FRANCHISE DISCLOSURE DOCUMENT

HILTON FRANCHISE HOLDING LLC
A Delaware Limited Liability Company
7930 Jones Branch Drive, Suite 1100
McLean, Virginia 22102
703-883-1000
www.hiltonworldwide.com

TAPESTRY COLLECTION by Hilton™

You will operate a Tapestry Collection by Hilton ("Tapestry") hotel under a Franchise Agreement with us.

The total investment necessary to begin operation of a typical 125-room Tapestry hotel, excluding real property, is $2,861,047 to $70,253,147, including up to $400,630 that must be paid to us or our 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 government agency has verified the information contained in this document.**

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or 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, DC 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: March 30, 2026

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 Item 20 or Exhibits A and B.
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, and Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit C 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 Tapestry hotel 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 in material litigation or bankruptcy proceedings.
What's it like to be a Tapestry hotel franchisee?	Item 20 or Exhibits A and B 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.

Supplier restriction. You may have to buy or lease items from the franchisor or a 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, 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 I.

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 Virginia, unless the franchisor sues you where the hotel is located. If the court rejects these venue selections, then suit may be brought in New York. 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 or arbitrate with the franchisor in Virginia or New York than in your own state.

2. **Our Trademarks.** As of the date of this Disclosure Document, we do not have federal trademark registration for the Restaurant Brands marks listed on Exhibit J-2. Therefore, these marks do not have as many legal benefits and rights as federally registered trademarks. If our rights to use these marks are challenged, you may have to change to alternative trademarks, which may increase your expenses.

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.

THE FOLLOWING APPLIES ONLY TO TRANSACTIONS GOVERNED BY THE MICHIGAN FRANCHISE INVESTMENT LAW

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.

(a) A prohibition on 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 of 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 franchise 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 franchise 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 THAT 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 SHOULD BE DIRECTED TO:

OFFICE OF THE ATTORNEY GENERAL
CONSUMER PROTECTION DIVISION, FRANCHISE SECTION
525 W. OTTAWA ST.
G. MENNEN WILLIAMS BUILDING, FIRST FLOOR
LANSING, MICHIGAN 48933
517-373-7117

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TABLE OF EXHIBITS

ITEM 1
THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

About the Franchisor and Its Parents

To simplify the language in this Disclosure Document, "we" or "us" means Hilton Franchise Holding LLC, the Franchisor. "You" means the person(s) who signs the franchise agreement – the “Franchisee.” If you are a business entity, "you" means both the business entity and its owners. The "Brand" refers to the name or names under which we will license your Hotel. Our agent for service of process in the states whose franchise laws require us to name an agent for service is shown on Exhibit I. Capitalized words not defined in this Disclosure Document have the meaning set forth in the Franchise Agreement.

We are a Delaware limited liability company, formed in September 2007. For purposes of this franchise offering, we do business under the name “Tapestry.” Our principal business address is 7930 Jones Branch Drive, Suite 1100, McLean, Virginia 22102 USA and our telephone number is 703-883-1000.

We became the franchisor of hotels which operate under the Tapestry Brand in the 50 states of the United States, its Territories and Possessions and the District of Columbia (“US”) on December 1, 2016, and in Thailand on October 30, 2020.

Our parent company is Hilton Domestic Operating Company Inc., a Delaware corporation formed on July 12, 2016 (“Hilton”). Hilton’s parent company is Hilton Worldwide Holdings Inc., a Delaware corporation formed on March 18, 2010 (NYSE: HLT) (“Hilton Worldwide”). The principal business address of both companies is 7930 Jones Branch Drive, Suite 1100, McLean, Virginia 22102 USA.

Hilton became our parent company on January 4, 2017, as the successor to our previous parent company, Park Hotels & Resorts, Inc. (“Park”). Together, Hilton and Park have conducted a guest lodging business since 1946. Park was originally called Hilton Hotels Corporation ("HHC") from May 29, 1946 to December 19, 2009. It changed its name to Hilton Worldwide, Inc. (“HWI”) on December 20, 2009, and to Park Hotels & Resorts Inc. on June 1, 2016. On January 4, 2017, Park became an independent company in a spin-off transaction. As a result of that spin-off, nearly all company-owned hotels were divested with Park. For convenience, all references “Hilton” in this Disclosure Document include HHC, HWI, and Park during the relevant time frames for each, unless otherwise noted.

Our Other Brands

Hilton Worldwide, through its subsidiaries, currently owns the following principal marks and their related guest lodging systems: Apartment Collection by Hilton™, Canopy™, Conrad™, Curio™, DoubleTree™, Embassy Suites™, Graduate™, Hampton™, Hilton™, Hilton Garden Inn™, Home2 Suites™, Homewood Suites™, LivSmart Studios™, LXR™, Motto™, NoMad, Outset™, Signia by Hilton™, Spark™, Tapestry™, Tempo™, Tru™, Undergraduate™, and Waldorf Astoria™ (the “Hilton Worldwide Brands”). The Hilton Worldwide Brands may utilize name variations for suites hotels and may use names or taglines including “Inn” or “Inn & Suites” or “by Hilton” or “Collection by Hilton” in some markets or locations. The Hilton Worldwide Brands may have trademark registrations currently pending in some markets or locations.

We have been the franchisor in the US for the Canopy and Curio brand hotels since October 15, 2014, the Conrad, DoubleTree, Embassy Suites, Hampton, Hilton, Hilton Garden Inn, Home2 Suites, Homewood Suites, and Waldorf Astoria brand hotels since March 30, 2015, the Tru brand hotels since December 1, 2015, the Tapestry brand hotels since December 1, 2016, the LXR and the Motto brand hotels since September 14, 2018, the Signia by Hilton brand hotels since March 30, 2019, the Tempo brand hotels since December 17, 2019, the Spark brand hotels since November 11, 2022, the LivSmart Studios brand hotels since May 23, 2023, the Graduate brand hotels since May 28, 2024, the Outset brand hotels since October 23, 2025, the Apartment Collection by Hilton brand apartment hotels since February 2, 2026, and Undergraduate brand hotels since March 30, 2026. We offer each of these brands under a separate disclosure document (except NoMad, for which we do not currently offer franchises).

We also offer eforea spa franchises to franchisees of Outset, Tapestry, Curio, DoubleTree, Embassy Suites and Hilton brand hotels, as an addendum to the hotel franchise agreement under the disclosure documents for those brands.

We also offer licenses for the restaurant brand concepts identified on Exhibit J-2 under our StiR Creative Collective program (the "Restaurant Brands"), in the US to franchisees of Apartment Collection, Canopy, Curio, Hilton, Hilton Garden Inn, DoubleTree, Motto, Tapestry, Tempo, and Signia brand hotels as an addendum to the hotel franchise agreement under the disclosure documents for those brands, as applicable.

Our Predecessors

We do not have any predecessors that offered franchises for Tapestry Brand hotels in the US. Our predecessors for each of our other brands in the US include the following entities as shown in this table:

Brand Offered	Predecessor Franchisor Entity	Dates Offered
Apartment Collection	None	N/A
Canopy	None	N/A
Conrad	Conrad Franchise LLC	October 2007 to March 2015
	Hilton Inns, Inc.	September 2007 to October 2007
Curio	Hilton Worldwide	July 2014 to October 2014
DoubleTree	Doubletree Franchise LLC	October 2007 to March 2015
	Doubletree Hotel Systems, Inc.	February 1989 to October 2007
Eforea Spa	Doubletree Franchise LLC	December 2011 to March 2015
	Embassy Suites Franchise LLC	December 2011 to March 2015
	Hilton Franchise LLC	December 2011 to March 2015
Embassy Suites	Embassy Suites Franchise LLC	October 2007 to March 2015
	Promus Hotels, Inc.	March 1984 to October 2007
Graduate	None	N/A
Hampton Inn and Hampton Inn & Suites	Hampton Inns Franchise LLC	October 2007 to March 2015
	Promus Hotels, Inc.	March 1983 to October 2007
Hilton	Hilton Franchise LLC	October 2007 to March 2015
	Hilton Inns, Inc.	July 1962 to October 2007
Hilton Garden Inn	Hilton Garden Inns Franchise LLC	October 2007 to March 2015
	Hilton Inns, Inc.	March 1990 to October 2007
Home2 Suites	HLT ESP Franchise LLC	January 2009 to March 2015
Homewood Suites	Homewood Suites Franchise LLC	October 2007 to March 2015
	Promus Hotels, Inc.	March 1988 to October 2007
LivSmart Studios	None	N/A

Brand Offered	Predecessor Franchisor Entity	Dates Offered
LXR	None	N/A
Motto	None	N/A
NoMad	None	N/A
Outset	None	N/A
Restaurant Brands	None	N/A
Signia by Hilton	None	N/A
Spark	None	N/A
Tapestry	None	N/A
Tempo	None	N/A
Tru	None	N/A
Undergraduate	None	N/A
Waldorf Astoria	Waldorf Astoria Franchise LLC	October 2007 to March 2015
	Hilton Inns, Inc.	January 2007 to October 2007

Our Affiliates and Their Predecessors

Our affiliates may offer franchises for any of the Hilton Worldwide Brands at any time. We currently have 4 affiliates that offer franchises outside of the US for the brands listed below.

1. Hilton Worldwide Franchising LP, a limited partnership formed on March 12, 2014, under the laws of England and Wales ("HWF") offered franchises outside the US from July 1, 2014 to December 31, 2017, and currently continues to offer franchises in Canada, and a limited number of other territories. HWF is the predecessor of HWML, listed below. HWF's principal business address is Maple Court, Central Park, Reeds Crescent, Watford, Hertfordshire WD24 4QQ UK and telephone number +44 207 856 8000. The brands currently offered by HWF are: Conrad, Curio, DoubleTree, Embassy Suites, Hampton, Hilton, Hilton Garden Inn, Home2 Suites, Homewood Suites, and Waldorf Astoria, Canopy (since first offered on October 15, 2014), Tru (first offered on June 30, 2016), Tapestry (first offered on December 1, 2016), LXR (first offered on July 1, 2018), Motto (first offered on June 28, 2019), Spark (first offered on April 1, 2023), Tempo (first offered on June 28, 2023), LivSmart Studios (first offered on August 1, 2023), Graduate (first offered on June 28, 2024), Outset (first offered on October 23, 2025), and Apartment Collection (first offered on February 2, 2026).

2. Hilton Worldwide Manage Limited, a limited company formed on December 7, 2010, under the laws of England and Wales ("HWML") has offered franchises outside the US since January 1, 2018, except in Brazil, Canada, China, Thailand, and a limited number of other territories. As noted above, HWF is HWML's predecessor outside of the US, except in Canada, China, and a limited number of other territories. HWML's principal business address is Maple Court, Central Park, Reeds Crescent, Watford, Hertfordshire WD24 4QQ UK and telephone number +44 207 856 8000. The brands currently offered by HWML are the same as those offered by HWF above.

3. Hilton Enterprise Management (Shanghai) Co., Ltd., a limited company formed on January 8, 2021, under the laws of the People's Republic of China ("HEMS") has offered franchises in China since July 1, 2024. HEMS predecessor was Hilton Hotel Management (Shanghai) Co., Ltd., a limited company formed on September 5, 2008 under the laws of the People's Republic of China ("WFOE"). WFOE offered franchises in China from October 29, 2012 to June 30, 2024. HEMS has its principal business address at Room 4205, Bund Centre, 222 Yan An Road East, Shanghai, 200002, 021 – 2321 6888. The brands currently offered by HEMS are: DoubleTree (first offered on October 29, 2012), Hilton (first offered on August 1, 2016), Hilton

Garden Inn (first offered in September 2018), Tapestry (first offered on July 1, 2024), LXR (first offered December 31, 2024), and Canopy and Curio (first offered July 1, 2025).

4. Hilton Brazil Operações e Participações Ltda, formed on December 26, 2016 under the laws of Brazil ("HBOP") has offered franchises in Brazil since August 1, 2020. Both HWF and HWML are HBOP's predecessors in Brazil. HWF offered franchises in Brazil from July 1, 2014 to December 31, 2017, and HWML offered franchises in Brazil from January 1, 2018, to July 31, 2020. HBOP's principal place of business is Av. Das Nacoes Unidas, No. 12.901. Torre Leste, Andar Intermediario, Sala 01, Brooklin Novo, Sao Paulo, 04578-000 Brazil. The brands currently offered by HBOP are Curio, DoubleTree, Hampton, Hilton, Hilton Garden Inn, Home2, Homewood, LXR, Motto, Tapestry, and Spark.

