, which may not be changed or modified after Franchisor's approval without Franchisor's prior written consent.

4.1 Franchisee shall notify Franchisor in writing of any event of Force Majeure upon its occurrence. In the event Franchisee requests, in writing, an extension of any of the deadlines contained herein and Franchisor approves such request, Franchisor may condition any extension upon compliance with then-current System Standards.

4.2. During construction, Franchisee shall, and shall cause its architect, engineer, contractors and subcontractors to, cooperate fully with Franchisor for the purpose of permitting Franchisor or its approved or designated suppliers to inspect the Approved Location and the progress of the construction to determine whether construction is proceeding in strict accordance with the Construction Plans and the Standards and specifications contained in the Manuals. Franchisee acknowledges and agrees that inspections by Franchisor or its approved or designated suppliers shall be for the purpose of assuring Franchisee's compliance with the Standards required by Franchisor, and shall not be, nor be construed as, assurances or approvals that the construction is in compliance with any federal, state or local law, or regulation, or zoning or building requirements.

4.3. Franchisee shall provide progress reports to Franchisor, in the form and manner, and at such times, that Franchisor may reasonably request.

5. Furniture, Fixtures and Supplies. Franchisee shall bear the entire cost of constructing and furnishing the Inn. Franchisee shall order, purchase and/or lease and install all fixtures, equipment, furnishings, furniture, signs, supplies and other items necessary to complete and open the Inn as specified in the Construction Plans and the Manuals. Franchisee shall install and have operable an exterior pole-mounted or pylon sign at least ninety (90) days before the Opening Date.

6. Opening. Franchisee shall not open for business at the Approved Location as a Red Roof Inn ("Opening") without written authorization of Franchisor to open. Franchisor shall have no obligation to approve Opening until all of the conditions of this Section 6 are satisfied:

6.1. Construction of the Inn has, in Franchisor's sole judgment, been completed in strict accordance with the approved Construction Plans;

6.2. Franchisee has obtained a Certificate of Occupancy and has submitted to Franchisor a contractor's certification that the Inn has been constructed and completed in strict accordance with the approved Construction Plans and all required laws;

6.3. Franchisee has installed at the Inn all furnishings, furniture, equipment, signs, supplies and other items that are required to be installed prior to Opening and such items are in strict

conformity with (in Franchisor's sole judgment): the Construction Plans, the Manuals, the Franchise Agreement, and this Construction Addendum;

6.4. Franchisee has paid all amounts due Franchisor, its Affiliates and its approved or designated suppliers;

6.5. Franchisee has given Franchisor written notice that all terms and conditions of the Franchise Agreement and this Construction Addendum have been satisfied and the Inn is ready to open for business as a Red Roof Inn;

6.6. Franchisor has granted written approval to open and operate the Inn as a Red Roof Inn.

6.6.1 Franchisor shall use its best efforts to inspect the Inn within fourteen (14) days after receiving the notice specified in Section 6.5 and to conduct any such other investigations that Franchisor deems necessary to determine whether Franchisee has satisfied all requirements for opening the Inn as a Red Roof Inn. Franchisor shall not be liable for delays or loss occasioned by the inability of Franchisor to complete its investigation and to make such determination for reasons beyond Franchisor's control;

6.6.2 If Franchisee notifies Franchisor that the Inn is ready for Opening and upon inspection Franchisor determines, in its sole discretion, that Franchisee has not satisfied all requirements for Opening, Franchisor may re-visit the property to confirm readiness before opening and charge Franchisee a re-visit fee. Such fee ranges from Two Thousand Dollars ($2,000) to Four Thousand Dollars ($4,000) but is subject to change by Franchisor.

7. Conditional Opening/Limited License to Advertise

7.1. Franchisor may, in its sole discretion, conditionally authorize Franchisee to open and operate the Inn as a Red Roof Inn prior to completing the requirements set out in Section 5, above, if in the sole judgment of Franchisor, Franchisee is making satisfactory progress, toward completion of the Construction Plan, the items remaining are minor, and Franchisee agrees to complete all remaining items by a date or dates specified in writing and agreed in writing by Franchisor. If Franchisee fails to comply with all such remaining terms on or before the completion date specified in the written agreement granting the conditional opening, such failure shall be a material breach of the Franchise Agreement, and Franchisor may terminate the Franchise Agreement pursuant to Section 13 thereof.

7.2. Franchisee shall not advertise or otherwise hold out the Inn as being, or becoming, a Red Roof Inn until Franchisor has approved, in writing, the Opening, or conditional opening, of the Inn as a Red Roof Inn pursuant to this Construction Addendum; except that if Franchisor determines that the improvements are being made in strict accordance with the final Construction Plans, it may grant a limited, temporary license under which Franchisee may use the Proprietary Marks to advertise the Inn's anticipated opening. Such advertisements may appear only on signs at the Approved Location and in local print and broadcast media announcements that, in each instance, meet Franchisor's Standards for design and quality. Franchisor shall notify Franchisee in writing if it approves such a limited, temporary license.

8. Termination.

8.1. Franchisee acknowledges that failure to meet the deadlines set forth in this Construction Addendum or Schedule A attached hereto shall constitute an event of default under the Franchise Agreement. Upon the occurrence of such default, Franchisor may terminate the Franchise Agreement, as

provided therein, without prejudice to any other rights or remedies contained in the Franchise Agreement or provided by law or equity.

8.2. **If the Franchise Agreement is terminated as a result of Franchisee's default under this Construction Addendum and at the time of such termination the Inn has not opened as a Red Roof Inn, conditionally or otherwise, Franchisee shall be required to pay, in addition to other sums owed pursuant to the Franchise Agreement, liquidated damages for premature termination, and not as a penalty, in the amount of One Hundred Thousand Dollars ($100,000). If the Franchise Agreement is terminated as a result of Franchisee's default under this Construction Addendum and at the time of such termination the Inn has opened as a Red Roof Inn, conditionally or otherwise, Franchisee shall be required to pay, in addition to other sums owed pursuant to the Franchise Agreement, liquidated damages for premature termination, and not as a penalty, as set forth in the Franchise Agreement.**

8.3. Upon any termination of the Franchise Agreement as a result of Franchisee's failure to comply with the terms of this Construction Addendum, Franchisee shall comply with all post-termination obligations under Section 14 of the Franchise Agreement.

9. Miscellaneous.

9.1 The Recitals are hereby incorporated into this Construction Addendum by this reference. The captions in this Construction Addendum are for convenience only. Any capitalized term that is not defined in this Construction Addendum shall have the meaning given to it in the Franchise Agreement.

9.2 The parties hereby confirm the Franchise Agreement, as amended by this Construction Addendum, and reaffirm their respective obligations under such Franchise Agreement, as amended by this Construction Addendum. The parties agree that except as specifically set forth herein, the provisions of the Franchise Agreement shall remain unchanged and this Construction Addendum shall be in addition to, and not in lieu of, the provisions of the Franchise Agreement. In the event of any conflict between the terms of the Franchise Agreement and the terms of this Construction Addendum, the terms of this Construction Addendum shall control.

9.3 This Construction Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Construction Addendum by electronic transmission (including an electronic signature platform such as DocuSign or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Construction Addendum.

[Signatures follow on next page.]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Construction Addendum effective as of the date of the Franchise Agreement.

FRANCHISOR:
RED ROOF FRANCHISING, LLC,
a Delaware limited liability company

By: _____
Print Name: _____
Title: _____

FRANCHISEE:

,
a

By: _____
Print Name: _____
Title: _____

SCHEDULE A

TO CONSTRUCTION ADDENDUM

Requirements	Due Date
Commencement of construction in conformity with approved construction plans	
Completion of construction and "punch-out" for commencement of operations	
Opening Date Deadline	

Initial: _____
Franchisee

Initial: _____
Franchisor

EXHIBIT H

RENOVATION ADDENDUM TO THE FRANCHISE AGREEMENT

RENOVATION ADDENDUM
TO RED ROOF INN FRANCHISE AGREEMENT

This Renovation Addendum ("Renovation Addendum") to the Red Roof Inn Franchise Agreement (the "Franchise Agreement") dated _____, 20__ (the "Effective Date") by and between RED ROOF FRANCHISING, LLC ("Franchisor") and ("Franchisee") with respect to the Red Roof Inn (the "Inn") located at (the "Approved Location") is made effective as of the Effective Date.

RECITALS:

Franchisor and Franchisee wish to enter into this Renovation Addendum to provide for the terms and conditions upon which the Inn shall be converted to a Red Roof Inn at the Approved Location.

Now, therefore, in consideration of the mutual promises and covenants set forth herein and in the Franchise Agreement, the parties agree as follows:

1. Site Control. If not previously provided, within ninety (90) days after the execution of this Renovation Addendum or before the Opening Date, whichever is earlier, Franchisee shall deliver to Franchisor satisfactory evidence, in the form of a warranty deed or long term lease, that it has secured ownership or the right to possession of the Approved Location.

2. Renovation Schedule. Franchisee shall comply with: all development and construction obligations set forth in this Renovation Addendum, the renovation schedule in Schedule A attached hereto and incorporated by reference and the property improvement plan in Schedule B attached hereto and incorporated by reference.

3. Renovation Plans and Specifications. Franchisee shall renovate and equip the Inn in strict accordance with Franchisor's Standards and specifications and approved Renovation Plans. The "Renovation Plans" shall include, without limitation, architectural, mechanical, electrical, structural, civil engineering, and landscaping drawings, in such detail and containing such information (such as door locking systems and other safety features) as Franchisor may request.

3.1. Franchisee shall submit to Franchisor proposed renderings and Renovation Plans. on or before the date specified in Schedule A to this Renovation Addendum. Franchisee acknowledges and agrees that all Renovation Plans must be submitted to and approved by Franchisor.

3.2. The Renovation Plans shall be prepared by a qualified architect, design firm, engineer and/or contractor (individually and collectively, a "Qualified Preparer"). Franchisee shall be required to submit to Franchisor such information concerning a Qualified Preparer's qualifications as Franchisor may request. Franchisee acknowledges and agrees that Franchisor is not, and shall not be, liable for the performance of any Qualified Preparer retained by Franchisee.

