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FRANCHISE DISCLOSURE DOCUMENT
FOR USE IN THE STATE OF CALIFORNIA

Choice Hotels International, Inc , a Delaware corporation
1 Choice Hotels Circle, Suite 400, Rockville, Maryland 20850
(301) 592-5000
e-mail franchise_sales@choicehotels com
www choicehotelsfranchise com

The franchise offered in this disclosure document is for the rights to own and/or operate a SLEEP INN® or SLEEP INN & SUITES® ("SLEEP INN") hotel business

The total investment necessary to begin operation of an 84-room SLEEP INN & SUITES hotel business is between $3,703,428 and $6,789,423 This includes an affiliation fee of $300 per room ($40,000 minimum), a property management system software license fee of between $10,250 and $14,250, and orientation and hospitality training fees of between $0 and $2,349 per person, all of which are paid to the Franchisor or its affiliates These sums do not include the cost of purchasing or leasing land or any real estate taxes

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English Read this disclosure document and all 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, us or our affiliates in connection with the proposed franchise sale or grant **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 Amish Naik, Vice President, Global Development Operations & Planning at (301) 592 5000, 1 Choice Hotels Circle, Suite 400, Rockville, Maryland 20850

The terms of your franchise agreement will govern your franchise relationship Do not rely on the disclosure document alone to understand your franchise agreement Read all of your franchise agreement carefully Show your franchise agreement 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 of information on franchising

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

Issuance Date April 1, 2017, as amended October 1, 2017

may be other laws and regulations applicable to the hotel industry or businesses generally, with which you must comply You should consult with your attorney concerning these laws and regulations

Except as described in this Item 1, we have not offered franchises in any other line of business, and we do not engage in any business not related to those described in this Item 1

ITEM 2

BUSINESS EXPERIENCE

OFFICERS

President and Chief Executive Officer Patrick S Pacious

Mr Pacious has been Chief Executive Officer since September 2017 and President since May 2016 He was Chief Operating Officer from December 2013 to September 2017 He was Executive Vice President, Global Strategy and Operations from February 2012 to December 2013

Senior Vice President, Human Resources and Administration Patrick J Cimerola

Mr Cimerola has been Senior Vice President, Human Resources and Administration since September 2009

Senior Vice President, Chief Development Officer David A Pepper

Mr Pepper has been Senior Vice President, Chief Development Officer since May 2015 Mr Pepper was Senior Vice President, Global Development from October 2009 to April 2015

Chief Financial Officer Dominic Dragisich

Mr Dragisich has been Chief Financial Officer since March 2017 He was Chief Financial Officer at XO Communications in Herndon, Virginia from July 2015 to February 2016, where he also had been Vice President, Financial Planning and Analysis (FP&A) and Strategic Finance from September 2014 to July 2015 Mr Dragisich was Senior Director, IR Business Consultancy of Marriott International, Inc in Bethesda, Maryland from October 2013 to September 2014 Previously, he served as Global Director of FP&A of NII Holdings, Inc in Reston, Virginia from March 2012 to October 2013

Senior Vice President, General Counsel and Corporate Secretary Simone Wu

Ms Wu has been Senior Vice President, General Counsel and Corporate Secretary since February 2012

Senior Vice President, Upscale Brand Management Janis Canon

Ms Canon has been Senior Vice President, Upscale Brand Management since April 2016 She was Vice President & Global Brand Leader of InterContinental Hotels Group PLC in Atlanta, Georgia from July 2006 to April 2016

Senior Vice President, Performance Analytics William R. Carlson

RECEIPT – FOR USE IN CALIFORNIA

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language Read this Disclosure Document and all agreements carefully

If Choice Hotels International, Inc ("Choice") offers you a franchise, it must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, Choice or an affiliate in connection with the proposed franchise sale

If Choice 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 law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580 and the state agency listed in Exhibit B

Franchise Seller(s) Jared Meabon and/or _____,
Choice Hotels International, 1 Choice Hotels Circle, Suite 400, Rockville, MD 20850, 301 592 5000

Issuance Date April 1, 2017, as amended October 1, 2017

We authorize the respective agents and/or state agencies identified in Exhibit B to receive service of process for us This Disclosure Document is for use in California

I have received a Sleep Inn Disclosure Document dated April 1, 2017 that includes the following Exhibits (A) State Addenda (B) Regulatory Agencies and Registered Agents for Service of Process, (C) Audited Financial Statements, (D) the Franchise Agreement, Personal Guaranty and State Addenda, (E) choiceADVANTAGE Software Terms of Use, (F) Call Forwarding Terms of Use, (G) Gift Card Enrollment Form, (H) Promissory Note, (I) Incentive Promissory Note, (J) Sample Lender Agreements, (K) Rules & Regulations Table of Contents, (L) Fair Franchising Policy, (M) Incremental Impact Policy, (N) Franchisee Association Information, (O) List of Current Franchisees, (P) List of Former Franchisees, (Q) Franchise Disclosure Questionnaire, and (R) Receipt Page

Location in which you are interested _____(City, State)

Date Received _____

ENTITY

Entity Name _____

Print Name _____

Title _____

Signature _____

INDIVIDUALS All persons signing a Franchise Agreement must sign Receipt (Owners, Partners, Members)

Signature _____ Signature _____

Name _____ Name _____

Franchisee's Copy

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Choice Hotels Copy