As noted above, HWF is HWML's predecessor outside of the US, except in Canada, China, and a limited number of other territories. HWF's predecessors for the offer of franchises outside the US before July 1, 2014, include the following entities at various times for the specified brands:

Brand Offered	Predecessor International Franchisor Entity
Apartment Collection	None
Canopy	None
Conrad Conrad International	HLT International Conrad Franchise LLC Hilton International Franchisor Corporation HPP International Corporation (f/k/a Conrad International Corporation)
Curio	None
DoubleTree DoubleTree Suites	Hilton Group plc and designated subsidiaries Hilton International Franchisor Corporation Doubletree Hotel Systems, Inc. Doubletree International Franchise LLC
Embassy Suites	Promus Hotels, Inc. Hilton Group plc and designated subsidiaries Hilton International Franchisor Corporation Embassy Suites International Franchise LLC
Graduate	None
Hampton	Hilton International Franchisor Corporation Hampton Inns International Franchise LLC
Hilton	Hilton Group plc and designated subsidiaries Hilton International Franchisor Corporation Hilton International Franchise LLC
Hilton Garden Inn	Hilton Group plc and designated subsidiaries Hilton International Franchisor Corporation Hilton Garden Inns International Franchise LLC
Home2 Suites	HLT ESP International Franchisor Corporation
Homewood Suites	Hilton Group plc and designated subsidiaries Homewood Suites International Franchise LLC
LivSmart Studios	None
LXR	None
Motto	None
NoMad	None
Outset	None

Brand Offered	Predecessor International Franchisor Entity
Restaurant Brands	None
Signia by Hilton	None
Spark	None
Tapestry	None
Tempo	None
Tru	None
Undergraduate	None
Waldorf Astoria The Waldorf Astoria Collection	Hilton International Franchisor Corporation HLT International Waldorf=Astoria Franchise LLC

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

1. Hilton Reservations Worldwide, L.L.C. d/b/a Hilton Reservations & Customer Care and successor-in-interest to Hilton Service Corporation ("Reservations Worldwide") will provide you with its national and international reservation services and systems ("Reservation Service"). Reservations Worldwide provides the Reservation Service to all System Hotels, US Hilton hotels, Conrad International hotels, and Hilton International hotels (except where prohibited by law). The principal business address of Reservations Worldwide is 15305 North Dallas Parkway, Suite 600, Addison, Texas 75001.

2. Hilton Supply Management LLC ("HSM") seeks to negotiate with manufacturers and suppliers for the distribution of hotel furniture, furnishings, fixtures, finishes, equipment and supplies, certain food and beverage supplies, and certain hotel services. You may purchase these items from HSM or such third parties but you are not obligated to do so, unless you are operating an eforea spa. In this case, you must purchase certain products and other items from HSM for sale in your spa.

3. Hilton Honors Worldwide LLC ("Hilton Honors Worldwide") owns, operates and administers the Hilton Honors™ guest reward program. You must participate in the programs of Hilton Honors Worldwide.

4. Hilton Systems Solutions, LLC ("HSS") provides computer hardware, software and support services and signs Hilton's Information Technology System Agreement ("HITS Agreement").

Some of our affiliates, also direct and indirect subsidiaries of Hilton Worldwide, own, lease and/or manage Hilton Brand hotels throughout the world. You may be given the opportunity to have one of our affiliates manage your Hotel under a management agreement to be signed at the same time as, or after, you sign your Franchise Agreement.

In this Disclosure Document, we may collectively refer to our former affiliated predecessor franchisor entities as the "former franchising entities." The principal business address for each of our affiliates is 7930 Jones Branch Drive, Suite 1100, McLean, Virginia 22102 unless otherwise noted.

Our Licenses

This Disclosure Document describes our franchise for hotels which will operate in the US under the Tapestry Brand. Our affiliates offer franchises for hotels that will operate under the Tapestry Brand outside of the US under separate disclosure documents.

We license the Tapestry System (the "System") which consists of the elements, including know-how, that we periodically designate to identify hotels operating worldwide under the Brand and currently includes the Marks; access to a reservation service; advertising, publicity and other marketing programs and materials; training programs and materials, standards, specifications and policies for construction, furnishing, operation, appearance and service of the hotel, and other elements we refer to in the Franchise Agreement, in the Manual (as that term is defined in our Franchise Agreement) or in other communications to you; and, programs for our inspecting the hotel and consulting with you. We may add elements to the System or modify, alter or delete elements of the System. We franchise the non-exclusive right to use the System in the operation of your Hotel, under the Brand, at a specified location. You must follow the high standards we have established as the essence of the System. You will be required to make future investments.

The Franchise Agreement you sign will provide for new development, conversion, change of ownership, or re-licensing, depending on your situation. These situations are referred to in this Disclosure Document as "New Development," “Conversion,” “Change of Ownership," and “Re-licensing,” respectively. New Development refers to new building construction. Conversion refers to the renovation of an existing building to bring it into compliance with our Brand Standards so that it may operate as a Brand hotel. Change of Ownership refers to the transfer of ownership or control of an existing Brand hotel to a new owner. Re-licensing refers to the grant of a new franchise after the expiration of a prior franchise for the same hotel. Adaptive Reuse is also a category shown on the Franchise Application. It is a form of Conversion.

We also offer franchises for an eforea spa to be located at the hotel, featuring an exclusive menu of treatment journeys and innovative design elements, including unique zones that a spa guest passes through on their treatment journey. If you elect to add an eforea spa to your Hotel, you must sign the Eforea Spa Amendment to Franchise Agreement (“Spa Amendment”) attached as Exhibit D-3. If you sign the Spa Amendment, the System will include the eforea spa and all of its elements and you must comply with the eforea spa Manual. In that case, references in this Disclosure Document to the Manual will also include the eforea spa Manual. If there is a conflict between the Manual, and the eforea spa Manual, the eforea spa Manual will control. If you are operating a spa under a trademark other than eforea, the System will not include the eforea spa concept, but you still must comply with the System and our requirements related to spas generally, as found in our Manual. The franchisee of the eforea spa must be the franchisee under the Franchise Agreement.

We also offer licenses for the Restaurant Brands that may be used in the operation of one or more restaurants, bars, or other food and beverage outlets at your Hotel. We began offering these Restaurant Brands in 2024. We will offer several different Restaurant Brands that reflect different dining concepts, as detailed on Exhibit J-2. Our Restaurant Brands are optional. You are not required to use any Restaurant Brand at your Hotel. Each Restaurant Brand features a distinctive brand name and trademark that conveys a specific identity, concept, and theme, and the type of dining experience for guests, including the type of food and beverages offered, the décor, ambiance, lighting, music, operating supplies, and service experience. For each Restaurant Brand we will provide the brand name and trademark, along with a package of support materials that may include signage guidelines, menu templates, design and visual identity guides, staff uniform guidelines, and other supporting collateral for the concept. We may also specify the types and quality level of food and beverages that you may offer, in keeping with the Restaurant Brand concept. Although we do not mandate entire menus (specifying every food and beverage item that you must offer), we may require you to offer certain items that we deem to be signature elements of the brand ("Signature Menu Items"). Generally, we do not place any restrictions on your sources of food products or other items used in the restaurant, however: (a) any sourcing restrictions that apply to food and beverage outlets generally under the Standards apply to the Restaurant Brands; and (b) we may designate specific sources for Signature Menu Items in the Restaurant Brand Guidelines. Currently, the Restaurant Brands do not have any quality assurance or training requirements in addition to or separate from those that exist generally under the Standards, but we may develop such additional requirements in the future.

Food and beverage outlets utilizing Restaurant Brands may be developed and opened in a hotel at any time. We anticipate that most outlets will be developed and opened in connection with construction or renovation work that is undertaken in connection with a New Development, Conversion, Change of Ownership, Re-licensing, renovation, or other type of hotel transaction. Accordingly, our Restaurant Brands are intended to fall within the cost estimates for developing a new standard prototype hotel with a food and beverage outlet as outlined in this Disclosure Document (as part of either a New Development or Conversion), other than the fees shown in Items 5 and 6.

If you elect to add a Restaurant Brand food and beverage outlet to your Hotel, you must sign the Restaurant Brand Amendment to Franchise Agreement ("Restaurant Brand Amendment") attached as Exhibit D-4. If you sign the Restaurant Brand Amendment, the System will include the Restaurant Brand and all of its elements and you must comply with the Restaurant Brand Guidelines. In that case, all references in this Disclosure Document to the Standards or the Manual will also include the Restaurant Brand Guidelines. If there is a conflict between the Manual and the Restaurant Brand Guidelines, the Restaurant Brand Guidelines will control. If you are operating a food and beverage outlet under a trademark other than a Restaurant Brand, the System will not include the Restaurant Brand, but you still must comply with the System and our requirements related to restaurants and other food and beverage outlets generally, as found in the Manual. The franchisee of the Restaurant Brand must be the franchisee under the Franchise Agreement.

Except for the licenses described above, we, our parents, affiliates and predecessors have not offered licenses or franchises for this or any other type of business.

The Market and Competition

The market for your services will depend on your property's location, size and its type of operation (that is, resort, conference center, hotel for frequent business travelers, etc.). Franchisees seek customers and business referrals from the local community and typically solicit business from conventions and tour and travel groups, on a regional and national level. If you are operating an eforea spa or a food and beverage outlet that utilizes a Restaurant Brand, you will market your products and services to patrons of the hotel and the local community.

In general, you will compete with national and international hotel and motel chains and independently operated local hotels and restaurants offering similar types of hotel rooms and food and beverage services to the same clientele. Your convention and meeting facilities will also compete with national, international and independent hotels and convention centers and their restaurants in other regions. If you are operating an eforea spa, you will compete with other spa concepts, wellness centers, and other parties offering the same or similar services. This would include salons that offer many of the services your spa will offer and individuals and businesses that provide certain of the services you offer, such as massage therapists.

We and our affiliates engage in a wide range of business activities in lodging and related services, both directly and through the activities of our and their parents and affiliates. Some of these activities may be competitive with your Hotel and the System. We and/or our affiliates may own, operate, franchise, license, acquire, create or establish, or serve as franchisee or licensee for, competitive guest lodging facilities or networks anywhere, including within any Restricted Area, under any brands or marks (but not, within any Restricted Area under the Brand or mark "Tapestry"). We and/or our affiliates may also furnish services, products, advice and support to guest lodging facilities, networks, properties or concepts located anywhere, including within any Restricted Area, in any manner we or our affiliates determine. We and/or any of our affiliates may be sold to or otherwise acquired by an existing competitor or newly formed entity which itself has established or may establish competitive guest lodging facilities located anywhere (provided that any Restricted Area protections will be observed). Further, we and/or our affiliates may purchase, merge, acquire, or affiliate in any other way with any franchised or non-franchised network or chain of guest lodging facilities or any other business operating guest lodging facilities regardless of the location of that network, chain or other business's facilities, including within any Restricted Area, and that we may operate, franchise or license those other facilities under any brands or marks anywhere regardless of the location of those businesses and/or facilities. There is no mechanism for resolving any conflicts that may arise between your Hotel and other hotels described in this paragraph.

Laws, Rules and Regulations

Your Hotel must conform to all applicable lodging, hotel, and rental property laws, innkeeper liability laws, as well as laws and regulations regarding fire, life, health and safety, food handling and preparation, menu and labeling laws, alcoholic beverage control laws and dram shop acts, license, certificate, and permit requirements for your Hotel's occupancy and operation, laws regulating the posting of rates, fees, and taxes, room occupancy, tax laws, and laws applicable to public accommodations and services. Normally you must obtain a certificate of occupancy along with permits and licenses to operate your Hotel, prepare and sell food, sell alcoholic beverages, and operate meeting rooms.

Among these laws, the jurisdiction in which you operate may have specific laws or regulations that: (a) prohibit the overbooking of guest rooms; (b) impose duties on you to receive guests and patrons, use reasonable care to protect the safety of those guests and patrons, and to protect their property; (c) limit the amount of money a guest or visitor may recover from an apartment hotel for loss of personal property; (d) require you to provide a safe or safe deposit boxes for safekeeping of valuables; (e) require you to follow detailed measures for the physical safety of building occupants, including responding to any communicable diseases or deaths that occur on the premises; (f) require you to maintain guest registers with specific guest data and keep those records for a period of years; (g) regulate the cleanliness and sizing of bedding, sheets, and towels; (h) require your compliance with detailed building codes, dwelling laws, public assembly laws, labor laws, and health and sanitation laws; (i) impose requirements concerning data security and data privacy, and data breach notifications. Any food service operations at your Hotel will be regulated by federal, state, and local laws and regulations regarding health, cleanliness and sanitation, the storage, preparation and serving of food and beverages, food containers and utensils, water supply, sewage, pest control, personnel, procedures, materials, equipment, and maintenance, and menu labeling laws. Any fitness and recreational facilities at your Hotel may be subject to federal, state and local laws regarding fitness center operations, swimming pool and water facility operations, and safety equipment, including the federal Virginia Graeme Baker Pool and Spa Safety Act.

Hotels also subject to federal, state, and local occupational safety and health laws that apply to workplace activities and conditions, including Occupational Safety and Health Administration ("OSHA") regulations, and property accessibility requirements, including the Americans with Disabilities Act ("ADA"). In addition, the general business laws, rules and regulations which apply to hotels in your jurisdiction will affect you. This includes any government orders related to emergent conditions, such as natural disasters and public health emergencies. You should seek the advice of legal counsel to determine the details of all applicable laws in your jurisdiction and whether and to what extent they and other regulations will apply to your Hotel.

ITEM 2
BUSINESS EXPERIENCE

Below is a list of the directors, principal officers, and other individuals who have management responsibility for the sale or operation of the franchise offered under this Disclosure Document. The location of employment for each person is McLean, Virginia unless stated otherwise.