3.3. Upon submission of the Renovation Plans to Franchisor, Franchisor shall approve or deny such Renovation Plans in its sole discretion. Renovation of the Inn shall not commence until the Renovation Plans have been approved by Franchisor.

3.4. Franchisee acknowledges that Franchisor's approval of the Renovation Plans is not, and should not be considered as, any assurance or guarantee that the Renovation Plans will satisfy federal, state and/or local construction and/or zoning requirements, including, without limitation, compliance with the Americans with Disabilities Act. Franchisee shall be solely responsible for compliance

with all federal, state and local laws. Franchisor shall not be responsible for architecture or engineering, code, zoning, or other requirements or laws, ordinances, or regulations of any state, local or federal governmental body, or for any errors, omissions, or discrepancies of any nature in any drawings or specifications used for renovation of the Inn. Franchisee's architect or contractor must certify to Franchisor that the Renovation Plans satisfy all federal, state and local laws. Franchisee shall not reproduce, use or permit the use of any of the design concepts, drawings, or specifications of a Red Roof Inn without Franchisor's prior written approval.

4. Renovation. Franchisee shall commence renovation of the Inn on or before the date specified in Schedule A ("Commencement of Renovation") and shall give Franchisor written notice of the actual commencement date within five (5) days thereafter. After Commencement of Renovation, Franchisee shall continue to renovate the Inn (except for delays which may be caused by the occurrence of events constituting "Force Majeure") until renovation is completed in strict accordance with the approved Renovation Plans, which may not be changed or modified after Franchisor's approval without Franchisor's prior written consent.

4.1. Franchisee shall notify Franchisor in writing of any event of Force Majeure upon its occurrence. In the event Franchisee requests, in writing, an extension of any of the deadlines contained herein and Franchisor approves such request, Franchisor may condition any extension upon compliance with then-current System Standards.

4.2. During renovation, Franchisee shall, and shall cause its architect, engineer, contractors and subcontractors to, cooperate fully with Franchisor for the purpose of permitting Franchisor or approved or designated suppliers to inspect the Approved Location and the progress of the renovation to determine whether the work is proceeding in strict accordance with the Renovation Plans and the Standards and specifications contained in the Manuals. Franchisee acknowledges and agrees that inspections by Franchisor or its approved or designated suppliers shall be for the purpose of assuring Franchisee's compliance with the Standards required by Franchisor, and shall not be, nor be construed as, assurances or approvals that the renovation is in compliance with any federal, state or local law, or regulation, or zoning or building requirements.

4.3. Franchisee shall provide progress reports to Franchisor, in the form and manner, and at such times, that Franchisor may reasonably request.

5. Furniture, Fixtures and Supplies. Franchisee shall bear the entire cost of renovating and furnishing the Inn. Franchisee shall order, purchase and/or lease and install all fixtures, equipment, furnishings, furniture, signs, supplies and other items necessary to complete and open the Inn as specified in the Renovation Plans and the Manuals.

6. Opening. Franchisee shall not open for business at the Approved Location as a Red Roof Inn ("Opening") without written authorization of Franchisor to open. Franchisor shall have no obligation to approve Opening until all of the conditions of this Section 6 are satisfied:

6.1. Renovation that is required to be completed prior to Opening has, in Franchisor's sole judgment, been completed in strict accordance with the approved Renovation Plans;

6.2. Franchisee has obtained a Certificate of Occupancy and has submitted to Franchisor a contractor's certification that the renovation of the Inn has been completed in strict accordance with the approved Renovation Plans and all required laws;

6.3. Franchisee has installed at the Inn all furnishings, furniture, equipment, signs, supplies and other items that are required to be installed prior to Opening and such items are in strict conformity with (in Franchisor's sole judgment): the Renovation Plans, the Manuals, the Franchise Agreement and this Renovation Addendum;

6.4. Franchisee has paid all amounts due Franchisor, its Affiliates and its approved or designated suppliers;

6.5. Franchisee has given Franchisor written notice that all terms and conditions of the Franchise Agreement and this Renovation Addendum have been satisfied and the Inn is ready to open for business as a Red Roof Inn;

6.6. Franchisor has granted written approval to open and operate the Inn as a Red Roof Inn.

6.6.1 Franchisor shall use its best efforts to inspect the Inn within fourteen (14) days after receiving the notice specified in Section 6.5 and to conduct any such other investigations that Franchisor deems necessary to determine whether Franchisee has satisfied all requirements for opening the Inn as a Red Roof Inn. Franchisor shall not be liable for delays or loss occasioned by the inability of Franchisor to complete its investigation and to make such determination for reasons beyond Franchisor's control.

6.6.2 If Franchisee notifies Franchisor that the Inn is ready for Opening and upon inspection Franchisor determines, in its sole discretion, that Franchisee has not satisfied all requirements for Opening, Franchisor may re-visit the property to confirm readiness before opening and charge Franchisee a re-visit fee. Such fee ranges from Two Thousand Dollars ($2,000) to Four Thousand Dollars ($4,000) but is subject to change by Franchisor.

7. Conditional Opening/Limited License to Advertise.

7.1 Franchisor may, in its sole discretion, conditionally authorize Franchisee to open and operate the Inn as a Red Roof Inn prior to completing the requirements set out in Section 6, above, if in the sole judgment of Franchisor, Franchisee is making satisfactory progress toward completion of the Renovation Plan, the items remaining are minor, and Franchisee agrees to complete all remaining items by a date or dates specified in writing and agreed in writing by Franchisor. If Franchisee fails to comply with all such remaining terms on or before the completion date specified in the written agreement granting the conditional opening, such failure shall be a material breach of the Franchise Agreement, and Franchisor may terminate the Franchise Agreement pursuant to Section 13 thereof.

7.2. Franchisee shall not advertise or otherwise hold out the Inn as being, or becoming, a Red Roof Inn until Franchisor has approved, in writing, the Opening, or conditional opening, of the Inn as a Red Roof Inn pursuant to this Renovation Addendum.

8. Termination.

8.1. Franchisee acknowledges that failure to meet the deadlines set forth in this Renovation Addendum or Schedules A or B attached hereto shall constitute an event of default under the Franchise Agreement. Upon the occurrence of such default, Franchisor may terminate the Franchise Agreement, as provided therein, without prejudice to any other rights or remedies contained in the Franchise Agreement or provided by law or equity.

8.2. **If the Franchise Agreement is terminated as a result of Franchisee's default under this Renovation Addendum and at the time of such termination the Inn has not opened as a Red Roof Inn, conditionally or otherwise, Franchisee shall be required to pay, in addition to other sums owed pursuant to the Franchise Agreement, liquidated damages for premature termination, and not as a penalty, in the amount of One Hundred Thousand Dollars ($100,000). If the Franchise Agreement is terminated as a result of Franchisee's default under this Renovation Addendum and at the time of such termination the Inn has opened as a Red Roof Inn, conditionally or otherwise, Franchisee shall be required to pay, in addition to other sums owed pursuant to the Franchise Agreement, liquidated damages for premature termination, and not as a penalty, as set forth in the Franchise Agreement.**

8.3. Upon any termination of the Franchise Agreement as a result of Franchisee's failure to comply with the terms of this Renovation Addendum, Franchisee shall comply with all post-termination obligations under Section 14 of the Franchise Agreement.

9. Miscellaneous.

9.1 The Recitals are hereby incorporated into this Renovation Addendum by this reference. The captions in this Renovation Addendum are for convenience only. Any capitalized term that is not defined in this Renovation Addendum shall have the meaning given to it in the Franchise Agreement.

9.2 The parties hereby confirm the Franchise Agreement, as amended by this Renovation Addendum, and reaffirm their respective obligations under such Franchise Agreement, as amended by this Renovation Addendum. The parties agree that except as specifically set forth herein, the provisions of the Franchise Agreement shall remain unchanged and this Renovation Addendum shall be in addition to, and not in lieu of, the provisions of the Franchise Agreement. In the event of any conflict between the terms of the Franchise Agreement and the terms of this Renovation Addendum, the terms of this Renovation Addendum shall control.

9.3 This Renovation Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Renovation Addendum by electronic transmission (including an electronic signature platform such as DocuSign or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Renovation Addendum.

[Signatures follow on next page.]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Renovation Addendum effective as of the date of the Franchise Agreement.

FRANCHISOR:
RED ROOF FRANCHISING, LLC,
a Delaware limited liability company

By: _____
Print Name: _____
Title: _____

FRANCHISEE:

,
a

By: _____
Print Name: _____
Title: _____

SCHEDULE A
TO RENOVATION ADDENDUM

Requirements	Due Date
Submission of renovation plans to Franchisor for approval [delete for transfers]	
Commencement of renovation in conformity with the requirements set forth in Schedule B *	
Completion of renovation deadline	
Opening Date deadline [delete for transfers]	

Initial: _____
Franchisee

Initial: _____
Franchisor

SCHEDULE B
TO RENOVATION ADDENDUM

PROPERTY IMPROVEMENT PLAN ATTACHED

EXHIBIT I

ADDENDUM TO FRANCHISE AGREEMENT FOR
RED ROOF INN & SUITES, RED ROOF PLUS+ OR RED ROOF PLUS+ & SUITES

RED ROOF INN & SUITES ADDENDUM
TO RED ROOF INN FRANCHISE AGREEMENT

This Red Roof Inn & Suites Addendum ("Suites Addendum") to the Red Roof Inn Franchise Agreement (the "Franchise Agreement") dated _____, 20__ (the "Effective Date") by and between RED ROOF FRANCHISING, LLC ("Franchisor", "we" or "us") and ("Franchisee") with respect to the inn located at (the "Inn") is made effective as of the Effective Date.

RECITALS:

The Franchise Agreement contemplates the grant of a franchise for an Inn to be operated under the "Red Roof Inn" and "Red Roof Inns" trade names and service marks.

"Red Roof Inn & Suites" means a high quality lodging facility in the economy segment with no less than 10% of the room count consisting of rooms with enhanced amenities. These may include more spacious rooms, refrigerators, coffee makers, second telephone, exercise room, or meeting rooms. The standards for Red Roof Inn & Suites locations are set out in the Manuals.

The parties desire that the Inn be operated under the "Red Roof Inn & Suites" mark and wish to conform the Franchise Agreement accordingly.