Chief Executive Officer and President: Christopher J. Nassetta
Mr. Nassetta has served as Chief Executive Officer and President of Hilton Worldwide since September 2013. He has served as Chief Executive Officer and President of Hilton since December 2007 and was also a Director of Hilton from December 2007 to October 2013. He served as our Chief Executive Officer and President from October 2013 to January 2015. He served as Chief Executive Officer and President of the former franchising entities from October 2013 until April 2015.

Chief Financial Officer and Executive Vice President: Kevin J. Jacobs
Mr. Jacobs has served as Chief Financial Officer and Executive Vice President of Hilton Worldwide since September 2013 and has also held those positions with us since September 2013. He has served as Chief Financial Officer and Executive Vice President of Hilton since October 2013. Mr. Jacobs served as President, Global Development for Hilton from July 2020 to July 2025. Mr. Jacobs served as Chief Financial Officer and Executive Vice President of the former franchising entities from October 2013 to April 2015. Mr. Jacobs also served as a Director of Hilton from December 2007 to July 2015.

Executive Vice President, General Counsel: Caroline Krass
Ms. Krass has served as Executive Vice President, General Counsel and Secretary since March 2025. Before that time, Ms. Krass served as General Counsel of the U.S. Department of Defense, where from 2021 to 2025 she was the chief legal officer of the Department and the principal legal advisor to the Secretary of Defense. From 2018 to 2021, Ms. Krass served as Senior Vice President & General Counsel, General Insurance and Deputy General Counsel of American International Group (AIG), where she led a global legal team supporting the primary business unit, as well as the cybersecurity and privacy, technology and innovation teams. Before that time Ms. Krass served as the General Counsel of the U.S. Central Intelligence Agency.

President, Global Brands and Commercial Services: Christopher Silcock
Mr. Silcock has served as President, Global Brands and Commercial Services since January 2024. He served as Executive Vice President – Chief Operating Officer, Customer and Commercial Operations from May 2019 to January 2024. He served as Executive Vice President

– Chief Commercial Officer of Hilton Worldwide and Hilton from September 2015 through April 2019 and as HWML's Senior Vice President since July 2014. He served as Senior Vice President Sales & Revenue Management of Hilton Worldwide and Hilton from September 2014 to August 2015.

Chief Development Officer and Executive Vice President: Christian Charnaux
Mr. Charnaux has served as Chief Development officer since July 2025. He was Chief Growth Officer for Inspire Brands from March 2018 to July 2025. Previously, Mr. Charnaux served as Hilton's Senior Vice President, Corporate Finance from December 2016 to March 2018 and as Senior Vice President, Investor Relations from September 2013 to December 2016. Additionally, he served as Hilton's Vice President, Global Brands Strategy from July 2012 to September 2013; Senior Director, Strategy and Innovation from January 2012 to July 2012; and Senior Director/Director, Strategy and Business Development Global Brands and Commercial Services from June 2009 to January 2012.

Global Category Leader of Lifestyle Brands: Kevin Osterhaus
Mr. Osterhaus has served as Hilton's Global Category Leader of Lifestyle Brands since May 2024. He served as President of Graduate Hotels for AJ Capital Partners in Nashville, Tennessee from November 2021 to May 2024. He previously served as Chief Operating Officer of Ennismore in London, United Kingdom from December 2017 to November 2021.

SVP Lifestyle Brand Management: Jenna Hackett
Jenna Hackett is the Senior Vice President of Lifestyle Brand Management, responsible for the strategic direction, vision, growth, and performance of these lifestyle brands. Jenna has been with Hilton since 2011, in a series of escalating and cross-departmental roles. She has been with Curio Collection since its inception in 2014, worked on Hilton Hotels & Resorts and DoubleTree, spent time in a dual role, reporting into both Americas Development and Brand, and then went onto launch Tapestry Collection and Signia by Hilton. Most recently she was Brand Leader of Canopy and Curio and Tapestry Collections and oversaw the acquisition of Graduate on the side of the business.

Global Brand Leader Tapestry & Outset Collections by Hilton: Elizabeth Scruggs
Ms. Scruggs has served as Global Brand Leader, Tapestry Collection by Hilton since January 2025 and Outset Collection by Hilton since February 2026. She was Vice President, Hilton Supply Management from January 2022 to January 2025. Prior to that Ms. Scruggs served as Senior Director, Owner (Franchisee) Relations, Global Brand Organization from December 2015 to March 2022.

Vice President and Global Head of Residential Programs: Jonathan Wingo
Mr. Wingo has served as Vice President and Global Head of Residential Programs since September 2016. He previously served as Director, Residential Development & Operations for Europe, Africa & the Middle East at Starwood Hotels & Resorts Worldwide, Inc. from October 2012 to September 2016.

Senior Vice President – Food & Beverage Operations & Development, Americas: Brian Abel
Mr. Abel has served as Hilton's Senior Vice President – Food & Beverage Operations, Americas since May 2025. Prior to that, Mr. Abel was the Founder & Principal of BEGIN Hospitality from January 2023 to May 2025. He served as Senior Vice President, Operations of Celebrity Cruises, Inc. from May 2015 to June 2022. Mr. Abel served as Vice President, Food & Beverage of Royal Caribbean International from May 2014 to May 2015.

Senior Vice President – Development – US and Canada: Matthew G. Wehling
Mr. Wehling has served as Hilton's Senior Vice President – Development – US and Canada since January 2015.

Vice President – Development Latin American & Caribbean: Pablo Maturana
Mr. Maturana has served as Vice President Development Latin America & The Caribbean (CALA) since March 2024. He previously served as Vice President of Development Caribbean & South America from September 2022 to January 2024. Before that time, he was Managing Director of Development South America & The Caribbean from July 2019 to January 2024.

Vice President and Managing Director – Development – Southeast Region: John Koshivos
Mr. Koshivos has served as Hilton's Vice President and Managing Director – Development – Southeast Region since April 2014.

Vice President and Managing Director – Development – Southwest Region: Patrick Speer
Mr. Speer has served as Hilton's Vice President & Managing Director Development – Southwest Region since March 2020. He previously served as Vice President Development – Southwest Region since September 2017. Mr. Speer served as Sr. Director Development – Southwest Region since January 2015.

Vice President and Managing Director – Development – Northeast Region/Canada: Thomas Lorenzo
Mr. Lorenzo has served as Hilton's Vice President and Managing Director – Development – Northeast Region/Canada since October 2010.

Vice President and Managing Director – Development – Northwest Region: Lisa Waldron
Ms. Waldron has served as Vice President and Managing Director Development – Northwest Region since May 2021. Before that time, Ms. Waldron served as Senior Director Development from January 2004 to April 2021.

Vice President – Management Contract Services and Owner Relations: Dianne Jaskulske
Ms. Jaskulske has served as Hilton's Vice President–Management Contract Services and Owner Relations since February 2000.

Vice President & Sr. Counsel Development: John Shults
Mr. Shults has served as Hilton's Vice President & Sr. Counsel Development since February 2020. Mr. Shults has supported the Americas Development and Owner Relations team at Hilton since February 2016. He previously supported Hilton's Real Estate & Asset Management team in the Americas from November 2009 until February 2016.

Director, Chairman: Jonathan D. Gray
Jonathan D. Gray has served as Chairman of the Board of Directors of Hilton Worldwide since March 2010. He is currently President and Chief Operating Officer for The Blackstone Group in New York, New York, with which he has been associated since 1992.

Director: Douglas M. Steenland
Mr. Steenland has served as a Director of Hilton Worldwide since September 2013. He has been a Consultant in Washington, DC and Senior Advisor to Blackstone's Private Equity Group since 2009.

Director: Marissa A. Mayer
Ms. Mayer has served as a Director of Hilton Worldwide since May 2025. She has served as the CEO and Founder of Dazzle AI Inc. since October 2025. Before that time, she served as CEO and Founder of Sunshine Products from March 2018 to October 2025. She has served as a director on the boards of Starbucks since June 2025, AT&T since March 2024, and Walmart since June 2012. She previously served as CEO, President, and Director of Yahoo!, Inc. from July 2012 to June 2017.

Director: Elizabeth A. Smith
Ms. Smith has served as a director of Hilton Worldwide since December 2013. She has been a member of the board of directors of Bloomin' Brands, Inc. since November 2009 and previously served as its Executive Chairman from April 2019 to February 2020, its Chairman from January 2012 to April 2019, and its Chief Executive Officer from November 2009 to April 2019.

Director: Charlene Begley
Ms. Begley has served as a Director of Hilton Worldwide since April 2017. She has served as a Director of Nasdaq, Inc. and Red Hat since November 2014, and as a Director of WPP plc since December 2013.

Director: Melanie L. Healey
Ms. Healey has served as a Director of Hilton Worldwide since September 2017. She served as Group President of The Procter & Gamble Company from July 2007 to June 2015. She currently serves as a director on the boards of PPG Industries, Verizon Communications and Target Corporation.

Director: Raymond E. Mabus, Jr.
Mr. Mabus has served as a Director of Hilton Worldwide since September 2017. He served as Secretary of the Navy from May 2009 to January 2017.

Director: Chris Carr
Mr. Carr has been a director since August 2020. He has been the Chief Operating Officer of Sweetgreen, Inc. since May 2020. Previously, Mr. Carr was Executive Vice President and Chief Procurement Officer of Starbucks Corporation from December 2016 to May 2019, and Executive Vice President, Americas, from February 2014 to November 2016.

ITEM 3
LITIGATION

Other than the actions described below, there is no litigation that must be disclosed in this Item.

A. PENDING ACTIONS

Bow Hospitality LLC v. Hilton Franchise Holding LLC (Superior Court of Kent County, Rhode Island), Case No. KC-2025-1291.

On January 24, 2025, the plaintiff filed suit against us alleging breach of contract and breach of the covenant of good faith and fair dealing under the Rhode Island Dealership Act in connection with our termination of plaintiff's franchise agreement for the Hampton Inn & Suites Providence/Warwick Airport for failing to comply with Hampton brand standards. We intend to vigorously defend our interests in this matter.

In re Extended Stay Hotel Antitrust Litigation (N.D. Cal.), Civil Case No. 4:24-civil-09060 (Class Action).

On July 24, 2024, a putative class action complaint captioned *Au v. Integrated Decisions and Systems, Inc.,* Civil Case No. 1:24-civil-06324, was filed in the United States District Court for the Northern District of Illinois against IDeaS, and several hotel defendants, including Hilton Worldwide, asserting alleged violations of Section 1 of the Sherman Act. The complaint alleges that the hotel defendants improperly shared information with competing hotels through IDeaS and used IDeaS's revenue management software to improperly set room rates in extended stay hotel markets throughout the United States.

On September 10, 2024, a substantially similar lawsuit captioned *Gonzalez v. Integrated Decisions and Systems*, Inc., Civil Case No. 1:24-civil-06324, was filed in the Northern District of Illinois. The *Gonzalez* and *Au* matters were consolidated on September 19, 2024, and the case caption was amended to *In re Extended Stay Hotel Antitrust Litigation*. On November 15, 2024, a consolidated amended complaint was filed and the matter transferred to the Northern District of California on December 13, 2024. The hotel defendants filed a motion to dismiss which has been fully briefed and pending before the Court since October 24, 2025. Hilton Worldwide intends to vigorously defend its interests in this matter.

Hanson Dai v. SAS Institute Inc. (N.D. Cal.), Civil Case No. 4:24-cv-02537 (Class Action).

On April 26, 2024, a putative class action complaint captioned *Dai v. SAS Institute Inc.,* Civil Case No. 4:24-cv-02527, was filed in the United States District Court for the Northern District of California against Integrated Decisions and Systems, Inc. and SAS Institute, Inc. (together, "IDeaS") and several hotel defendants, including Hilton Worldwide, asserting alleged violations of Section 1 of the Sherman Act. The complaint alleges that the hotel defendants improperly shared information with competing hotels through IDeaS and used IDeaS's revenue management software to improperly set room rates in various hotel markets throughout the United States.

On June 7, 2024, a substantially similar lawsuit captioned *Steven Shattuck v. SAS Institute Inc.*, Civil Case No. 4:24-cv-03424, was filed in the Northern District of California. The *Shattuck* case was consolidated with *Dai*, and on July 15, 2024, a consolidated amended complaint was filed. The hotel defendants filed a motion to dismiss on August 29, 2024. On July 18, 2025, the Court granted the hotel defendants' motion to dismiss with leave to amend. Plaintiffs filed an amended complaint on August 25, 2025. The hotel defendants filed a motion to dismiss which has been fully briefed and pending before the court since October 20, 2025. Hilton Worldwide intends to vigorously defend its interests in this matter.

Ryan Segal v. Amadeus IT Group, S.A., et. al. (N.D. Ill.), Civil No. 1:24-civil-01783 (Class Action).

On March 1, 2024, plaintiff filed a class action lawsuit against Amadeus IT Group, S.A., Amadeus Hospitality Americas, Inc., and several hotel companies including Hilton Worldwide. Plaintiff alleges that the defendants violated the Sherman Act by agreeing to exchange certain data through Amadeus, thereby allegedly allowing the hotel defendants to set higher room rates at luxury hotels in certain markets. On March 25, 2024, Hilton Domestic Operating Company, Inc. was substituted as a defendant in place of Hilton Worldwide. On March 31, 2025, the Court granted the hotel defendants' motion to dismiss finding that Plaintiff failed to allege viable antitrust claims based on information sharing. On April 28, 2025, Plaintiff filed a third Amended Complaint. The hotel defendants filed a motion to dismiss which has been fully briefed and pending before the court since August 27, 2025. Hilton Worldwide intends to vigorously defend its interests in this matter.

Jeanette Portillo, et. al. v. CoStar Group, Inc., et. al. (W.D. Wash.), Civil No. 2:24-cv-00229 (Class Action).

On February 20, 2024, plaintiffs filed a class action lawsuit against the CoStar Group, Inc. and its subsidiary STR, Inc., together with several hotel companies including Hilton Worldwide. Plaintiffs allege that the defendants violated the Sherman Act by exchanging competitive data through Smith Travel Research (STR), owned by the CoStar and STR defendants, which allegedly resulted in higher room rates at luxury hotels in certain markets. On April 16, 2024, Hilton Domestic Operating Company Inc. was substituted as a defendant in place of Hilton Worldwide. On August 29, 2025, the Court granted the hotel defendants' motion to dismiss, with leave to amend. Plaintiffs filed an amended complaint on September 29, 2025. The hotel defendants filed a motion to dismiss which has been fully briefed and pending before the court since January 6, 2026. Hilton Domestic Operating Company intends to vigorously defend its interests in this matter.

B. CONCLUDED ACTIONS – INVOLVING US OR HILTON (F/K/A HHC, HWI, and PARK)

AAAA Property Partners LLC v. Hilton Franchise Holding LLC (M.D. Fla. Case No. 6:25-cv-00132-CEM-RMN).

On January 24, 2025, the plaintiff filed suit against us in Orange County, Florida (Filing No. 215324302) alleging breach of contract arising in connection with our termination of plaintiff's franchise for the Hilton Garden Inn Orlando I-4 Millenia Boulevard Mall. We terminated the franchise for material breaches of the Franchise Agreement including but not limited to payment defaults. On January 28, 2025, the matter was removed to federal court. The parties resolved the case on March 5, 2025 by agreeing to terminate the Franchise Agreement as of January 27, 2025, and the plaintiff agreed to dismiss the lawsuit and sell the property within 150 days. We also agreed not to enforce the former franchisee's post-termination obligations, including the payment of liquidated damages.

State of Texas v. Hilton Domestic Operating Company Inc. (District Court of Collin County, Texas, CAUSE NO. 296-02595-2023).

On May 23, 2023, the plaintiff filed suit against Hilton alleging the violations of the Texas Deceptive Trade Practices Act in relation to how mandatory guest fees are disclosed to consumers. Mandatory guest fees are amounts that hotels charge guests for certain amenities separate from the daily room rate. Plaintiff alleged that Hilton failed to include mandatory guest fees in advertisements and disclosures made to consumers during the telephone booking process, and improperly disclosed these fees only at the end of the online booking process. Plaintiff also alleged misrepresentation in instances when hotels have indicated that mandatory guest fees pay for certain amenities when those amenities were routinely provided at no cost or bundled in the room rate, and/or when amenities were advertised as free but were actually covered by the mandatory guest fee. Plaintiff sought an injunction, restitution for Texas consumers, civil penalties, attorneys' fees and costs. In January 2025, the parties settled the case. Without admitting any fault, Hilton agreed to pay Texas $2.1 million and to disclose, display, and sort guest rooms by their total cost on its hotel reservation websites, require third party platforms to do the same, inform customers of all material facts about bookings, refrain from making misrepresentations or misleading customers, and comply with Texas law.

State of Nebraska v. Hilton Domestic Operating Company Inc. (District Court of Lancaster County, Nebraska, Case No. D02CI190002366).

On July 23, 2019, the plaintiff filed suit against Hilton alleging the violations of the Nebraska Consumer Protection Act and Uniform Deceptive Trade Practices Act in relation to how mandatory guest fees are disclosed to consumers. Mandatory guest fees are amounts that hotels charge guests for certain amenities separate and apart from the daily room rate, which may be called by different names such as resort fees, urban fees, or destination fees. Plaintiff alleged that Hilton failed to include mandatory guest fees in advertisements and disclosures made to consumers during the telephone booking process, and improperly disclosed these fees only at the end of the online booking process. Plaintiff also alleged misrepresentation in instances when hotels indicated that mandatory guest fees pay for certain amenities when those amenities were routinely provided at no cost or bundled in the room rate, and/or when amenities were advertised as free but actually covered by the mandatory guest fee. Plaintiff sought an injunction, restitution for consumers, civil penalties, and attorneys' fees and costs. In February 2024, without admitting any fault, Hilton entered into a settlement agreement with Plaintiff and agreed to pay $300,000 and clearly disclose all mandatory fees and the total price for a booking.

Hilton Franchise Holding LLC v. Portland Hotel Ownership, et al. (Fairfax County Circuit Court, Case Number, Case Number 2020-14233).

On September 17, 2020, we filed suit against Portland Hotel Ownership, LLC, a former franchisee of a Curio brand hotel, for breach of contract arising from the early termination of the franchise agreement. We also filed a breach of promissory note action against the franchisee and Jolaine Associates, LLC, as co-makers of a development incentive note issued in connection with the franchise agreement. The defendants counterclaimed on November 10, 2020, for breach of contract, fraudulent inducement, and other ancillary claims. The defendants contended that we made false representations as to exclusivity of the brand market and brand market support and sought $30,000,000 in damages. After the court dismissed several of the defendant's counterclaims, in June 2021 the defendant filed an amended counterclaim alleging breach of contract, breach of the duty of good faith and fair dealing, fraudulent inducement, fraud, and unlawful practices under New York Franchise Law. On July 28, 2022, the parties settled this case by agreeing to dismiss all claims and exchange general releases.

San Pedro Inn, LP v. Hilton Franchise Holding LLC (Superior Court of New Jersey Chancery Division General Equity Part, Union County Docket No. UNN-C- 121 19).

On July 18, 2019, we sent a notice to terminate plaintiff's franchise for a Hampton hotel for failure to cure a material breach of the franchise agreement. On August 28, 2019, plaintiff filed a complaint alleging wrongful termination under the New Jersey Franchise Practices Act. Plaintiff claimed that we imposed unreasonable Quality Assurance standards and that an inspection was hindered by plaintiff's former employee. Plaintiff sought an injunction to stop the termination plus damages, attorneys' fees, costs, and other relief. The Court denied the injunction on December 18, 2019, and plaintiff filed a motion for reconsideration. We filed an answer and counterclaim on January 21, 2020, denying the allegations and asserting claims for liquidated damages, attorneys' fees, and costs. The parties settled the case on September 25, 2020. The parties agreed to dismiss all claims, exchange general releases, and terminate the franchise on April 28, 2021 without the payment of any termination damages or litigation costs by either party.

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

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

C. COLLECTION SUITS BROUGHT AGAINST FRANCHISEES AND FORMER FRANCHISEES IN 2025

Hilton Franchise Holding LLC v. ML Plaza Owner LLC (Cir. Ct. of Fairfax County, Virginia), Case No. CL-2026-0003448.

On February 27, 2026, we filed a complaint against a former Hilton brand franchisee for amounts past due and liquidated damages arising from the early termination of the franchise agreement for failing to pay monthly fees.

Hilton Franchise Holding LLC v. Unique Crowne Hospitality LLC et al. (E.D. Va.) Case No. 1:25-cv-01604-MSN-WEF.

On August 25, 2025, we filed a complaint against a former DoubleTree brand franchisee and its guarantor for damages and fees arising from the early termination of the franchise agreement for failing to comply with DoubleTree brand standards.

Hilton Franchise Holding LLC v. Empower Metro Center LLC (Cir. Ct. of Fairfax County, Virginia, Case No. CL-2025-0003051).

On February 28, 2025, we filed a complaint against a former Hampton brand franchisee for damages and fees arising from the early termination of the franchise agreement for failure to commence or complete the construction of the hotel. On January 14, 2026, the parties agreed to a settlement that was favorable to us and we agreed to dismiss the case.

In re: 177 BFP, LLC (US Bankruptcy Court, E.D. Penn., Case No. 25-13225-amc).

On August 14, 2025, we filed a petition in this Chapter 7 bankruptcy action to collect an unpaid judgment against a former Embassy Suites franchisee for amounts past due, liquidated damages, and attorneys' fees. The Court appointed a trustee on October 7, 2025 and a meeting of the creditors is scheduled for April 8, 2026.

ITEM 4
BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5
INITIAL FEES

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

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
General			
Franchise Application Fee – New Development or Conversion	$100,000 plus $400 for each additional guest room or suite over 250.	With Application.	See Note 1.
Franchise Application Fee – Change of Ownership	$150,000	With Application.	See Note 1.
Franchise Application Fee – Re-licensing	$100,000	With Application.	See Note 1.
Property Improvement Plan ("PIP") Fee	$10,000	Before PIP inspection is scheduled.	Payable to prepare a PIP for a Conversion, Change of Ownership, or Re-licensing of an existing hotel. In some circumstances, we may waive the PIP fee or apply the PIP fee towards the payment of the Franchise Application Fee, but we are not obligated to do so.
Construction or Renovation Work Extension Fee	$10,000	With written request for extension.	You must start and complete the construction work or renovation work at your Hotel by the dates specified in your Franchise Agreement. See Note 2.
Computer System Fees			
OnQ Computer System Fees – Hardware, Software & Installation	Currently, between $51,750 and $136,750.	As agreed.	See Note 3.
Other Initial Start Up Fees	Currently, $6,500.	As incurred before opening.	This includes the initial set up fees for the GRO system, a Digital Floor Plan, and the Hilton Opening Transition Tool, which are separate from the OnQ system listed above. See Note 3.
Spa Services			
Initial Fee	$25,000	When you sign the Eforea Spa Amendment.	See Note 4.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Restaurant Brands			
Development Services Fee	$75,000	Half when you sign the Restaurant Brands Amendment, and half upon opening the Restaurant.	Restaurant Brands are optional. This fee is due for each Restaurant Brand you select. See Note 5.
Training			
Training Program Fees	Currently, $5,000 to $15,000.	As agreed.	We provide required training programs and materials that your general manager and other personnel in key functions must complete before opening a new Brand hotel. We may charge you for the training services and materials, including any Pre-Opening Training Resources. You must also bear the cost of wages, travel, lodging, food, and other expenses of your general manager and any other attendees. See Item 11 for details.
Miscellaneous Services and Programs			
Opening Process Services Fee	$20,000	Before opening.	This fee is to help recoup our costs in providing certain pre-opening services to help you open your Hotel, such as guidance with commercial planning, activation of appropriate programs, and tools and resources available to Brand hotels.
Revenue Management Consolidated Center (RMCC)	Pre-Opening Support, currently $4,059 to $8,880.	Within 10 days of billing.	If your Hotel has an expedited opening of 150 days or less, we may require RMCC pre-opening support. We may also require post-opening support for a minimum of 12 months. See Item 6 for details.
Procurement and Services Fees	Currently, 4% to 10% of project cost.	As agreed.	Payable if we or our affiliates furnish, supply, service or equip your Hotel at your request. These fees are in addition to the cost of the products acquired for you, plus freight, sales tax and other actual costs incurred. See Note 6.
Miscellaneous Services	As agreed.	As agreed.	We or our affiliates may periodically offer you additional services. These could include additional training for you and your employees, assistance in recruiting various types of employees, and other services and programs. Most of these services and programs will be optional, but some, including

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
			systems upgrades and changes in System standards, which may require additional mandatory training or participation in additional programs, may be mandatory.

NOTES

1. All prospective franchisees must complete an Application to operate a System Hotel. The current form Application is attached as Exhibit F. When you submit the Application to us for processing, you must pay an initial fee ("Franchise Application Fee"). Once we approve your Application, the Franchise Application Fee is non-refundable except as described in this Item 5. You must provide all the information we ask for in your Application. If we approve your Application before you supply all of the information, our approval will be conditioned on receiving the rest of the information within the time we specify. If you fail to provide the rest of the information within the specified time, we may terminate our offer. If we approve your Application subject to certain requirements, we may terminate our offer if you fail to meet those requirements. If we terminate our offer, we will not refund the Franchise Application Fee. If you withdraw your Application before we approve it, or if we deny your Application, we will refund the Franchise Application Fee, without interest, less a $7,500 processing fee, which may be waived or reduced at our discretion. If your Application is for a Change of Ownership and the Change of Ownership does not occur, we will refund your Franchise Application Fee, without interest and less a $7,500 processing fee. We have occasionally agreed to give full or partial refunds or to credit the non-refundable Franchise Application Fee toward the Franchise Application Fee of another application for the Brand, if submitted and approved within 6 months or less but we are not obligated to do so. If you increase the proposed number of rooms/suites after your Franchise Application is approved and before the opening of your Hotel under the Brand, you must obtain our approval and pay any additional Franchise Application Fee owed as if those additional rooms/suites were part of your original Franchise Application.

While the Franchise Application Fee is usually applied uniformly, we may elect to reduce it after considering criteria which may include: incentives for the development of hotels within the System, a hotel's market position, the property size and the number of hotels in the System operated by a franchisee. In limited and unique circumstances, we may waive part of the Franchise Application Fee or negotiate the Franchise Application Fee for franchisees with whom we have previously dealt but we are not obligated to do so, even for franchisees possessing these characteristics. In 2025, franchisees paid Franchise Application Fees ranging from $0 to $100,000 for New Development or Conversion, and $75,000 to $150,000 for Change of Ownership.