NOW, THEREFORE, for and in consideration of the mutual promises and agreements set forth herein and in the Franchise Agreement the parties agree as follows:

1. Amendment to Franchise Agreement. The Franchise Agreement is hereby amended in all appropriate places to provide that the Inn shall be operated under the trade name and service mark, "Red Roof Inn & Suites." Except for the trade name and service mark by which the Inn is identified, such Inn shall in all other respects be considered part of the Red Roof Inn franchise System and all provisions of the Franchise Agreement applicable to the operation of Red Roof Inns under the System shall apply to the Inn.

2. Miscellaneous.

2.1 The Recitals are hereby incorporated into this Suites Addendum by this reference. The captions in this Suites Addendum are for convenience only. Any capitalized term that is not defined in this Suites Addendum shall have the meaning given to it in the Franchise Agreement.

2.2 The parties hereby confirm the Franchise Agreement, as amended by this Suites Addendum, and reaffirm their respective obligations under such Franchise Agreement, as amended by this Suites Addendum. The parties agree that except as specifically set forth herein, the provisions of the Franchise Agreement shall remain unchanged and this Suites Addendum shall be in addition to, and not in lieu of, the provisions of the Franchise Agreement. In the event of any conflict between the terms of the Franchise Agreement and the terms of this Suites Addendum, the terms of this Suites Addendum shall control.

2.3 This Suites Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Suites Addendum by electronic transmission (including an electronic signature platform such as DocuSign or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Suites Addendum.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Suites Addendum effective as of the date of the Franchise Agreement.

FRANCHISOR:
RED ROOF FRANCHISING, LLC,
a Delaware limited liability company

By: _____
Print Name: _____
Title: _____

FRANCHISEE:

,
a

By: _____
Print Name: _____
Title: _____

RED ROOF PLUS+ ADDENDUM
TO RED ROOF INN FRANCHISE AGREEMENT

This Red Roof PLUS+ Addendum ("PLUS Addendum") to the Red Roof Inn Franchise Agreement (the "Franchise Agreement") dated _____, 20__ (the "Effective Date") by and between RED ROOF FRANCHISING, LLC ("Franchisor") and ("Franchisee") with respect to the inn located at (the "Inn") is made effective as of the Effective Date.

RECITALS:

The Franchise Agreement contemplates the grant of a franchise for an Inn to be operated under the "Red Roof Inn" and "Red Roof Inns" trade names and service marks.

"Red Roof PLUS+" means a high quality lodging facility in the economy segment consisting of guest rooms with enhanced amenities. These may include a minimum required number of guest rooms with enhanced amenities, including but not limited to in room refrigerators, microwaves, and /or coffee makers. The lodging facility may also be required to have an upgraded lobby design and exterior design elements, including, but not limited to, a defined entry canopy or porte cochere, LED lighting as well as other exterior design elements. The standards for Red Roof PLUS+ locations are set out in the Manuals.

The parties' desire that the Inn be operated under the "Red Roof PLUS+" mark and wish to conform the Franchise Agreement accordingly.

NOW, THEREFORE, for and in consideration of the mutual promises and agreements set forth herein and in the Franchise Agreement the parties agree as follows:

1. Amendment to Franchise Agreement. The Franchise Agreement is hereby amended in all appropriate places to provide that the Inn shall be operated under the trade name and service mark, "Red Roof PLUS+." Except for the trade name and service mark by which the Inn is identified, such Inn shall in all other respects be considered part of the Red Roof Inn franchise System and all provisions of the Franchise Agreement applicable to the operation of Red Roof Inns under the System shall apply to the Inn.

2. Miscellaneous.

2.1 The Recitals are hereby incorporated into this PLUS Addendum by this reference. The captions in this PLUS Addendum are for convenience only. Any capitalized term that is not defined in this PLUS Addendum shall have the meaning given to it in the Franchise Agreement.

2.2 The parties hereby confirm the Franchise Agreement, as amended by this PLUS Addendum, and reaffirm their respective obligations under such Franchise Agreement, as amended by this PLUS Addendum. The parties agree that except as specifically set forth herein, the provisions of the Franchise Agreement shall remain unchanged and this PLUS Addendum shall be in addition to, and not in lieu of, the provisions of the Franchise Agreement. In the event of any conflict between the terms of the Franchise Agreement and the terms of this PLUS Addendum, the terms of this PLUS Addendum shall control.

2.3 This PLUS Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this PLUS Addendum by electronic transmission (including an electronic signature platform such as DocuSign or the

transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this PLUS Addendum.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this PLUS Addendum effective as of the date of the Franchise Agreement.

FRANCHISOR:
RED ROOF FRANCHISING, LLC,
a Delaware limited liability company

By: _____
Print Name: _____
Title: _____

FRANCHISEE:

,
a

By: _____
Print Name: _____
Title: _____

RED ROOF PLUS+ & SUITES ADDENDUM
TO RED ROOF INN FRANCHISE AGREEMENT

This Red Roof PLUS+ & Suites Addendum ("PLUS & Suites Addendum") to the Red Roof Inn Franchise Agreement (the "Franchise Agreement") dated _____, 20__ (the "Effective Date") by and between RED ROOF FRANCHISING, LLC ("Franchisor", "we" or "us") and ("Franchisee") with respect to the inn located at (the "Inn") is made effective as of the Effective Date.

RECITALS:

The Franchise Agreement contemplates the grant of a franchise for an Inn to be operated under the "Red Roof Inn" and "Red Roof Inns" trade names and service marks.

"Red Roof PLUS+ & Suites" means a high quality lodging facility in the economy segment consisting of guest rooms with enhanced amenities. These may include a minimum required number of guest rooms with enhanced amenities, including but not limited to in room refrigerators, microwaves, and /or coffee makers. The lodging facility may also be required to have an upgraded lobby design and exterior design elements, including, but not limited to, a defined entry canopy or porte cochere, LED lighting as well as other exterior design elements. The standards for Red Roof PLUS+ & Suites locations are set out in the Manuals.

The parties' desire that the Inn be operated under the "Red Roof PLUS+ & Suites" mark and wish to conform the Franchise Agreement accordingly.

NOW, THEREFORE, for and in consideration of the mutual promises and agreements set forth herein and in the Franchise Agreement the parties agree as follows:

1. Amendment to Franchise Agreement. The Franchise Agreement is hereby amended in all appropriate places to provide that the Inn shall be operated under the trade name and service mark, "Red Roof PLUS+ & Suites". Except for the trade name and service mark by which the Inn is identified, such Inn shall in all other respects be considered part of the Red Roof Inn franchise System and all provisions of the Franchise Agreement applicable to the operation of Red Roof Inns under the System shall apply to the Inn.

2. Miscellaneous.

2.1 The Recitals are hereby incorporated into this PLUS & Suites Addendum by this reference. The captions in this PLUS & Suites Addendum are for convenience only. Any capitalized term that is not defined in this PLUS & Suites Addendum shall have the meaning given to it in the Franchise Agreement.

2.2 The parties hereby confirm the Franchise Agreement, as amended by this PLUS & Suites Addendum, and reaffirm their respective obligations under such Franchise Agreement, as amended by this PLUS & Suites Addendum. The parties agree that except as specifically set forth herein, the provisions of the Franchise Agreement shall remain unchanged and this PLUS & Suites Addendum shall be in addition to, and not in lieu of, the provisions of the Franchise Agreement. In the event of any conflict between the terms of the Franchise Agreement and the terms of this PLUS & Suites Addendum, the terms of this PLUS & Suites Addendum shall control.

2.3 This PLUS & Suites Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this PLUS & Suites Addendum by electronic transmission (including an electronic signature platform such as DocuSign or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this PLUS & Suites Addendum.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this PLUS & Suites Addendum effective as of the date of the Franchise Agreement.

FRANCHISOR:
RED ROOF FRANCHISING, LLC,
a Delaware limited liability company

By: _____
Print Name: _____
Title: _____

FRANCHISEE:

,
a

By: _____
Print Name: _____
Title: _____

EXHIBIT J

NON-DISCLOSURE AGREEMENT (BUILDING PLANS)

NON-DISCLOSURE AGREEMENT (BUILDING PLANS)

This Non-Disclosure Agreement (this "Agreement") is made and entered into on _____, 20___ by and between Red Roof Franchising, LLC ("Franchisor"), a Delaware limited liability company with principal offices at The Red Roof Building, 7815 Walton Parkway, New Albany, OH 43054 and , a with principal offices at ("Franchisee").

Franchisor and Franchisee are parties to a Red Roof Inn Franchise Agreement dated _____, 20__ (the "Franchise Agreement"), pursuant to which Franchisor granted to Franchisee the right and license (and Franchisee accepted the obligation) to develop and operate a franchised Red Roof Inn (the "Inn") located at _____ (Inn #___) (the "Approved Location");

Franchisee has requested that Franchisor provide Franchisee with the Building Plans and Specifications for Franchisor's NextGen prototype (the "Building Plans"). The Building Plans are proprietary to Franchisor and, therefore, Franchisor requires Franchisee to execute this Agreement prior to the delivery of the Building Plans to Franchisee.

In consideration of the disclosure of such information, and the mutual representations and covenants contained hereinafter, each of the parties hereby agrees as follows:

1. Definition. This Agreement shall apply to all confidential and proprietary information disclosed by Franchisor to the Franchisee, including, without limitation, the Building Plans and all information, documents, specifications, drawings, technology, know-how, studies and business information related thereto (collectively, "Confidential Information").

2. Nondisclosure of Confidential Information. Franchisee agrees not to use any Confidential Information for its own use or for any purpose except to carry out discussions with Franchisor concerning the development of the Inn. Franchisee agrees to hold the Confidential Information in strict confidence and not to disclose such Confidential Information to any third parties. Notwithstanding the foregoing, Franchisee may disclose the Confidential Information only to those employees or consultants who require such information in order to further the business discussions between the parties and only to the extent necessary. Franchisee agrees that it will take all reasonable measures to protect the confidentiality of and avoid disclosure or use of the Confidential Information in order to prevent it from falling into the public domain or the possession of persons other than those persons authorized hereunder to have any such information, which measures shall include the highest degree of care that it utilizes to protect its own confidential information of a similar nature. No copies of the Confidential Information may be made unless approved in writing by Franchisor.