In addition to the Franchise Application Fee, if you are applying for a franchise for a hotel that was previously operated as a Network Hotel, we may require, as a condition of approving your Application, that you pay outstanding royalties and other fees due under the prior franchise agreement relating to the Network Hotel.

2. For a New Development, you must start construction within 16 months after the date we approve your Application. For a Conversion, Re-Licensing, Change of Ownership, or room addition project, you must start the renovation work by the date we have agreed to in the Franchise Agreement or PIP, which is set on a project-by-project basis. For Adaptive Reuse, the Franchise Agreement details the conditions under which the Hotel will be considered under construction. For all projects (including New Development, Conversion, Re-Licensing, Change of

Ownership, or room addition project), you must complete the construction or renovation work by the date we have agreed to in the Franchise Agreement or PIP, which is set on a project-by-project basis. If you wish to request an extension of any start date or completion date for your project, you must submit a written request before that date occurs. If we approve your request, you must pay the extension fee and we will set new project start and completion dates accordingly.

However, in New Development or Conversion projects the start date and completion date will be extended by 30 days on a rolling basis automatically without a fee unless we provide at least 60 days' notice to you that these automatic extensions will end. At that point, if you wish to request any further extension, you must submit a written request before the relevant date occurs. If we approve your request, you must pay the extension fee and we will set new project start and completion dates accordingly. Occasionally, we may permit a hotel to open before all required work is completed. If we authorize the opening of your Hotel before the Hotel Work is completed, then as of the Opening Date, any automatic extensions will no longer apply. These automatic extensions also will not apply to any Relicensing, Change of Ownership, or room addition projects.

3. You must use our required business computer systems, which we may periodically change. Currently, we require you to acquire and install the hardware and software for our required OnQ system, Guest Internet Access system, GRO System, Delphi system, Connected Room system, Digital Floor Plan, Digital Key system, and the Hilton Opening Transition Tool. You must pay our affiliate, HSS, certain initial set up fees for some of these systems but not all of them, as described below.

<u>OnQ System</u>. Currently, we require you to use the "OnQ®" system, which connects System Hotels to Hilton's reservation offices and travel planners worldwide. OnQ is comprised of proprietary components for reservations, property management, revenue management, rate & inventory management, forecast management, learning management, and other components for the operation of the Hotel. The complete OnQ package currently includes certain hardware, software, installation, and support.

You may acquire the hardware from our affiliate, HSS, or its preferred providers, or you may purchase or lease it from other (non-preferred) third-party vendors. You must acquire the OnQ software components from HSS or our designated vendors because certain elements are proprietary. The property management system component within the OnQ system is called the Hilton Property Management System ("HPMS"). HPMS may also be referred to as the Property Engagement Platform ("PEP®"). We developed HPMS in collaboration with HotelKey, Inc., a third-party technology company. Certain elements of HPMS are proprietary to Hilton. If you purchase the standard OnQ package from HSS, we estimate that it will cost within the range shown here for our prototype size of hotel shown in Item 7. This includes hardware, software, installation and certain other costs and fees, and is based on the size of the Hotel and number of workstations. We are not able to determine a separate market price for the OnQ system because there is no third-party market for OnQ in its entirety. See Item 11 for details.

You must update and upgrade ("refresh") the OnQ system at least every 3 years, or such longer period as we may specify. We may also require you to refresh the OnQ system in connection with a Change of Ownership or Relicensing, when a new franchise agreement is signed. We anticipate that cost of this to be the same or less than the cost of the original installations (but not including any elements that were needed for the original installation only).

<u>Guest Internet Access System</u>. You must provide internet access for all guest rooms and public spaces at your Hotel in accordance with our Standards ("Guest Internet Access"). Currently, our

approved Guest Internet Access program is called "StayConnected." The initial set-up costs of this system are paid to vendors. See Item 11 for details.

GRO System. You must install our required Global Revenue Optimization ("GRO") system. The GRO system is an online application that utilizes third-party software to provide pricing recommendations for your Hotel based on data analytics and forecasting. You are not required to adopt the pricing recommendations provided by GRO. The initial set-up costs of this system that are paid to HSS are shown in this table. See Item 11 for details.

Delphi System. You must install our required "Delphi" system, which is a cloud-based sales and events system from Amadeus Hospitality. You must pay the initial set-up costs of this system to the vendor. See Item 11 for details.

Connected Room System. You must install our "Connected Room" system, which provides an assortment of streaming apps and allows guests to control their guest room television using the Hilton Honors App. Currently, there are no initial set up costs that are payable to us or our affiliates. The initial set up costs are paid to the vendor, and the ongoing monthly support fees are paid to us. See Items 6 and 11 for details.

Digital Floor Plan. You must pay for the preparation of a Digital Floor Plan for your Hotel. HSS will have the Digital Floor Plan prepared by a local vendor. The floor plan will be used by us and our affiliates, including Hilton Honors Worldwide, to allow Hilton Honors guests to choose their room from a map of the Hotel and enable digital check-in. The initial set-up cost is paid to HSS. See Item 11 for details.

Digital Key System. You must use our Digital Key system, which enables hotel guests to open their guest room doors wirelessly (without a physical door key) with their mobile phones and personal mobile devices through the Hilton Honors App. Currently, there is no separate charge for the Digital Key system because it is part of OnQ. See Item 11 for details.

Hilton Opening Transition Tool. You must use Hilton Opening Transition Tool, which is a pre-opening guide for System Hotels. Currently, the license fee is up to $1,000.

The costs shown above do not include certain costs payable to third parties in connection with the OnQ system. They also do not include costs payable to third parties in connection with our required Guest Internet Access system, Delphi Sales and Events system, or the costs of optional computer system components that we may recommend (including, for example, other business computer systems outside of OnQ such as financial and accounting systems, timekeeping and payroll, point of sale, telephone, and certain inventory systems). Additionally, these costs do not include any delay or re-scheduling fees we may charge you if the opening of your hotel is delayed and/or rescheduled. See Item 11 for details. Occasionally we may offer discounts and other benefits to support the adoption of new technology components, programs, or services. All computer system costs are subject to change, and normally are not refundable. See Item 11 for a more detailed description of each of these required and recommended computer systems.

4. Whether we require you to install a spa in your Hotel or we approve your request to install a spa in your Hotel, the spa must meet our specifications. We recommend that you install our eforea branded spa in your Hotel, but you do not have to use this concept. If you install our eforea spa concept in your Hotel, you will sign the Spa Amendment and pay us an initial fee. The fee is due when you sign the Spa Amendment and is nonrefundable. We will provide you with the Hilton Global Wellness Design Guidelines, the Eforea spa design guidelines, a collateral suite, spa

menus, and access to required training provided by suppliers. After your Hotel opens, you may either manage the spa yourself or retain the services of another spa management company approved by us. If you install an alternate spa concept, you must enter into an agreement with a third-party spa management company we approve to provide consulting services to you in connection with the spa, including spa build-out and design, planning and concept development, business model creation, IT, construction and technical services, equipment selection and procurement, operational guidelines, menu development, and sales and marketing services.

5. If you wish to utilize a Restaurant Brand in your Hotel, you must sign the Restaurant Brand Amendment and pay us an initial fee. The initial fee is due when you sign the Restaurant Brand Amendment and is nonrefundable. We did not agree to modify initial fees in 2025. We will provide you with the Restaurant Brand materials described in Item 1 and consult with you on the design and build-out of your food and beverage outlet. You must start and complete the construction or renovation work by the dates in your Restaurant Brand Amendment or PIP, as applicable. These dates are set on a project-by-project basis. If your outlet is part of a New Development hotel or Conversion project, the development of your outlet will be part of the overall project. After your Hotel opens, your outlet may be managed either by you or a third-party management company that we approve, as described in Item 15. Your food and beverage outlet must meet our Standards and specifications at all times, including those under the Restaurant Brand Guidelines and those that apply to food and beverage operations generally under the Brand Standards.

6. If we or our affiliates furnish, supply, service or equip your Hotel at your request before it opens, then you must pay or reimburse us or them for all costs incurred at your request, and related service fees. In particular, HSM seeks to negotiate with manufacturers and suppliers for the distribution of hotel furniture, furnishings, fixtures, finishes, equipment and supplies, certain food and beverage equipment supplies, and certain hotel services at a discount. We recommend you purchase these items from HSM or such third parties. You may but are not obligated to purchase specified items from HSM or such third parties, except as described in this Disclosure Document. If you choose to buy from HSM, it will invoice you for the cost of the products plus freight, sales tax and other actual costs, plus a procurement fee that ranges 4% to 10% of the project cost. HSM may offer you a payment plan. These payment plans are agreed with each franchisee individually based on the type of project, and specifically customized to the project's scope of work and overall timeline. Payment dates are also based on the project's timeline. The interest rate for late payments is 18.5% per year, compounded daily. Change orders must be paid in full, either in advance or with the next installment due.

ITEM 6
OTHER FEES

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
General			
Monthly Royalty Fee	5% of Gross Rooms Revenue.	Payable monthly by the 15th day of the following month.	See Note 1.
Monthly Spa Royalty Fee	2% of Gross Spa Revenue.	Payable monthly by the 15th day of the following month.	Payable only if Eforea Spa Amendment is in effect. See Note 1.
Monthly Program Fee	4% of Gross Rooms Revenue.	Payable monthly by the 15th day of	We may change the Monthly Program Fee. See Notes 1 and 2.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
		the following month.	
Room Addition Fee	Currently, $400 per guest room or suite, multiplied by the number of additional guest rooms.	Due with Application for approval.	If you add or construct additional guest rooms at the Hotel at any time after you open the Hotel under the Brand, you must pay us a Room Addition Fee and sign an amendment to the Franchise Agreement. The fee is non-refundable once we approve your Application.
Property Improvement Plan ("PIP") Fee	Currently, $10,000.	Before PIP inspection is scheduled.	Payable to prepare a PIP for a Conversion, Change of Ownership, or Re-licensing of an existing hotel, as well as any Room Addition or renovation project in which a PIP is required. In some circumstances we may waive the PIP fee, but we are not obligated to do so.
Computer System Fees			
OnQ Connectivity Fees	Currently, between $400 and $600 per month.	Billed monthly.	Fee is determined by the number of workstations and other OnQ equipment at your Hotel.
Hardware and Software Maintenance Support Fees	Currently, $2,105 to $6,499 per month.	Billed monthly by the 15th day of the following month.	This covers the OnQ hardware and software maintenance that is provided by us. This does not cover the maintenance of certain other hardware and software that is provided by vendors. See Item 11 for details.
OnQ Email Fees	Currently, $7.92 per user per month and $12.50 per month for delivery to mobile devices.	Billed quarterly.	You must have at least 3 accounts.
Connected Room Maintenance Fees	Currently, $543 to $833 per month.	Billed monthly by the 15th day of the following month.	See Item 11 for details.
Delphi Sales and Events System	Currently, $858 per user per year.	Billed annually.	These license and maintenance fees are paid to HSS, which are passed-through to the vendor less a mark-up to recover certain costs. See Item 11 for details.
Guest Assistance and Quality Assurance Programs			
Guest Assistance Program: Customer Satisfaction Guarantee	Currently, $300 per handled transaction for Hilton Honors Diamond members, $250 per handled transaction for Hilton Honors Gold members, and $200 per handled transaction for all other guests.	Within 48 hours of receipt of invoice.	Payable to resolve guest complaints. Our Guest Assistance Agent may offer the guest a refund (up to the full cost of the customer's stay), complimentary return stay, or Hilton Honors points to resolve the complaint to the customer's satisfaction. You are billed the cost of the rebate plus the handling fee. We may change the maximum guest

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
			rebate amount or increase the handling fee.
Guest Assistance Program: Price Match Guarantee	Hotels must honor a 25% discount off the lower rate on all approved claims.	When the stay is consumed.	The discount applies if a guest finds a lower qualifying rate for a qualified booking at your Hotel. After the Guest Assistance Department confirms the lower rate is available for booking through a third-party channel, the claim is approved and the rate is adjusted.
Past Due Design Fee	Currently, $8,000 every 90 days.	Within 10 days of billing.	Payable if you do not submit acceptable Plans and Designs (as required in your Franchise Agreement, PIP, cycled renovation, or as otherwise required in accordance with the Standards) by the applicable due dates, and every 90 days thereafter until acceptable Plans and Designs are submitted to us. See Note 3.
Brand Non-Compliance Fee	Currently, $65 to $145 per approved guest room.	Within 10 days of billing.	Payable for each consecutive Unacceptable grade on a quality assurance evaluation. This fee varies based on the nature, frequency, and circumstances of the Hotel's deficiencies. This fee is capped at a maximum of $50,000 in each 6-month period as set forth in the Standards. See Note 3.
Quality Assurance Re-Evaluation Fee	Currently, $2,500 per Re-Evaluation.	Within 10 days of billing.	Payable for: (a) each consecutive quality assurance evaluation that we conduct to verify that the Hotel's deficiencies that were identified in the prior quality assurance evaluation have been resolved (other than a Special, described below); or (b) any no-show, cancellation, or refusal by you to cooperate with a scheduled quality assurance evaluation or re-evaluation. See Note 3.
Brand Non-Compliance Special Audit Fee	Currently, $3,000 per Special Audit.	Within 10 days of billing.	Payable each time we conduct a special on-site Quality Assurance evaluation ("Special Audit" or "Special"). We may conduct a Special: (a) to verify a default has been cured; (b) if your Hotel fails its opening inspection; or (c) if your Hotel fails its previous Special. See Note 3.
Past Due Renovation Fee	Currently, $16,000 every 6 months.	Within 10 days of billing.	Payable if you do not properly complete the required construction or renovation work at your Hotel (as set forth in a PIP, cycled renovation, or as otherwise required in accordance

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
			with the Standards) by the applicable completion dates and every 6 months thereafter until the work is properly completed. See Note 3.
Service Improvement Program	Currently, $20,000 to $50,000 for each 6-month period in the program.	Within 10 days of billing.	If your Hotel falls below our minimum service quality Standards for 6 months or more, we may require you to participate in our Service Improvement Program until the deficiencies are resolved. The fee varies based on the nature, frequency, and circumstances of the Hotel's deficiencies, and is payable as long as your Hotel remains in this improvement program. See Notes 3 and 4.
Conferences and Training			
Brand Conference	Currently, $2,500 per attendee.	Before attendance.	Your general manager and director of sales (or equivalent) must attend the Brand conference, usually held annually. Dates, location and duration of the conference vary from year to year.
General Manager, Commercial and Sales Leader Training	Currently, up to $1,200 per attendee.	Before attendance.	Your general manager and other commercial leaders must complete this combined virtual learning program within 90 days of their start date. It is required for all new general managers and commercial leaders, and those who have been away from the Brand or the role for more than 24 months.
Hilton Core Sales Skills Training	Currently, up to $600 per attendee.	Before attendance.	Your director of sales, sales managers (or equivalent), and other directors or managers involved in sales must complete this mandatory virtual learning program within 90 days of their start date. We may modify or reduce this training requirement for experienced trainees. See Item 11.
Other Training Programs and Training Materials	Currently, up to $5,000 per program per attendee.	Before attendance or materials are shipped.	Some training programs are required, and others are optional. We may provide some required training courses without a course fee. In some cases, you must also pay wages, travel, lodging, food, and miscellaneous expenses of your attendees, and/or the expenses of the trainers. See Item 11.
Frequent Customer, Affiliation and Distribution Programs			
Travel Clubs	Currently, $0.30 per available room plus 10%	Billed annually on DS/TAC invoice by	Payable for consumed stays booked through our American Automobile Association (AAA) and Canada

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
	commission. Amount may vary by program.	second quarter. For commissions: if invoiced, within 15 days, or if billed through ACH, by the 12th business day of each month.	Automobile Association (CAA)programs. See Note 5.
Hilton Advance Fee	Currently, 1.35% of eligible Digital Direct Revenue, not to exceed $30 per stay.	If invoiced, within 15 days of billing. If through ACH, on the 12th business day of the month.	This program is intended to help drive bookings through Hilton's online direct booking channels using marketing activities, search engine optimization, social media platforms, and other methods. Digital Direct Revenue is all Gross Rooms Revenue from bookings made through our online direct booking channels such as Hilton websites and mobile apps. See Note 1.
Group Preferred Partnership Program	Currently, up to $1.80 per consumed room night, or up to 3% of Net Rooms Revenue for Select Entertainment Agencies, plus applicable commission.	If invoiced, within 15 days of billing. If through ACH, on the 12th business day of each month.	This optional program provides additional access to select top group intermediaries, and the Select Entertainment Agencies segment provides additional access to top entertainment agency intermediaries, including participation in marketing and promotions designed to drive incremental business. Net Rooms Revenue means consumed rooms revenue not including taxes or assessments. See Note 5.
Hilton Honors Frequent Traveler/Guest Reward Program	Currently, 4% of total eligible guest folio. This fee is waived for stays in which the guest is enrolled on-property in Hilton Honors.	10 days after billing.	You must participate in any brand specific or System-wide guest frequency or reward program. Currently, you must participate in Hilton Honors. These programs are subject to change. See Note 6.
Hilton Honors Event Planner Bonus Program	Currently, $0.0025 to $0.0050 per Hilton Honors bonus point awarded.	As incurred.	This is an optional commercial incentive program. It enables hotels to award Hilton Honors bonus points to an event planner for a group booking (or as otherwise specified in the group booking contract) in addition to points earned by individual guests in the group. Event planners can earn up to 5 points per $1 of eligible booking revenue. Currently, hotels are enrolled automatically and may opt-out. In the future we may make this program mandatory. Bonus

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
			point allocations and program terms are subject to change. See Note 5.
Hilton For Business Program	Currently, up to 3% of the Gross Room Revenue per eligible consumed stay.	As incurred.	This is an optional commercial sales program. It enables small and medium size companies to manage their company travel through our platform and receive discounts, Honors points, and other benefits. Currently, hotels are enrolled automatically and may opt out annually. Program benefits and terms are subject to change. See Note 1.
Online Group Event Booking Charges	Currently, up to 2% on Brand.com, 5% on Groups360.com, and 7% on RFP bookings.	On demand.	You only pay this fee if you load inventory for group and event bookings at your Hotel through our designated online platform and the group actualizes. We will provide the definition of Booked Reservation Charges and other program details on request. Participation is currently optional but may be required in the future. Optional add-on services may be made available at additional cost. See Notes 5 and 7.
Centralized Payment Programs	Third-Party Reservation Charges: currently, up to $6.05 per stay. FastPay Program: currently, up to $1.40 per transaction, plus commission. Travel Planner Centralized Payment Program: currently, $0.19 per transaction processing charge plus up to a 10% commission. Unlimited Rewards Program: currently, $0.74 for a weekday stay (Monday -Thursday nights), $1.49 for a weekend stay with 1 Fri/Sat/Sun night, and $2.23 for a weekend stay with 2 Fri/Sat/Sun nights. Promotional Dollar amounts increase to $1.49, $2.73, and $3.97, respectively.	If invoiced, within 15 days of billing. If through ACH, on the 12th business day of each month (or for Third-party Reservation Charges, on the 20th day of each month).	These required programs centralize and automate payments to third parties, including online travel agencies, group and meeting planners, travel planners, and other sales and distribution channels. Third-Party Reservation Charges currently include the costs and fees incurred in connection with third-party reservation systems such as GDS, business transient platforms, airline reservation services, internet and other service reservation providers for using their distribution systems. Certain third-party reservation services may not be subject to this fee. The FastPay Program is a centralized payment program for group intermediaries and meeting planners. We may determine the items that are commissionable, the third parties eligible to be paid, and the commission percentages that can be paid through FastPay. All eligible charges must be paid through FastPay. Currently, FastPay will process commissions of up to 7%

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
			and customer rebates for designated segments. The Travel Planner Centralized Payment Program (TPCP) consolidates all commissionable consumed travel planner bookings and remits one payment per agency. The commission is payable on the total room rate and other commissionable charges, and a transaction charge is payable on commissionable and non-commissionable reservations, no-shows and cancellations. The Unlimited Rewards Travel Advisor Incentive and Loyalty Program remits funds to Avis Budget. A portion is paid to the travel planner, and Avis Budget retains the remaining amount as a processing charge. See Note 5.
Add-On Program Fee	Currently, up to 5% of the sale price of Add-On products and services sold to customers via the Add-On Program, excluding taxes.	As incurred	This program enables hotels to offer and sell certain approved products and services ("Add-Ons") through Hilton's direct booking channels. We may add, remove, or modify the approved Add-Ons at any time. If an Add-On is subject to the Monthly Royalty Fee or Monthly Program Fee, the Add-On Program fee will not apply. If an Add-On is sourced through HSM, Procurement and Services Fees may apply. See Item 8 for details on procurement. Currently, we do not require you to offer any Add-Ons but we may require you to offer certain Add-Ons in the future. Currently, the Add-On Program Fee does not apply to required Add-Ons. See Note 5.
Transfers, Re-licensing and Financing			
Change of Ownership Application Fee	Currently, $150,000.	With Application.	Payable for any proposed transfer that does not qualify as a Permitted Transfer.
Permitted Transfer Processing Fee	Currently, $5,500.	When you submit a request for our consent.	Payable for any proposed transfer that qualifies as a Permitted Transfer that requires our consent.
Re-licensing Application Fee	Currently, $100,000.	With Application.	Payable for Re-licensing to an existing franchisee.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Lender Comfort Letter Processing Fee	Currently, $3,500 for Lender Comfort Letters and $1,500 for Lender Comfort Letter Assignments.	Before we issue the document.	We will only issue a Lender Comfort Letter or Assignment if you request it and the request meets our qualifications.
Public Offering or Private Placement Processing Fee	Currently, $5,000.	When you submit a request for our approval.	You must pay any additional costs we may incur in reviewing your documents, including reasonable attorneys' fees.
Management Fees			
Management Fees	Fees will be established by mutual agreement.	As incurred.	Payable if you enter into a management agreement with us or our affiliate. You may hire an outside management company with our approval.
Remedies and Damages			
Actual Damages Under Special Circumstances	Varies.	On demand.	Payable under certain circumstances for the early termination of your Franchise Agreement.
Audit	Actual amount of deficiency plus interest.	On demand.	Payable if an audit reveals that you understated or underpaid any payment due us which is not fully offset by overpayments. If willful or for 5% or more of the total amount owed for the inspection period, you must reimburse us for our costs.
Default Remedies	Actual expenses.	On demand.	Our expenses may include attorneys' fees, court costs, and other expenses reasonably incurred to protect us and our affiliates or to remedy your default.
Indemnification	Actual amount paid by us or our affiliates due to any claim, demand, tax, penalty, or judicial or administrative investigation or proceeding arising from any claimed occurrence at your Hotel.	On demand.	Payable if we incur expense to protect us, our subsidiaries or affiliates or to remedy your defaults under the Franchise Agreement. You must also defend us, Hilton Worldwide, and each of such entities' current and/or future subsidiaries, and affiliates and any of their officers, directors, employees, agents, successors and assigns.
Insurance	Actual amount.	On demand.	Payable if you do not obtain or maintain the required insurance or policy limits described the Manual, and we choose to obtain and maintain the insurance for you.
Liquidated Damages for Unauthorized Opening	$5,000 per day that your Hotel is open without authorization, plus our costs.	On demand.	Payable if you open before we give you written authorization to open.
Liquidated Damages for Pre-Opening Termination	The System's Average Monthly Royalty Fees multiplied by 60.	On demand.	Payable if we terminate the Franchise Agreement: (1) before you begin Hotel Work and you or a Guarantor enter into an agreement for, or begin

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
			the construction or operation of, another hotel at the site within 1 year after termination; or (2) after you begin the Hotel Work but before you open (unless excused by Force Majeure). See Note 8.
Liquidated Damages for Post-Opening Termination	The greater of: (a) the Hotel's Average Monthly Royalty Fees multiplied by 60; or (b) the System's Average Monthly Royalty Fees multiplied by 60.	On demand.	Payable if we terminate the Franchise Agreement on or after the Opening Date but before the 2nd anniversary of the Opening Date. See Note 8.
	The Hotel's Average Monthly Royalty Fees multiplied by 60.	On demand.	Payable if we terminate after the 2nd anniversary of the Opening Date but before the final 60 calendar months of the Term. See Note 8.
	The Hotel's Average Monthly Royalty Fees multiplied by the number of months remaining in the Term.	On demand.	Payable if we terminate the Franchise Agreement within the last 60 months of the Term. See Note 8.
Service Charges for Overdue Payments	1.5% per month or highest percentage permissible by law, whichever is less.	On demand.	Payable if you do not make payments to us or our affiliates when due.
Taxes	Actual amount.	On demand.	Payable if any sales, use, gross receipts or similar tax is imposed on us for the receipt of any payments you are required to make to us under the Franchise Agreement.
Identity, Sales, and Distribution Non-Compliance Fee	Currently, $500 per instance.	On demand.	This cost-recovery fee is payable if your Hotel uses a third party intermediary for reservations or sales that is not accredited by Hilton, or fails to comply with any of the other Identity, Sales and Distribution Standards. In addition, failure to comply with the Identity, Sales and Distribution Standards may result in the loss of access to certain sales and distribution channels.
FastPay Non-compliance Fee	Varies and escalates based on the number and/or type of violations. Currently, the fees range from $500 to $3,000 per violation	On demand	Fees will apply for non-compliance with the FastPay program policies, rules or terms. See Note 5.
Miscellaneous Services and Programs			
Consultation and Service Fees	Set by us on a project-by-project basis.	When we request.	Payable if we make consultation and/or other voluntary services available to you on request.
Consortia Program	Currently, up to $3.50 for each consumed room night booked under the Consortia "parity" rate, plus up to 10%	If invoiced, within 15 days. If ACH, the 12th business day of each	If you wish to participate in this program you must participate in these 4 programs at the same time: (a) the Consortia Program, (b) the TMC Pay-