3. Exceptions. The obligations set forth in Section 2, above, shall not apply to any information which (i) was known to Franchisee prior to being disclosed by Franchisor, or (ii) becomes publicly known through no wrongful act of Franchisee, or (iii) is approved for release by written authorization of Franchisor, or (iv) is rightfully received from a third party who provided such information without breach of any separate confidentiality obligation and without restriction or subsequent disclosure. In addition, Confidential Information may be disclosed to the extent required by court order or as otherwise required by law, provided that Franchisee notifies Franchisor promptly upon learning of the possibility of any such requirement and has given Franchisor a reasonable opportunity (and cooperated with the party) to contest or limit the scope of such required disclosure (including application for a protective order).

4. Remedies. Franchisee acknowledges and agrees that the unauthorized disclosure or use of the Confidential Information will cause irreparable harm and significant injury to Franchisor which will be difficult to ascertain and incapable of adequately compensating solely in terms of monetary damages.

Accordingly, Franchisee agrees that Franchisor shall have the right to the issuance of immediate injunctive relief enjoining any breach or threatened breach of Franchisee's obligations hereunder.

5. No License. Franchisee hereby acknowledges and agrees that all Confidential Information shall be owned solely by Franchisor. This Agreement entitles Franchisee to use the Confidential Information solely in connection with Franchisee's development of the Inn. No license, express or implied, in the Confidential Information is granted to Franchisee other than to use the Confidential Information in the manner and to the extent authorized by this Agreement.

6. Term. This Agreement shall be and remain in effect for a period of five (5) years from the date hereof. The foregoing covenants and commitments of Franchisee shall survive the expiration of this Agreement.

7. Governing Law. This Agreement shall be governed by the laws of the State of Ohio, excluding that body of law relating to choice of laws, and of the United States of America. Any action or proceeding brought to enforce or interpret the provisions of this Agreement shall be brought in a court of competent subject matter jurisdiction in Ohio. Each of the parties irrevocably submits itself to the personal jurisdiction and venue of such courts for purposes of any such action; provided, however, notwithstanding the foregoing, each of the parties shall be entitled to the issuance of appropriate equitable relief regarding the party's breach or alleged breach of this Agreement in any court of competent jurisdiction in any country in which such breach or alleged breach occurs. The prevailing party in any legal proceeding between the parties shall be entitled to recover, in addition to any relief awarded, its costs and expenses incurred in any such proceeding, including, without limitation, its reasonable fees for attorneys, expert witnesses and court costs.

8. Return of Confidential Information. Promptly upon request by Franchisor, Franchisee shall return all Confidential Information, together with and any and all copies thereof and notes, work papers, studies, reports and information related thereto to Franchisor.

9. Miscellaneous. Franchisor may assign its rights in this Agreement upon written notice to Franchisee. Franchise may not assign this Agreement to any third party without the prior written consent of Franchisor. Any attempted or purported assignment, delegation or such transfer without such required consent shall be void. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the undersigned parties, their respective successors and permitted assigns. Failure to enforce any provision of this Agreement shall not constitute a waiver of any such provision. Should any provision of this Agreement be determined to be void, invalid or otherwise unenforceable by any court of competent jurisdiction, such determination shall not affect the remaining provisions of this Agreement, which shall remain in full force and effect. This Agreement contains the entire understanding and agreement between the parties with respect to the subject matter contained herein, and no waiver, alteration, modification or amendment of any of the provisions hereof shall be binding on the parties unless made in writing and signed by duly authorized representatives of each of the parties. This Agreement may be executed in counterparts, and each copy so executed and delivered shall be deemed an original.

10. Disclaimer. Due to variations in local, regional and state applications of building codes and requirements, geographical and topography conditions of individual sites and building materials, Franchisor disclaims all warranties and liabilities, of any kind whether express or implied arising from Franchisee's use of the Building Plans.

IN WITNESS WHEREOF, the parties hereby have caused this Agreement to be executed as of the date first written above.

FRANCHISOR:
RED ROOF FRANCHISING, LLC,
a Delaware limited liability company

By: _____
Print Name: _____
Title: _____

FRANCHISEE:

,
a

By: _____
Print Name: _____
Title: _____

EXHIBIT K

RESERVATION PLATFORM /PMS SOFTWARE SUBLICENSE AGREEMENT

RESERVATION PLATFORM / PMS
SOFTWARE SUBLICENSE AGREEMENT

THIS RESERVATION PLATFORM / PMS SUBLICENSE AGREEMENT (the "Software Agreement") is made and entered into on the __ day of _____, 20__ by and between RED ROOF FRANCHISING, LLC ("Licensor"), a Delaware limited liability company and ("Licensee"), as required by a Franchise Agreement between Licensee and Licensor dated _____, 20___ (the "Franchise Agreement") pursuant to which Licensee will operate a Red Roof Inn lodging facility located at (the "Inn").

RECITALS:

Licensor is the licensee or sublicensee of certain computer software, including proprietary property management software and certain related interfaces and related documentation (collectively, the "Software") and has obtained the right to sublicense the Software from its licensors.

The Software is designed to enhance the management of the Inn in automation of multiple functions, including check-in and payment, messages, wake-up calls, reservations, rooms control and housekeeping scheduling.

The Franchise Agreement requires Licensee to use the Software in the operation of the Inn unless and until Licensor designates different software and computer systems for Licensee's use.

NOW, THEREFORE, for good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties agree as follows:

1 GRANT

1.1 License Grant. Licensor hereby grants to Licensee, and Licensee hereby accepts, subject to the terms and conditions provided below, a non-exclusive, non-transferable (except as set forth in Section 9 herein) license to use the Software solely in conjunction with the operation of the Inn, and solely on the computer hardware specified by Licensor from time to time pursuant to the Franchise Agreement or otherwise designated in writing (the "Hardware").

1.2 Assignment of Use. The Software is furnished to Licensee under this Software Agreement solely for use as specified herein. Licensor shall retain all title in and to the Software provided to Licensee

1.3 Permitted Use. Licensee shall use the Software solely: (a) on the Hardware and (b) in conjunction with the data communications and network system(s) designated by Licensor from time to time pursuant to the Franchise Agreement or otherwise designated in writing.

1.4 No Modifications. Licensee shall not make any modifications or alterations to the Software.

1.5 Restrictions. Licensee shall not, and shall not allow any third party to: (a) adapt, translate or create derivative works based on the Software; (b) market, sell, distribute, lease, assign, or transfer the Software, in whole or in part, to any third party or permit any third party to use the Software without Licensor's prior written consent; (c) rent or timeshare the Software, or use the Software in the operation of a service bureau, or on an application service provider basis; or (d) remove, obscure, or alter any patent, copyright, trademark or other proprietary rights notice or legends on the Software.

2 SOFTWARE LICENSE, SUPPORT, MAINTENANCE AND OTHER FEES

2.1 Software License Fee. Licensee agrees to pay Licensor a License Fee in the amount of Fifteen Thousand Dollars ($15,000) for the use of the Software. This License Fee shall be due and payable as stated in the invoice. However, in the event of a transfer, Licensee shall pay to Licensor a transfer License Fee in the amount of One Thousand Dollars ($1,000) ("Transfer License Fee").

2.2 Support and Maintenance Fee. Licensee agrees to pay Licensor or its designee a maintenance fee as designated by Licensor (the "Maintenance Fee").

2.3 Other Fees. Licensee agrees to obtain the other software, hardware, data circuits and communication line monitoring systems as specified by Licensor, and pay all associated charges and fees associated with their purchase, installation, support and maintenance.

3 INSTALLATION, SUPPORT AND MAINTENANCE

3.1 Installation. Licensor shall arrange for installation of the Software. Licensor shall provide training in the operation of the Software. Licensee shall pay Licensor or its designee training fees as designated by Licensor plus expenses for such installation and on-site training.

3.2 Support and Maintenance. Provided that Licensee pays the Maintenance Fee, and Licensee is not in default under this Software Agreement or the Franchise Agreement, Licensor will provide to Licensee all corrective releases, enhancements and updates to the functions initially included in the Software which are made available to Licensor. Licensor shall provide and make available to Licensee a telephone number for assistance on problems or questions relating to the use and operation of the Software.

3.3 Replacement of the Software. Licensor shall replace the Software if it becomes inoperable due to no fault of the Licensee. THE FOREGOING STATES THE SOLE WARRANTY AND THE EXCLUSIVE REMEDY OF LICENSEE WITH RESPECT TO ANY ALLEGED DEFECT IN THE SOFTWARE.

4 TERM AND TERMINATION

4.1 Term. The term of this Software Agreement shall commence upon execution of this Software Agreement and shall remain in force until the earlier to occur of: (i) the termination of this Software Agreement as provided herein; (ii) the termination or expiration of the Franchise Agreement; or (iii) upon written notice from Licensor to Licensee that Licensor will implement substitute software.

4.2 Obligations upon Termination or Expiration; Remedies Upon Breach. Upon termination or expiration of this Software Agreement, Licensee shall immediately: (a) discontinue use of the Software; (b) erase or destroy any of the Software contained in the computers or data storage devices under the control of Licensee; (c) remove the Software from any other computer programs or software in Licensee's possession or control that incorporates or uses the Software in whole or in part; and (d) certify in writing to Licensor not later than five (5) business days after termination or expiration of this Software Agreement that all such actions have been taken by Licensee. In the event that Licensee breaches the terms of this Software Agreement, Licensor may, without terminating this Software Agreement, exercise all remedies available to it at law or in equity (including injunctive relief) to protect its intellectual property and other rights in the Software.

4.3 Survival. All provisions of this Software Agreement intended to survive the expiration or termination of this Software Agreement shall so survive, including, without limitation, the terms of Section 8 hereof.