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
	commission or fee where applicable.	month.	On-All-Pay-For Performance Program, (c) the TMC SMB Program, and (d) the Specialty Lodging Agency program. We may change this flat fee to a percentage-based fee of up to 1.70% of consumed room revenue. The list of participating travel agencies may change over time. See Note 5.
TMC Pay-On-All-Pay-For Performance Program	Currently, up to $1.85 for each consumed room night booked by a TMC travel agency, plus up to 10% commission or fee where applicable.	If invoiced, within 15 days. If ACH, the 12th business day of each month.	If you wish to participate in this program you must participate in these 4 programs at the same time: (a) the Consortia Program, (b) the TMC Pay-On-All-Pay-For Performance Program, (c) the TMC SMB Program, and (d) the Specialty Lodging Agency program. We may change this flat fee to a percentage-based fee of up to 1.06% of consumed room revenue. The list of participating agencies may change over time. See Note 5.
TMC Small Business (SMB) Program	Currently, up to $1.85 for each consumed room night booked by a TMC travel agency, plus up to 10% commission or fee where applicable.	If invoiced, within 15 days. If ACH, the 12th business day of each month.	If you wish to participate in this program you must participate in these 4 programs at the same time: (a) the Consortia Program, (b) the TMC Pay-On-All-Pay-For Performance Program, (c) the TMC SMB Program, and (d) the Specialty Lodging Agency program. We may change this flat fee to a percentage-based fee of up to 1.06% of consumed room revenue. The list of participating travel agencies may change over time. See Note 5.
Specialty Lodging Agency Program	Currently, up to $1.85 for each consumed room night booked by a specialty travel agency, plus up to 10% commission or fee where applicable.	If invoiced, within 15 days. If ACH, the 12th business day of each month.	If you wish to participate in this program you must participate in these 4 programs at the same time: (a) the Consortia Program, (b) the TMC Pay-On-All-Pay-For Performance Program, (c) the TMC SMB Program, and (d) the Specialty Lodging Agency program. We may change this flat fee to a percentage-based fee of up to 1.06% of consumed room revenue. The list of participating travel agencies may change over time. See Note 5.
US Government Travel Agency Programs	Currently, up to $2.70 per consumed room night or up to 1.70% of consumed room revenue. For the FedRooms and DOD Preferred programs,	Billed on TACS invoice. If invoiced, due within 15 days. If ACH, due on the 15th of the month.	We may enter into various government and military travel programs, which currently include FedRooms, CWTSato, DOD Preferred, Omega World Travel and ADTRAV Government. For any program that has a flat fee, we may

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
	the fee is currently 2.25% of consumed room revenue. US government travel agency programs are subject to changes in government travel policies.		change it to a percentage-based fee as shown here. You are not required to participate, but if you participate in the DOD Preferred Program you must also participate in the FedRooms Program at the same rate. See Note 5.
ResMax Program	Currently, 5.4% to 5.9% of consumed revenue from a ResMax booking with a 3-night maximum. This fee may vary due to hotel booking volume and other factors.	As required by us or our affiliate.	ResMax with Auto Attendant provides additional reservation call handling services by automatically transferring new reservation inquiries to an HRCC Guest Engagement Specialist. If your Hotel is not enrolled in ResMax and accepts a referral, we may charge you the applicable fee on the booking. If your Hotel transfers reservation calls to HRCC outside of the ResMax service, you may be billed up to $5.00 per call. ResMax is an optional, supplemental service. Program terms, eligibility, and fees are subject to change.
Revenue Management Consolidated Center (RMCC)	Category 1 – One Time Service Fees and Models, currently $895 to $1,815. Category 2 – Monthly Full Support Models, currently $2,629 to $15,709. Category 3 – Monthly Reports Only Models, currently $1,205 to $1,865. Category 4 – Monthly Lead Management Service Models, currently $999 to $5,599. Category 5 – Monthly Group Rooms Coordinator Models, currently $835 to $5,529.	Within 10 days of billing.	RMCC provides various types of support services for revenue management analysis, strategy, lead management, and coaching. Specific services or groups of services are called “service models,” and are grouped into the categories shown here. RMCC programs and services are subject to change. Your participation in RMCC is optional. However, RMCC may be required in certain circumstances. See Note 9.
Procurement and Services Fees	Currently, 4% to 10% of project cost.	As agreed.	Payable if you buy from HSM, in addition to the product cost, freight, taxes and other actual costs incurred by HSM.

Unless otherwise indicated, all fees described in this Item 6 are payable to, and imposed by, us or our affiliates and are non-refundable. Other than the Monthly Royalty Fees and liquidated damages, all fees are subject to change.

NOTES

1. The Monthly Fees are calculated in accordance with the then-current Uniform System of Accounts for the Lodging Industry, or as specified by us in the Manual. "Gross Rooms Revenue" means all revenues derived from the sale or rental of guest rooms (both transient and permanent) of the hotel, including revenue derived from the redemption of points or rewards under the loyalty programs in which the hotel participates, amounts attributable to breakfast (where the guest room rate includes breakfast), Mandatory Guest Fee, late cancellation fees, and guaranteed no-show revenue and credit transactions, whether or not collected, at the actual rates charged, less allowances for any guest room rebates and overcharges, and will not include taxes collected directly from patrons or guests. Group booking rebates, if any, paid by you or on your behalf to third-party groups for group stays must be included, and not deducted from, the calculation of Gross Rooms Revenue.

"Mandatory Guest Fee" means any separate fee that a patron or guest is charged for in addition to the base room rate for a guest room, including but not limited to resort fees, facility fees, destination fees, amenity fees, urban destination fees, or any other similar fee. Mandatory Guest Fees do not include employee gratuities, state or local mandatory taxes, and other tax-like fees and assessments that are levied on a stay, as determined by us, that are passed through to a third party (such as tourism public improvement district fees, tourism or improvement assessments, and convention center fees).

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

If there is a fire or other insured casualty at your Hotel that results in a reduction of Gross Rooms Revenue or Gross Spa Revenue, the Monthly Fees will be equal to the Monthly Program Fee and Monthly Royalty Fee forecasted on the basis of the Gross Rooms Revenue and Gross Spa Revenue amount you agree on with your insurer(s). We have the right to participate with you in negotiating the value of your Gross Rooms Revenue and Gross Spa Revenue claim with your insurer(s).

We can require you to transmit all payments required under the Franchise Agreement by wire transfer or other form of electronic funds transfer. You must bear all costs of wire transfer or other form of electronic funds transfer. We may reduce the amount of any payment or credit to you by any amount that you owe us, and this includes your and our affiliates. Occasionally we may reduce the Monthly Royalty Fee for multi-unit or more experienced franchisees, for franchisees with whom we have previously dealt, for Conversions, or for franchisees in other unique circumstances, including franchisees with whom we have a Management Agreement. However, we may not always do so and may choose not to reduce your Monthly Royalty Fee, even if you possess some or all of these characteristics. We agreed to modify the Monthly Royalty Fee in 28 instances during 2025.

2. We may change the Monthly Program Fee rate at any time. The Monthly Program Fee rate will not exceed the current rate plus 1% of Gross Rooms Revenue over the term of the Franchise Agreement. The Monthly Program Fee pays for various programs to benefit the System and/or the Network, including: (i) developing and maintaining the Reservation Service systems and support; (ii) developing and maintaining directories and Internet sites for System Hotels; (iii) advertising, promotion, publicity, public relations, market research, and other marketing programs; (iv) certain quality assurance programs; (v) certain technology programs; and (vi)

administrative costs and overhead related to the administration or direction of these projects and programs. We may create or modify any programs and allocate monies derived from Monthly Program Fees to any regions or localities. The Monthly Program Fee does not cover your costs of participating in any optional marketing programs or other programs or services periodically offered by us or our affiliates in which you voluntarily choose to participate. These fees also do not cover the cost of operating your Hotel in accordance with the Standards or the Manual. Occasionally, we may reduce the Monthly Program Fee (temporarily or periodically) in connection with special incentives or promotional programs that we provide, but we have no obligation to do so.

3. Our quality assurance program currently includes the Past Due Design Fee, Brand Non-Compliance Fees, Past Due Renovation Fee, and Service Improvement Program Fees shown here. These represent an evolution of our quality assurance program elements (in which fees were previously referred to as Quality Assurance Evaluation and Re-Evaluation Fees as applicable). More than one of these fees may apply in any particular circumstance. If any quality assurance evaluation, re-evaluation, or Special is conducted on-site, you must also provide complimentary lodgings for our representative during the evaluation. See Items 8 and 11 for details on our quality assurance program, Service Improvement Program, and cycled renovations.

4. We might make certain adjustments to the Service Improvement Program (formerly known as the Quality Improvement Program) as program updates are implemented this year, but the total fees due will not exceed $50,000 over a 6-month period, plus any applicable third-party vendor costs. See Item 11 for details.

5. We may add, remove, or modify our sales and distribution programs at any time. These programs may have individual criteria for participation, as well as policies, terms, or rules that must be met for continued participation. We may require your Hotel to participate in certain programs or combinations of programs. We may also offer optional programs at an additional cost. Some programs may utilize automatic enrollment and if your Hotel does not wish to participate it may be required to opt-out as provided in the programs' policies, terms, or rules. Failure to pay fees or commissions when due, or failure to comply with the applicable program policies, terms, and rules may result in the loss of access to certain programs or individual sales and distribution channels.

6. You must participate in, and pay all charges related to, our marketing programs not covered by Monthly Program Fees, and all guest frequency programs we require, including the Hilton Honors Worldwide guest reward programs or any successor programs. You must also honor the terms of any discount or promotional programs (including any frequent guest program) that we or Hilton offer to the public on your behalf, any room rate quoted to any guest when the guest makes an advance reservation, and any award guest certificates issued to hotel guests participating in these programs. We and our affiliates' other hotel brands may also participate in these programs. These programs are subject to change. You pay your share of the costs of the programs.

Currently, these programs include the Hilton Honors™ guest reward program operated by Hilton Honors Worldwide, and airline and rental car company frequent user programs in which Hilton participates.

Hilton Honors members may accumulate Hilton Honors points with most stays for all eligible dollars spent at participating Hilton Honors hotels. Hilton Honors members may also earn points in connection with our special promotions, marketing partnerships, and other activities, programs, and initiatives, including for example arrangements we have in place with certain travel programs, credit card companies, dining organizations, ride-share companies, and others. The only room rates that are not eligible for Hilton Honors points are wholesale/tour operator packages, contracted airline crew rates, complimentary or barter rooms, stays on NET Group/Series Group/IT Group rates, contracted Entertainment or Encore rates, stays using airline percent-off award certificates, stays that are booked via third-party websites other than the websites of Hilton Honors airline partners. Hilton Honors members may redeem their accumulated points for discounted and free hotel room nights and other rewards. Terms of the Hilton Honors program are subject to change. Pricing is subject to change and is reviewed annually.

These basic program fees are assessed on any stay for which a guest earns Hilton Honors points. Additional Hilton Honors bonus points that members earn as a result of promotional activities, programs, and initiatives that your Hotel participates in will result in an additional fee payable by your Hotel based on a set cost per point or a percentage of the eligible guest folio, depending on the type of promotional activity, program, or initiative. All program costs are subject to change.

In addition to the basic program fees outlined above, hotels are also responsible for the cost of certain guest amenities provided to Hilton Honors members. Hotels must allocate a certain percentage of rooms inventory for free night reward redemption by Hilton Honors members as specified by the Hilton Honors program. Hotels will be reimbursed for these reward redemptions on the same basis as other similarly situated participating hotels as specified by the Hilton Honors program. If your Hotel is re-licensed and had paid a lower fee in the past, it will be assessed the then-current standard fee when your new franchise term begins.

7. We currently provide an online booking platform for group events that allows guests to check rates and availability and book guestrooms and event space (within certain limits on the number of rooms, room nights, and meeting space size). Guests may search for a hotel and rate and complete the booking contract online. We may pass-through all or a portion of this fee to third party vendors that help to provide or maintain the platform. This fee may be refunded or adjusted for certain cancellations or modifications. Terms and conditions of this program are subject to change.

8. The term “Hotel’s Average Monthly Royalty Fees” means: (a) if the Hotel has been operating for at least 24 months, the amount of all Monthly Royalty Fees due under the Franchise Agreement for the 24 month period before the month of termination (the “Measurement Period”) divided by 24; and (b) if the Hotel has not been operating for at least 24 months, the amount of all Monthly Royalty Fees due under the Franchise Agreement for the period between the Opening Date and the termination date divided by the number of months between the Opening Date and the termination date.

The term “System’s Average Monthly Royalty Fees” means the average Monthly Royalty Fees per Guest Room owed to us by all System Hotels in operation in the United States over the 12 full calendar month period immediately preceding the month of termination (the “System’s Average Measurement Period”), multiplied by the number of approved Guest Rooms at the Hotel. For the avoidance of doubt, any System Hotel that has not been in operation for at least 12 full calendar months immediately preceding the month of termination is not included in determining the System’s Average Monthly Royalty Fees.

In calculating this average, any temporary financial accommodations and periods of Business Interruption are excluded. Temporary financial accommodations include any fee discounts, ramps, or waivers. Business Interruptions are periods of time in which a majority of the Guest

Rooms were removed from service or regular Hotel operations were suspended for more than 90 days. In the case of Business Interruptions, the Measurement Period will be adjusted earlier in time to account for the months in which the Business Interruption occurred.