5 DISCLAIMERS

5.1 NO WARRANTY. THE SOFTWARE IS PROVIDED BY LICENSOR "AS IS." EXCEPT AS OTHERWISE PROVIDED IN SECTION 6.1, LICENSOR DISCLAIMS ALL WARRANTIES AND REPRESENTATIONS OF ANY KIND WITH RESPECT TO THE SOFTWARE, INCLUDING THE IMPLIED WARRANTIES OF PERFORMANCE, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

5.2 LIMITATION ON LIABILITY. IN NO EVENT SHALL LICENSOR BE LIABLE TO LICENSEE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, LOST PROFITS OR LOST DATA ARISING OUT OF OR RELATED TO THIS SOFTWARE AGREEMENT, THE LICENSE GRANTED HEREUNDER, THE PERFORMANCE OR BREACH THEREOF, ANY FAILURE IN THE SOFTWARE, OR ANY CLAIM MADE AGAINST LICENSEE BY ANY OTHER PARTY, EVEN IF LICENSOR HAS BEEN MADE AWARE OF THE POSSIBILITY OF SUCH CLAIM. SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATION OR EXCLUSION MAY NOT APPLY TO LICENSEE.

6 COPYRIGHT

6.1 Claims. Licensor (or Licensor's licensors, who have licensed the software to Licensor) shall have the sole right and obligation to defend any suit or proceeding brought against Licensee to the extent that it is based on a claim that the Software or a part thereof, used in the manner specified in this Software Agreement, constitutes an infringement of any U.S. patent or copyright, or misappropriation of a trade secret; and Licensee shall afford prompt written notification to Licensor of any such claim and shall provide to Licensor the authority, information and assistance from Licensee which, in Licensor's judgment, is needed for defense of any such claim. Licensor (or Licensor's licensors, who have licensed the software to Licensor) shall have the right, in its sole discretion and at its own expense, and without payment to Licensee, to (a) defend and/or settle any such claim; (b) procure for Licensee the right to continue using the Software or part thereof; (c) modify the Software so that it is non-infringing and require Licensee to use the Software as so modified; and (d) terminate this Software Agreement and the license granted hereunder. Licensor may assign its rights under this Section 7.1 to another Affiliate. THE FOREGOING STATES THE SOLE WARRANTY AND THE EXCLUSIVE REMEDY OF LICENSEE WITH RESPECT TO ANY ALLEGED PATENT OR COPYRIGHT INFRINGEMENT OR TRADE SECRET MISAPPROPRIATION.

6.2 Copyright Notice. Licensee shall not alter or delete the copyright notices or any other proprietary legends as may be specified on the Software. The existence of a copyright notice shall not cause, or be construed as causing, the Software to be in the public domain or to be a published copyright work.

7 PROPRIETARY INFORMATION

7.1 Confidentiality. Licensee acknowledges that the Software constitutes proprietary and trade secret material. All copyright, patent, trade secret and other intellectual and proprietary rights in the Software, and any modification or alteration thereto, whether or not authorized by this Software Agreement or Licensor, are and shall remain the property of Licensor (or Licensor's licensors, who have licensed the software to Licensor). Licensee will protect the confidential nature of the Software by complying with

written guidelines with respect to those permitted access to the Software and to prevent it from being acquired by unauthorized persons and employees. Licensee covenants and agrees: (a) to ensure that the Software is not disclosed, demonstrated, duplicated, misappropriated or used in any manner not expressly permitted by the terms of this Software Agreement by its employees or agents; (b) not to copy, reverse engineer or decompile, bypass, decrypt or otherwise disassemble the Software or any portion thereof; (c) to restrict access to the Software to only those employees of Licensee with a need to know; and (d) not to permit any person or entity to take any action prohibited under the forgoing (a), (b) and (c).

7.2 Individual Covenants. At Licensor's request, Licensee shall obtain and furnish to Licensor executed covenants similar in substance to those set forth in Section 7.1 hereof, from all employees, agents, officers, directors and/or partners of Licensee with access to the Software. All such covenants shall be in a form approved by Licensor and shall include, among other things, a provision designating Red Roof Inns, Inc. and Licensor and their successors and assigns as third-party beneficiaries of such covenants with an independent right to enforce them.

7.3 Injunctive Relief. If Licensee fails to comply with the terms of this Section 7, Licensee hereby acknowledges that such action or inaction will cause irreparable harm to Licensor, and that there will be no adequate remedy at law, thereby necessitating injunctive relief against Licensee. In such event, Licensor shall be entitled to recover from Licensee the expenses, including, without limitation, reasonable attorneys' fees and costs of obtaining such injunctive relief.

8 INDEMNIFICATION BY LICENSEE

Licensee hereby expressly agrees to indemnify and hold harmless Licensor, its Affiliates and successors and assigns, and any of Licensor's licensors of the Software and their respective officers, directors, agents, employees, past and present, from and against any claims, losses, costs, expenses (including, without limitation, reasonable attorneys' fees), liabilities and damages, other than claims specified in Section 6.1 hereof, arising out of or related to this Software Agreement and/or Licensee's use of the Software.

9 ASSIGNMENT

9.1 Limitation on Transfer by Licensee. Without the express prior written consent of Licensor, which may be arbitrarily withheld, Licensee shall not directly or indirectly sublicense; transfer; sell; donate; rent; lease; loan; convey; translate; demonstrate; convert to another programming, spoken or written language; encumber; distribute or otherwise assign this Software Agreement, the license granted hereunder, the Software or any interest therein. In the event of such transfer, Licensee (or its successor) shall pay to Licensor the Transfer License Fee.

9.2 Transfer to Transferee of Franchise Agreement. Notwithstanding the provisions of Section 9.1 above, Licensor shall approve the transfer of this Software Agreement in conjunction with a transfer of the Franchise Agreement, which has been approved by Licensor pursuant to the Franchise Agreement. Licensor may require transferee to execute a new Software Agreement.

9.3 Assignment by Licensor. Licensor may transfer or assign this Software Agreement or any part of its rights or obligations under this Software Agreement to any person or legal entity, provided that the transferee is an entity to which Software Licensor transfers all or substantially all of the Software Agreements for Red Roof Inn locations and the transferee or assignee accepts the transferor's assignment.

10 GENERAL PROVISIONS

10.1 Compliance with all Laws; Partial Invalidity. Each party hereto agrees that it will perform its obligations hereunder in accordance with all applicable laws, rules and regulations now or hereafter in effect. If any term or provision of this Agreement shall be found to be illegal or unenforceable, then such provision notwithstanding, this Agreement shall remain in full force and effect and such term or provision shall be deemed stricken.

10.2 Amendments. No amendment to this Agreement shall be effective unless it is in writing and signed by duly authorized representatives of both parties.

10.3 Waiver. No term or provision hereof shall be deemed waived and no breach excused unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. Any consent by any party to, or waiver of, any breach by the other, whether express or implied, shall not constitute consent to, waiver of, or excuse for any other different or subsequent breach of any term or provision.

10.4 Authority. Each party represents and warrants to the other that it has full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each has been properly authorized and empowered to enter into this Agreement.

10.5 Notices. All notices pursuant to this Software Agreement shall be in writing and shall be personally delivered; sent by facsimile (if confirmed by regular mail within three (3) days); mailed by registered or certified mail, return receipt requested; or dispatched by overnight delivery to the respective parties at the following addresses, unless and until a different address has been designated by written notice to the other party:

Notices to Licensor:	Chief Development Officer Red Roof Franchising, LLC 7815 Walton Parkway New Albany, OH 43054 Facsimile Number (614) 225-5328
With a copy to:	Franchise Legal Department Red Roof Franchising, LLC 7815 Walton Parkway New Albany, OH 43054 Facsimile Number (614) 225-5328
Notices to Licensee:	**Attn:** Facsimile Number

Notice shall be deemed to have been received as follows: by personal delivery - at the time of delivery; by facsimile (if confirmed by regular mail as set forth above) - at time of faxing; by overnight delivery service on the next business day following the date on which the notice was given to the overnight delivery service; and by registered or certified mail, return receipt requested - three (3) days after the date of mailing.

10.6 Governing Law and Forum. This Software Agreement takes effect upon its acceptance and execution by Licensor in Ohio, and shall be interpreted and construed under the laws of the State of Ohio. In the event of any conflict of laws, the laws of Ohio shall prevail, without regard to, and without giving effect to, the application of Ohio conflict of law rules. With respect to any claims, controversies or disputes arising under this Software Agreement, Licensor, Licensee, and Owners of Licensee listed in the Franchise Agreement hereby irrevocably submit themselves to the jurisdiction of the state and federal courts located in Columbus, Ohio and hereby waive all objections to personal jurisdiction for the purpose of carrying out this provision. Licensee and Owners hereby agree that service of process may be made upon any of them in any proceeding relating to or arising out of this Software Agreement or the relationship created by this Software Agreement by any means allowed by the laws and applicable rules of procedure of the United States, the State of Ohio or the state in which the Inn is located.

10.7 Statute of Limitation. No action, regardless of form, arising out of this Software Agreement, may be brought by either party more than three (3) years after the cause of action has accrued.

10.8 Entire Agreement. This Software Agreement constitutes the entire Agreement between Licensor and Licensee concerning the subject matter hereof, and supersedes all prior agreements concerning the same subject matter, no other representations having induced Licensee to execute this Agreement.

10.9 Terms of the Franchise Agreement. Except as otherwise expressly set forth herein, all terms and conditions of the Franchise Agreement shall fully apply to this Software Agreement as if set forth herein.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Software Agreement on the date first above written.

LICENSOR:
RED ROOF FRANCHISING, LLC,
a Delaware limited liability company

By: _____
Print Name: _____
Title: _____

LICENSEE:

,
a

By: _____
Print Name: _____
Title: _____

EXHIBIT L

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Red Roof

Master Design Specifications Manual

Contents

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EXHIBIT M

TRANSFER ADDENDUM TO FRANCHISE AGREEMENT

ADDENDUM TO FRANCHISE AGREEMENT
FOR TRANSFER LOCATIONS

This Transfer Addendum ("Transfer Addendum") to the Red Roof Inn Franchise Agreement (the "Franchise Agreement") dated _____, 20__ (the "Effective Date") by and between RED ROOF FRANCHISING, LLC ("Franchisor") and ("Franchisee") with respect to the Red Roof Inn (the "Inn") located at (the "Approved Location") is made effective as of the Effective Date.

RECITALS

Franchisee acquired the Inn through a transfer of an existing Red Roof Inn at the Approved Location from ("Prior Franchisee") under a Franchise Agreement with Franchisor dated (the "Prior Agreement").

Franchisor and Franchisee wish to enter into this Transfer Addendum to modify certain terms and conditions of the Franchise Agreement.

Now, therefore, in consideration of the mutual promises and covenants set forth herein and in the Franchise Agreement, the parties agree as follows:

1. TRANSFER FEE.

Franchisee will pay a Transfer Application Fee in the amount of Dollars ($) and a Transfer Fee in the amount of Dollars ($) which shall be due and payable when Franchisee signs the Franchise Agreement.

2. TRANSFER AND ASSUMPTION.

Franchisee assumes and obligates itself to perform any and all of the obligations (financials and otherwise) of the Prior Franchisee under the Prior Agreement that is not paid or performed as of the Effective Date, including without limitation, the obligation to pay any unpaid Royalty Fees, Marketing and Reservation Fees, Preferred Members Program Fees or other amounts due to Franchisor and to correct any uncured defaults other than as expressly superseded by this Transfer Addendum. Franchisee acknowledges that Franchisor may require Franchisee or its staff to complete training on the use of the property management or similar computer system for accessing the Reservation System and pay Franchisor's retraining fee.

3. PROPERTY IMPROVEMENT OBLIGATION.

3.1 Franchisor has approved the application Franchisee submitted to Franchisor and has entered into the Franchise Agreement in reliance upon Franchisee's promise and undertaking to improve, equip and supply the Approved Location in accordance with System Standards. Franchisee must provide Franchisor with proof that Franchisee owns or leases the Approved Location before or within thirty (30) days of the Effective Date. Franchisor has performed an inspection of the Approved Location and reviewed its quality assurance records and generated a Property Improvement Plan (the "PIP") of renovations, operational changes, repairs, refurbishments, replacements, and capital improvements to conform the Approved Location to System Standards that is attached to this Transfer Addendum. The PIP specifies those renovations and improvements and the specified timeframes for completion. Franchisee shall erect a barrier or place signage acceptable to Franchisor to exclude guests from accessing any areas under renovation or construction. Franchisor may require Franchisee to remove, cease display or use, or completely obscure all signage and other items bearing any Proprietary Marks until the Inn meets System Standards in Franchisor's sole discretion. All renovations will comply with System Standards, any approved plans and any PIP attached to

this Transfer Addendum. Franchisor may, in its sole discretion, require Franchisee to place funds in escrow, at Franchisee's expense, in order to complete all necessary improvements. Franchisor may, in its sole discretion, terminate the Franchise Agreement by giving written notice to Franchisee (subject to applicable law) if: (1) Franchisee does not commence or complete the renovations to the Approved Location by the dates specified in this Section or the PIP; or (2) Franchisee continues to display the Proprietary Marks and identify the Approved Location as a Red Roof Inn if Franchisor sends notice to Franchisee that Franchisee has failed to complete the renovations by the date specified in the PIP, as provided in this Section. TIME IS OF THE ESSENCE FOR THE RENOVATIONS.

3.2 Franchisee must also pay Franchisor any travel expenses set forth in Section 5.13 of the Franchise Agreement if Franchisee fails to complete any renovations by the deadline established in the PIP and Franchisor's representatives must return to the Approved Location to inspect it. Franchisor may, however, grant Franchisee one or more extension of time to complete any phase or item on the PIP in Franchisor's sole discretion. The grant of an extension to perform the renovations will not waive any other default existing at the time the extension is granted.

4. APPROVED PLANS.

Franchisee will create plans and specifications for the work described in the PIP (based upon the System Standards and the Franchise Agreement) if Franchisor so requests and submit them for Franchisor's approval before starting renovation of the Inn (the "Approved Plans"). Franchisor will not unreasonably withhold or delay its approval, which is intended only to test compliance with System Standards, and not to detect errors or omissions in the work of Franchisee's architects, engineers, contractors or the like. Franchisor's review does not cover technical, architectural or engineering factors, or compliance with federal, state or local laws, regulations or code requirements. Franchisor will not be liable to Franchisee's lenders, contractors, employees, guests, or others or Franchisee on account of Franchisor's review or approval of Franchisee's plans, drawings or specifications, or Franchisor's inspection of the Approved Location before, during or after renovation or construction. Any material variation from the Approved Plans requires Franchisor's prior written approval. Franchisor may offer to provide Franchisee or its architect with interior design or other prototypes. If Franchisee declines to utilize such prototype(s) in developing the Inn, Franchisor may charge Franchisee a fee for reviewing Franchisee's custom plans and designs. Franchisor may offer other optional architectural and design services for a separate fee. Franchisee will promptly provide Franchisee with copies of permits, job progress reports, and other information as Franchisor may reasonably request. Franchisor may inspect the work while in progress without prior notice.

5. OPENING.

Franchisee may continue to identify and operate the Inn under the System while Franchisee renovates the Inn.

6. DEFINITIONS.

6.1 The Effective Date means the date that Franchisee first take possession of the Approved Location, even if Franchisee signs this Agreement after the date Franchisee first take possession of the Approved Location.

6.2 The Opening Date means the date as of which Franchisor authorizes Franchisee to open the Inn at the Approved Location for business identified by the Marks and using the System, even if Franchisee signs this Agreement after that date. Unless Franchisor requires Franchisee to close the Inn at the Approved Location to perform any pre-opening Improvement Obligation, the Opening Date is the Effective Date.

7. ROYALTY FEE DISCOUNT.

Notwithstanding anything to the contrary in the Franchise Agreement, including but not limited to Section 4.2, the Royalty Fee is revised as follows:

Years of Operation Following the Opening Date	Royalty Fee
Year through Year	% of the Inn's Gross Room Revenues
Year through Year	% of the Inn's Gross Room Revenues
Year through the Expiration Date	% of the Inn's Gross Room Revenues

8. [ADD ANY SPECIAL STIPULATIONS]

9. [ADD ANY SPECIAL STIPULATIONS]

10. EFFECT OF DEFAULT

Unless and until Franchisee defaults under the terms of the Franchise Agreement, the modification(s) referred to in Sections and of this Transfer Addendum will remain in effect. The term "default" shall mean those violations of the Franchise Agreement that are not cured within any applicable cure periods outlined in Sections 13.2 and 13.3 of the Franchise Agreement. The referenced modification(s) are exclusive to Franchisee and not transferable to any other party. From and after the date of any such default, the modification(s) set forth in Sections and shall be null and void and of no further force and effect, and the original terms set forth in the Franchise Agreement shall thereafter be reinstated.

11. EFFECT OF TRANSFER

Unless and until there is a Transfer as defined by the terms of the Franchise Agreement, outlined in Section 12, the modification(s) referenced in this Addendum will remain in effect. The referenced modification(s) are exclusive to Franchisee and not transferable to any other party. From and after the date of any such Transfer, the modification(s) set forth in this Transfer Addendum shall be null and void and of no further force and effect, and the terms set forth in a new Franchise Agreement to be executed by a transferee shall thereafter be effective.

12. CONFIDENTIALITY

Franchisee agrees to keep the grant of the modification(s) contained in this Transfer Addendum in strict confidence and will not disclose them to any persons other than its directors, officers, partners, employees, agents and advisors who have a need to know for the purpose of operating the Inn. Any unauthorized disclosure is default under the Addendum, and Franchisor may, at its option, immediately terminate the Franchise Agreement on notice to Franchisee or may revoke the modification(s) contained in this Transfer Addendum upon any unauthorized disclosure by Franchisee. The modification(s) outlined in this Transfer Addendum are for the Inn specified in Exhibit A of the Franchise Agreement and do not indicate that any other hotels owned by Franchisee

or by others will receive similar modification(s).

13. MISCELLANEOUS.

13.1 The Recitals are hereby incorporated into this Transfer Addendum by this reference. The captions in this Transfer Addendum are for convenience only. Any capitalized term that is not defined in this Transfer Addendum shall have the meaning given to it in the Franchise Agreement.

13.2 The parties hereby confirm the Franchise Agreement, as amended by this Transfer Addendum, and reaffirm their respective obligations under such Franchise Agreement, as amended by this Transfer Addendum. The parties agree that except as specifically set forth herein, the provisions of the Franchise Agreement shall remain unchanged and this Transfer Addendum shall be in addition to, and not in lieu of, the provisions of the Franchise Agreement. In the event of any conflict between the terms of the Franchise Agreement and the terms of this Transfer Addendum, the terms of this Transfer Addendum shall control.

13.3 This Transfer Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Transfer Addendum by electronic transmission (including an electronic signature platform such as DocuSign or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Transfer Addendum.

[Signatures follow on next page.]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Transfer Addendum effective as of the date of the Franchise Agreement.

FRANCHISOR:
RED ROOF FRANCHISING, LLC,
a Delaware limited liability company

By: _____
Print Name: _____
Title: _____

FRANCHISEE:

,
a

By: _____
Print Name: _____
Title: _____

ADDENDUM FOR TRANSFER LOCATIONS

(PROPERTY IMPROVEMENT PLAN ATTACHED)

EXHIBIT N

DEVELOPMENT INCENTIVE PROGRAM FOR WOMEN AND VETERANS

DEVELOPMENT INCENTIVE PROGRAM ADDENDUM
TO THE RED ROOF INN FRANCHISE AGREEMENT

FOR WOMEN AND VETERANS

This Development Incentive Program Addendum (this "Addendum") to the Red Roof Inn Franchise Agreement (the "Franchise Agreement") dated as of _____ (the "Effective Date") by and between RED ROOF FRANCHISING, LLC ("Franchisor"), and _____, ("Franchisee") is made effective as of the Effective Date.

RECITALS

In order to encourage the development and operation of franchised Red Roof Inns ("Inns") by women and veterans of the United States military, Franchisor has implemented a development incentive program (the "Program") for qualified Women-Owned and Veteran-Owned Businesses (as defined below).

Franchisor and Franchisee are entering into this Addendum to modify the Franchise Agreement because Franchisee's development of the Inn located at the Approved Location meets the criteria for the Program.

NOW, THEREFORE, in consideration of the mutual covenants, agreements and obligations set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Defined Terms. As used in this Addendum, the following terms shall have the applicable meanings:

A. "Women-Owned Business" shall mean a business entity that is at least fifty-one percent (51%) owned, operated and controlled on a daily basis by one or more females.

B. "Veteran-Owned Business" shall mean a business entity that is at least fifty-one percent (51%) owned, operated and controlled on a daily basis by one or more Veterans.

C. "Veteran" shall mean a person who has provided Franchisor with a DD Form 214 or other adequate documentation, as determined by Franchisor, demonstrating honorable discharge from the United States military.

2. Eligibility. Franchisee has satisfied the following requirements and is eligible to participate in the Program:

A. Franchisee is a [Women-Owned Business] [Veteran-Owned Business]; and

B. Franchisee and/or its affiliates are in full compliance with the terms of the Franchise Agreement and any other agreement with Franchisor and/or its affiliates.

3. Initial Franchise Fee Reduction. Franchisor shall provide Franchisee with a Ten Thousand Dollar ($10,000) reduction in the Initial Franchise Fee due under the Franchise Agreement. Therefore, notwithstanding the provisions of Section 4.1 of the Franchise Agreement, Franchisee shall pay a reduced Initial Franchise Fee to Franchisor in the amount of Seventeen Thousand Dollars ($17,000) on or before the Effective Date.

4. Repayment of Reduced Initial Franchise Fee on Transfer. Franchisee acknowledges and agrees that the Program benefits are specific to Franchisee and its owners. Therefore, if, prior to the first anniversary of the opening date of the Inn, Franchisee transfers the Inn or any equity or ownership interests in Franchisee, then Franchisee must pay to Franchisor the portion of the Initial Franchise Fee that was reduced by Franchisor in the amount of Ten Thousand Dollars ($10,000).

5. Miscellaneous.

5.1 The Recitals are hereby incorporated into this Addendum by this reference. The captions in this Addendum are for convenience only. Any capitalized term that is not defined in this Addendum shall have the meaning given to it in the Franchise Agreement.

5.2 The parties hereby confirm the Franchise Agreement, as amended by this Addendum, and reaffirm their respective obligations under such Franchise Agreement, as amended by this Addendum. The parties agree that except as specifically set forth herein, the provisions of the Franchise Agreement shall remain unchanged and this Addendum shall be in addition to, and not in lieu of, the provisions of the Franchise Agreement. In the event of any conflict between the terms of the Franchise Agreement and the terms of this Addendum, the terms of this Addendum shall control.

5.3 This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Addendum by electronic transmission (including an electronic signature platform such as DocuSign or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties have duly executed and delivered this Addendum effective as of the Effective Date.

FRANCHISOR:
RED ROOF FRANCHISING, LLC,
a Delaware limited liability company

By: _____
Print Name: _____
Title: _____

FRANCHISEE:

,
a

By: _____
Print Name: _____
Title: _____

EXHIBIT O

STATE REQUIRED AGREEMENT ADDENDA

Illinois
Maryland
Minnesota
New York
North Dakota
Rhode Island
Washington

ADDENDUM TO THE RED ROOF INN FRANCHISE AGREEMENT
FOR THE STATE OF ILLINOIS

This Addendum ("Addendum") to the Red Roof Inn Franchise Agreement (the "Franchise Agreement") dated _____, 20__ (the "Effective Date") by and between RED ROOF FRANCHISING, LLC ("Franchisor") and ("Franchisee") with respect to the Red Roof Inn (the "Inn") located at (the "Approved Location") is made effective as of the Effective Date.

1. Illinois law shall apply to and govern the Franchise Agreement.

2. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

3. Franchisees' right upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

4. In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

5. Initially capitalized terms used but not otherwise defined herein have the same meanings as set forth in the Franchise Agreement. In the event of a conflict between the Franchise Agreement and this Addendum, this Addendum controls. All other rights, obligations, and provisions of the Franchise Agreement shall remain in full force and effect. This Addendum is incorporated in and made a part of the Franchise Agreement for the State of Illinois.

IN WITNESS WHEREOF, each of the parties hereto has caused this Addendum to be executed by its duly authorized representative as of the Effective Date.

RED ROOF FRANCHISING, LLC,
a Delaware limited liability company

By: _____
Print Name: _____
Title: _____

FRANCHISEE:

,
a

By: _____
Print Name: _____
Title: _____

ADDENDUM TO THE RED ROOF INN FRANCHISE AGREEMENT FOR THE STATE OF MARYLAND

This Addendum ("Addendum") to the Red Roof Inn Franchise Agreement (the "Franchise Agreement") dated _____, 20__ (the "Effective Date") by and between RED ROOF FRANCHISING, LLC ("Franchisor") and ("Franchisee") with respect to the Red Roof Inn (the "Inn") located at (the "Approved Location") is made effective as of the Effective Date.

1. Notwithstanding anything to the contrary in Section 17.7 of the Franchise Agreement, Franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

2. Franchisor's right to terminate pursuant to Section 13.2.1 of the Franchise Agreement if Franchisee commences bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C.A. 101 et seq.).

3. Notwithstanding anything to the contrary in the Franchise Agreement, no release language in the Franchise Agreement shall relieve Franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Maryland. Pursuant to the Maryland Franchise Registration and Disclosure Law, any claim by Franchisee under such law must be brought within three (3) years of the grant of the franchise.

4. No disclaimers contained within the Franchise Agreement shall, nor are they intended to, serve as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

5. Based upon Franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, Franchisor secured a surety bond in the amount of $150,000 from Travelers Casualty and Surety Company of America. A copy of the bond is on file at the Maryland Office of the Attorney General, Securities Division, 200 St. Paul Place, Baltimore, Maryland 21202. A copy of the bond is attached to the Additional State Disclosures of Franchisor's Franchise Disclosure Document.

6, Initially capitalized terms used but not otherwise defined herein have the same meanings as set forth in the Franchise Agreement. In the event of a conflict between the Franchise Agreement and this Addendum, this Addendum controls. All other rights, obligations, and provisions of the Franchise Agreement shall remain in full force and effect. This Addendum is incorporated in and made a part of the Franchise Agreement for the State of Maryland.

[Signatures follow on next page.]

IN WITNESS WHEREOF, each of the parties hereto has caused this Addendum to be executed by its duly authorized representative as of the Effective Date.

RED ROOF FRANCHISING, LLC,
a Delaware limited liability company

By: _____
Print Name: _____
Title: _____

FRANCHISEE:

,
a

By: _____
Print Name: _____
Title: _____

ADDENDUM TO THE RED ROOF INN FRANCHISE AGREEMENT FOR THE STATE OF MINNESOTA

This Addendum ("Addendum") to the Red Roof Inn Franchise Agreement (the "Franchise Agreement") dated _____, 20__ (the "Effective Date") by and between RED ROOF FRANCHISING, LLC ("Franchisor") and ("Franchisee") with respect to the Red Roof Inn (the "Inn") located at (the "Approved Location") is made effective as of the Effective Date.

1. Liquidated damages are prohibited by law in the State of Minnesota and, therefore, Section 13.1 of the Franchise Agreement is deleted in its entirety and replaced with the following:

> "If this Franchise Agreement terminates prior to the Expiration Date, such termination will cause substantial damages to Franchisor. Franchisee therefore agrees that if the Franchise Agreement is terminated, Franchisee will be liable to Franchisor for damages and losses Franchisor suffers from such early termination. Franchisee agrees to remain liable for all obligations and claims under the Franchise Agreement, including obligations surviving termination of the Franchise Agreement, and other damages suffered by Franchisor arising out of Franchisee's breach or default. At the time of such termination of the Franchise Agreement, Franchisee agrees to pay to Franchisor upon demand compensation for all damages, losses, costs and expenses (including reasonable attorney's fees) incurred by Franchisor and/or amounts which would have otherwise been payable for and during the remainder of the unexpired term of the Franchise Agreement but for such termination."

2. The following language is added to the end of Section 17.7 of the Franchise Agreement:

> "Minnesota Statutes, Section 80C.21 and Minnesota Rule 2860.4400J prohibit us from requiring litigation to be conducted outside of Minnesota. Nothing in the Franchise Agreement or Franchise Disclosure Document can abrogate or reduce any of Franchisee's rights as provided for in Minnesota Statutes, 2087, Chapter 80C, or Franchisee's rights to any procedure, forum or remedies provided for by the laws of Minnesota."

3. The first sentence of Section 17.8.2 of the Franchise Agreement (relating to waiver or a jury trial) is hereby deleted.

4. Notwithstanding anything to the contrary in the Franchise Agreement, no release language in the Franchise Agreement shall relieve Franchisor or any other person, directly or indirectly, from liability imposed by Minnesota Statute §§ 80C.01 - 80C.22.

5. Nothing in the Franchise Agreement shall in any way abrogate or reduce any rights of Franchisee as provided for in the Minnesota Statutes, Chapter 80C. Minnesota statutes §80C.14, subdivisions 3, 4 and 5 require that Franchisee be given at least 90 days written notice in advance of termination (with 60 days to cure) and 180 days written notice for non-renewal of the Franchise Agreement, except that the notice shall be effective immediately for certain grounds.

6. Franchisee cannot consent to Franchisor obtaining injunctive relief. Franchisee may seek injunctive relief. See Minn. Rule 2860.4400J. A court will determine if a bond is required.

7. Initially capitalized terms used but not otherwise defined herein have the same meanings as set forth in the Franchise Agreement. In the event of a conflict between the Franchise Agreement and this Addendum, this Addendum controls. All other rights, obligations, and provisions of the Franchise Agreement shall remain in full force and effect. This Addendum is incorporated in and made a part of the Franchise Agreement for the State of Minnesota.

IN WITNESS WHEREOF, each of the parties hereto has caused this Addendum to be executed by its duly authorized representative as of the Effective Date.

RED ROOF FRANCHISING, LLC,
a Delaware limited liability company

By: _____
Print Name: _____
Title: _____

FRANCHISEE:

,
a

By: _____
Print Name: _____
Title: _____

ADDENDUM TO THE RED ROOF INN FRANCHISE AGREEMENT FOR THE STATE OF NEW YORK

This Addendum ("Addendum") to the Red Roof Inn Franchise Agreement (the "Franchise Agreement") dated _____, 20__ (the "Effective Date") by and between RED ROOF FRANCHISING, LLC ("Franchisor") and ("Franchisee") with respect to the Red Roof Inn (the "Inn") located at (the "Approved Location") is made effective as of the Effective Date.

1. Section 12.3.3 of the Franchise Agreement is amended by adding the following sentence at the end of the Section:

> "However, that all rights arising in Franchisee's favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law, Sections 687.4 and 687.5, be satisfied."

2. Section 17.5.1 of the Franchise Agreement is amended by adding the following sentence at the end of the Section:

> "The foregoing choice of law should not be considered a waiver of any right conferred upon Franchisee by the General Business Law of the State of New York, Article 33."

3. Notwithstanding anything to the contrary in the Franchise Agreement, Franchisee shall be permitted to terminate the Franchise Agreement upon any grounds available by law.

4. Initially capitalized terms used but not otherwise defined herein have the same meanings as set forth in the Franchise Agreement. In the event of a conflict between the Franchise Agreement and this Addendum, this Addendum controls. All other rights, obligations, and provisions of the Franchise Agreement shall remain in full force and effect. This Addendum is incorporated in and made a part of the Franchise Agreement for the State of New York.

[Signatures follow on next page.]

IN WITNESS WHEREOF, each of the parties hereto has caused this Addendum to be executed by its duly authorized representative as of the date of the Franchise Agreement.

RED ROOF FRANCHISING, LLC,
a Delaware limited liability company

By: _____
Print Name: _____
Title: _____

FRANCHISEE:

,
a

By: _____
Print Name: _____
Title: _____

ADDENDUM TO THE RED ROOF INN FRANCHISE AGREEMENT
FOR THE STATE OF NORTH DAKOTA

This Addendum ("Addendum") to the Red Roof Inn Franchise Agreement (the "Franchise Agreement") dated _____, 20__ (the "Effective Date") by and between RED ROOF FRANCHISING, LLC ("Franchisor") and ("Franchisee") with respect to the Red Roof Inn (the "Inn") located at (the "Approved Location") is made effective as of the Effective Date.

1. Any provision of the Franchise Agreement which designates jurisdiction or venue or requires Franchisee to agree to jurisdiction or venue in a forum outside of North Dakota is deleted from the Franchise Agreement.

2. The first sentence of Section 17.8.2 of the Franchise Agreement (relating to waiver or a jury trial) is hereby deleted.

3. The laws of the State of North Dakota supersede any provisions of the Franchise Agreement, the other agreements, or Ohio law if such provisions are in conflict with North Dakota law.

4. Notwithstanding anything to the contrary in the Franchise Agreement, no release language in the Franchise Agreement shall relieve Franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of North Dakota.

5. Section 13.1 of the Franchise Agreement contains a liquidated damages clause. Under North Dakota law, liquidated damages clauses are unenforceable.

6. Initially capitalized terms used but not otherwise defined herein have the same meanings as set forth in the Franchise Agreement. In the event of a conflict between the Franchise Agreement and this Addendum, this Addendum controls. All other rights, obligations, and provisions of the Franchise Agreement shall remain in full force and effect. This Addendum is incorporated in and made a part of the Franchise Agreement for the State of North Dakota.

IN WITNESS WHEREOF, each of the parties hereto has caused this Addendum to be executed by its duly authorized representative as of the Effective Date.

RED ROOF FRANCHISING, LLC,
a Delaware limited liability company

By: _____
Print Name: _____
Title: _____

FRANCHISEE:

,
a

By: _____
Print Name: _____
Title: _____

ADDENDUM TO THE RED ROOF INN FRANCHISE AGREEMENT
FOR THE STATE OF RHODE ISLAND

This Addendum ("Addendum") to the Red Roof Inn Franchise Agreement (the "Franchise Agreement") dated _____, 20__ (the "Effective Date") by and between RED ROOF FRANCHISING, LLC ("Franchisor") and ("Franchisee") with respect to the Red Roof Inn (the "Inn") located at (the "Approved Location") is made effective as of the Effective Date.

1. Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a Franchise Agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

2. Initially capitalized terms used but not otherwise defined herein have the same meanings as set forth in the Franchise Agreement. In the event of a conflict between the Franchise Agreement and this Addendum, this Addendum controls. All other rights, obligations, and provisions of the Franchise Agreement shall remain in full force and effect. This Addendum is incorporated in and made a part of the Franchise Agreement for the State of Rhode Island.

IN WITNESS WHEREOF, each of the parties hereto has caused this Addendum to be executed by its duly authorized representative as of the Effective Date.

RED ROOF FRANCHISING, LLC,
a Delaware limited liability company

By: _____
Print Name: _____
Title: _____

FRANCHISEE:

,
a

By: _____
Print Name: _____
Title: _____

ADDENDUM TO THE RED ROOF INN FRANCHISE AGREEMENT FOR THE STATE OF WASHINGTON

This Addendum ("Addendum") to the Red Roof Inn Franchise Agreement (the "Franchise Agreement") dated _____, 20__ (the "Effective Date") by and between RED ROOF FRANCHISING, LLC ("Franchisor") and _____ ("Franchisee" "you" or "your") with respect to the Red Roof Inn (the "Inn") located at (the "Approved Location") is made effective as of the Effective Date.

1. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

2. RCW 19.100.180 may supersede the Franchise Agreement in your relationship with us including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with us including the areas of termination and renewal of your franchise.

3. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the Franchise Agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

5. Transfer fees are collectable to the extent that they reflect our reasonable estimated or actual costs in effecting a transfer.

6. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of yours, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of yours under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the Franchise Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

7. RCW 49.62.060 prohibits us from restricting, restraining, or prohibiting you from (i) soliciting or hiring any employee of a franchisee of ours or (ii) soliciting or hiring any employee of ours. As a result, any such provisions contained in the Franchise Agreement or elsewhere are void and unenforceable in Washington

8. You may terminate the Franchise Agreement upon any grounds permitted by law.

9. Initially capitalized terms used but not otherwise defined herein have the same meanings as set forth in the Franchise Agreement. In the event of a conflict between the Franchise Agreement and this Addendum, this Addendum controls. All other rights, obligations, and provisions of the Franchise Agreement shall remain in full force and effect. This Addendum is incorporated in and made a part of the Franchise Agreement for the State of Washington.

IN WITNESS WHEREOF, each of the parties hereto has caused this Addendum to be executed by its duly authorized representative as of the Effective Date.

RED ROOF FRANCHISING, LLC,
a Delaware limited liability company

By: _____
Print Name: _____
Title: _____

FRANCHISEE:

,
a

By: _____
Print Name: _____
Title: _____

STATE EFFECTIVE DATES

The following states have franchise laws that require that the Disclosure Document be registered or filed with the states, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin. We do not offer franchises in Hawaii.

This document is effective and may be used in the following states, where the document is filed, registered, or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	April 1, 2022
Illinois	April 1, 2022
Indiana	April 1, 2022
Maryland	PENDING
Michigan	PENDING
Minnesota	PENDING
New York	April 1, 2022
North Dakota	PENDING
Rhode Island	PENDING
South Dakota	PENDING
Virginia	PENDING
Washington	PENDING
Wisconsin	PENDING

Other states may require registration, filing or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

RECEIPT
(Copy 1)

This disclosure document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this disclosure document and all the agreements carefully.

If Red Roof Franchising, LLC offers you a franchise, Red Roof Franchising, LLC must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale, or sooner if required by state law. New York requires that Red Roof Franchising, LLC give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Iowa requires that Red Roof Franchising, LLC give you this Disclosure Document at the earlier of the first personal meeting or 14 calendar days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. Michigan requires that Red Roof Franchising, LLC give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Red Roof Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580 and the applicable state agency listed in Exhibit B of this disclosure document.

The name, principle business address and telephone number of the franchise seller offering the franchise is: Ray Ruyak – Franchise Development Director, Jennifer Burcham – Franchise Development Director, Alex Frantz – Franchise Development Director, Timothy Means – Franchise Development Director, Rajan Dhekar - Franchise Development Director, Stephen Burik - Franchise Development Director, Ayesha Rajput – Franchise Development Director, Russell Stinnett – Franchise Development Director, Terrence Hall – Franchise Sales Specialist, Stephanie Pina – Manager, Franchise Sales and Development, Alex Shamsuddin – Regional Vice President, Franchise Sales and Development, Richard Schaeffer – Regional Vice President, Franchise Sales and Development, Vinay Sharma – Franchise Development Director, Red Roof Franchising, LLC, 7815 Walton Parkway, New Albany, Ohio 43054, (614) 744-2600.

Issuance Date: April 1, 2022

Red Roof Franchising, LLC authorizes the agents listed in Exhibit C to receive service of process for it in the particular state.

I have received a Disclosure Document dated April 1, 2022 that includes the following Exhibits:

A Financial Statements
B List of State Administrators
C List of Agents for Service of Process
D List of Franchisees
E Franchise Application
F Franchise Agreement
G Construction Addendum To The Franchise Agreement
H Renovation Addendum To Franchise Agreement
I Addendum To Franchise Agreement For Red Roof Inn & Suites, Red Roof Plus+ Or Red Roof Plus+ & Suites
J Non-Disclosure Agreement (Building Plans)
K Reservation Platform / PMS Sublicense Agreement
L Table Of Contents Of The Manuals
M Transfer Addendum To Franchise Agreement
N Development Incentive Program For Women And Veterans
O State Required Agreement Addenda

Date:_____

Proposed Location: _____

Type of Business Entity:_____

Your Signature:_____

Print Your Name:_____ Print Your Title:_____

RECEIPT
(Copy 2)

This disclosure document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this disclosure document and all the agreements carefully.

If Red Roof Franchising, LLC offers you a franchise, Red Roof Franchising, LLC must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale, or sooner if required by state law. New York requires that Red Roof Franchising, LLC give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Iowa requires that Red Roof Franchising, LLC give you this Disclosure Document at the earlier of the first personal meeting or 14 calendar days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. Michigan requires that Red Roof Franchising, LLC give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

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J Non-Disclosure Agreement (Building Plans)
K Reservation Platform / PMS Sublicense Agreement
L Table Of Contents Of The Manuals
M Transfer Addendum To Franchise Agreement
N Development Incentive Program For Women And Veterans
O State Required Agreement Addenda

Date:_____

Proposed Location: _____

Type of Business Entity:_____

Your Signature:_____

Print Your Name:_____ Print Your Title:_____