If we or an affiliate manage your Hotel using the Brand (or another one of our brands) under a management agreement, which management agreement is terminated (or to be terminated), and we agree that you (or a buyer of the Hotel) may continue to operate the Hotel using the Brand under a Franchise Agreement (a "Managed-to-Franchised Conversion"), then in lieu of the liquidated damages or termination fees shown in this table, we may require liquidated damages or termination fees in amounts that are equal to the amount of damages and other sums that would have been due under the management agreement for the same type of termination. This applies even if there is a gap in time between the termination of the management agreement and the execution of or opening under the Franchise Agreement. We cannot determine in advance the specific clause that would be required in the Franchise Agreement for this purpose, because it would depend on the terms of the management agreement being terminated. Accordingly, the specific Franchise Agreement clause and its terms would be agreed by you and us at the time of origination.

9. RMCC is optional except in the following circumstances. **Category 2:** If your Hotel has an expedited opening of 150 days or less, your Hotel must participate in the applicable monthly service model in this category as follows: if your Hotel is projected to generate or does generate over $6 million in annual Gross Room Revenue, it must participate in our monthly full service "Intermediate Model," and if your Hotel is projected to generate or does generate over $10 million in annual Gross Room Revenue or is located in a dynamic market with a complex mix of business and a need for forecasting support, it must participate in our monthly full service "Premier Model." RMCC programs and fees are subject to change.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT
TAPESTRY HOTEL (125 ROOMS)

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Franchise Application Fee (Note 1)	$100,000	Lump sum	With Application	Us
Property Improvement Plan (Note 2)	$0 to $10,000	Lump sum	Before we prepare PIP	Us
Market Study (Note 3)	Varies	As agreed	As incurred	Supplier
Environmental Assessment (Note 4)	Varies	As agreed	As incurred	Supplier
Real Property (Note 5)	Varies	As agreed	As agreed	Supplier
Construction and Leasehold Improvements (Note 6)	$0 to $45,954,000	As agreed	As agreed	Suppliers
Designer & Engineering Fees	$0 to $1,838,160	As agreed	As incurred	Suppliers

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Furniture, Fixtures & Equipment (Note 7)	$0 to $7,115,625	As required	As incurred	Suppliers
Inventory & Operating Equipment (Note 8)	$900,000 to $1,350,000	As required	As incurred	Suppliers
Signage (Note 9)	$2,000 to $102,000	As required	As incurred	Supplier
Computer Hardware and Software Systems (Note 10)	$58,245 to $143,245	Lump sum or as required	45 days before opening	Us or Supplier
Guest Internet Access System (Note 10)	$60,028 to $87,725	Lump sum or as required	45 days before opening	Supplier
Connected Room System (Note 11)	$29,725 to $35,525	Lump sum or as required	45 days before opening	Supplier
Delphi Sales and Events System (Note 10)	$990 to $41,000	As required	As incurred	Supplier
Required Pre-Opening Training (Note 11)	$5,000 to $15,000	As required	As incurred	Us and Suppliers
ADA Consultant Fee (Note 12)	$6,000 to $15,000	Lump sum	On request	Supplier
Construction/Renovation Extension Fee (Note 13)	$0 to $10,000	Lump sum	On request	Us
Insurance (Note 14)	Varies	As required	As arranged	Agent/Insurer
Organizational Expense (Note 15)	$75,000 to $293,657	As agreed	As agreed	Accountant/ Attorney
Permits & Licenses (Note 16)	$0 to $689,310	As required	As required	Government Agencies
Miscellaneous Pre-Opening & Project Management Expenses (Note 17)	$600,000 to $1,378,620	As agreed	As incurred	Suppliers
Contingencies (Note 18)	$0 to $4,595,400	As agreed	As incurred	Suppliers
Additional Funds (Note 19)	$1,000,000 to $1,400,000	As agreed	As incurred	Suppliers
Eforea Spa Initial Fee (Note 20)	$0 to $25,000	Lump sum	As agreed	Us
Additional Funds for Eforea Spa Implementation (Note 21)	$0 to $4,950,000	As agreed	As incurred	Suppliers
Restaurant Brand Development Services Fee (Note 22)	$0 to $75,000	Lump Sum	As incurred	Us
Other Required Pre-opening Services Fees (Note 23)	$24,059 to $28,880	Lump sums	Before opening	Us

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
TOTAL (Note 24)	**$2,861,047 to $70,253,147** THESE FIGURES DO NOT INCLUDE REAL ESTATE COSTS, MARKET STUDIES, INSURANCE, INTEREST OR SEPARATELY IDENTIFY THE COST OF IMPROVEMENTS UNDER A CONVERSION, RE-LICENSING OR CHANGE OF OWNERSHIP LICENSE.			

NOTES

1. See Item 5 for more information about the Franchise Application Fee. The Franchise Application Fee is calculated based on the room count shown in this table.

2. If you apply to convert an existing hotel to a Brand hotel or apply for a Change of Ownership or Re-licensing, we charge a PIP fee to determine the upgrading requirements for the hotel.

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

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

5. These estimates do not include the cost of the real property due to wide variations in costs among geographic areas and at different sites. The cost of land for a hotel varies depending on location, size, market prices in the area, accessibility, and special assessments, among other factors. If you are converting an existing hotel that you already own or lease, you may have no additional real property costs.

6. These estimates relate to a hotel with the elements we require (food and beverage, recreational, and other facilities as applicable). These estimates do not take into account local requirements such as earthquake requirements or impact fees. Your actual expenditures will depend on many variables, such as the size and location of the real property, the quantity and quality of the items being purchased, the terms on which the purchases are made, and fluctuations in material and labor costs. You may also elect to lease certain items such as the real property. In New Development, building construction costs vary greatly from region to region depending on material and labor costs and other variables. In Conversions, the renovation costs will vary depending on the age of the facility (including code compliance), performance-based requirements (including fire & life safety systems and strategy); the use of the existing facility (an existing hotel or an Adaptive Reuse), the condition of the facility (including the physical integrity

of the structure and envelope), and the state of all accoutrements (including the furniture, fixtures, equipment, and finishes) in relationship to conformance with our Brand Standards. You are encouraged to independently investigate, before executing the Franchise Agreement, the cost of all such items as they will specifically affect your investment.

7. This is an estimate for the total cost of furnishing a Brand hotel in the size shown. The cost of furniture, fixtures and equipment will depend on the number and type of guest rooms (for example, double rooms versus king rooms), the extent of the food and beverage service offered, restaurants, lounges and supporting facilities. Estimates for new hotels include the cost of furniture, fixtures and equipment for guest rooms, corridors, all public areas, kitchen equipment, laundry equipment, and telephone systems. If you are converting an existing hotel, your costs will most likely be lower, but you must conform guest rooms, public areas, the exterior, and all other areas to our Brand Standards.

8. Inventory includes food and beverages and other immediately consumable items such as fuel, soap, cleansing material, matches, stationery and similar items. Operating equipment includes such items as chinaware, glassware, linens, silverware and uniforms.

9. Signs include freestanding signs and primary identification for the building. This estimated cost includes installation, freight, foundation and wiring. You must install, display, and maintain signage displaying or containing the Brand and other distinguishing characteristics in accordance with plans, specifications and standards we establish for System Hotels. For Conversions, new freestanding signs and primary identification for the building may not be required. You must purchase exterior signage from a vendor currently licensed by us. You may contact us for a current list.

10. You must acquire and install the hardware and software for the required computer systems, including the OnQ system, Guest Internet Access system, the GRO system, Delphi Sales and Events system, Connected Room system, a Digital Floor Plan, the Digital Key system, and Hilton Opening Transition Tool. The estimated costs to acquire and install each of these systems are shown totaled here together, other than the Guest Internet Access system, the Connected Room System, and the Delphi Sales and Events system, which are listed separately. The amounts shown here may be different than the amounts shown in Item 5 because the amounts shown here also include costs that are payable to third parties. The operating costs during the initial period are included in the Additional Funds line in this table. See Items 5, 6, and 11 for details.

11. We will provide the required training programs required under the terms set forth described in Items 5 and 11 of this Disclosure Document. You are responsible for the costs of training materials, and travel and living expenses while training. We may charge additional training costs based on the number of personnel that require training.

12. If you want to engage in a Permitted Transfer, Conversion, Re-licensing or Change of Ownership Transfer for the hotel, we may require you to complete an independent survey conducted by an ADA consultant to determine the hotel's compliance with the ADA.

13. Your Franchise Agreement contains a deadline by which construction or renovation work must begin. After the expiration of any automatic extensions without a fee, you may request a further extension of this deadline, and must pay the applicable fee if we approve your request.

14. You must maintain the minimum levels and types of insurance specified in the Manual at your expense. This insurance must be with insurers having minimum ratings we specify; name as additional insureds the parties we specify in the Manual; and carry the endorsements and notice requirements we specify in the Manual. Insurance premiums vary widely by reason of location, size of hotel and type of coverage purchased and cannot be estimated.

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

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

17. You may incur pre-opening expenses for additional personnel training; sales; administrative and general expenses; project management; technical services; advertising; security deposits, utility deposits, and opening festivities. Because there are so many variables for an existing hotel, we cannot estimate these pre-conversion expenses for a franchisee converting an existing hotel.

18. "Contingencies" means unanticipated construction cost overruns and other unanticipated expenses. Because there are so many variables for an existing hotel, we cannot estimate these pre-conversion contingencies for a franchisee converting an existing hotel. You should assume it will be at least 10% of construction costs.

19. This estimates your initial operating expenses for 3 months after opening, including payroll costs. These figures are estimates only and you may have additional expenses starting the business. Your costs will depend on such factors as your management decisions, local economic conditions, competition, and how quickly occupancy rates increase after opening.

20. The initial fee is paid only if you are installing an eforea spa in your Hotel.

21. The low estimate assumes you are not opening a spa. The high estimate includes the cost to build out and equip the spa to current spa standards, whether you are installing an eforea spa or another spa concept. Costs may be greater for a Conversion hotel or to convert space in an existing Tapestry hotel into an eforea spa or another branded spa that meets our specifications.

22. This initial fee applies only if you choose to use a Restaurant Brand for the operation of a food and beverage outlet at your Hotel. The Restaurant Brands are designed to fall within the cost estimates for developing and opening a standard prototype hotel with a food and beverage outlet (as part of either a New Development or a Conversion) as outlined in this Item 7. If you choose a Restaurant Brand for your Hotel, we may offer additional optional services for additional costs. See Item 1 for details.

23. See Item 5 for more information on required pre-opening services fees.

24. In compiling these estimates we relied on Hilton's 60+ years of experience in operating and franchising hotels. However, because it is a newer brand, we do not yet have actual initial investment information for a Tapestry hotel. With respect to an eforea spa, we relied on Hilton's experience over the last 7 years in operating eforea spas in the US. We began offering the Restaurant Brands in 2024. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. The expenses shown in these charts are estimated for New Development and Conversion hotels of the type and size shown. In a Conversion, your costs will depend on the type and condition of your existing hotel, its age,

physical structure and quality of furnishing. Because Tapestry is a newer brand and there are so many variables involving any particular existing hotel, we can give no average cost.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

This Item describes your obligations to buy or lease products or services from us or our designees, from suppliers we permit, or in accordance with our specifications.

General Requirements

All franchisees must build, design, furnish, equip and supply their hotels in accordance with the Standards (as defined in the Franchise Agreement). The Standards are compiled in our standards manual ("Manual") and, if you construct an eforea spa, then also in the eforea spa Manual, and if you utilize a Restaurant Brand, then also in the Restaurant Brand Guidelines. We regularly review, modify, and implement product and service Standards. We may periodically modify and update Standards to reflect operational requirements, advances in technology, improved methods of manufacture, new materials structures and decor, new products, improved prices and other factors. We currently issue, modify and update specifications in the form of updates to the Manual.

We may periodically require you to maintain, replace, modernize, rehabilitate, and/or upgrade your Hotel's furniture, furnishings, fixtures, finishes, equipment, fittings, signs, computer hardware and software and related equipment, supplies, and other items to meet our then-current Standards. We may utilize specific renovation schedules for this purpose as part of the Standards, which we may modify at any time. These renovation schedules may be provided to you under our cycled renovation program or any replacement or other program that we utilize in accordance the Standards in the future. You are required to comply with any renovation schedule (including any cycled renovation) that applies to your Hotel. You are responsible for the costs of complying with any such renovation schedule (including any cycled renovation), as well as any other changes that are necessary for your Hotel to remain in compliance with the Standards.

You must comply with our Standards regarding the purchase of products and services for use at and for your Hotel, including furniture, fixtures, equipment, amenities, food and beverages, operating supplies, consumable inventories, merchandise to be used at and/or sold from the Hotel, signs and graphics, uniforms, materials with logos, advertising materials, on-property guest materials, together with our required systems, programs, services, and related computer and technology platforms for property management, inventory management, revenue management, affiliation and distribution programs, frequent customer and loyalty programs, guest assistance, customer satisfaction measurement, online check-in, digital room keys, in-room entertainment and conveniences, internet access, telecommunications and telephone systems, long distance services, and any and all other systems, programs, products and services used for the operation of the Hotel, including our specifications for all supplies. You must also maintain acceptable product quality ratings at your Hotel and maintain the Hotel in accordance with the Standards. In some cases, we may require you to purchase a particular brand or type of product, fixture, furniture, equipment, or service, but you may purchase it from any authorized source of distribution.

Purchases through Hilton Worldwide and its Affiliates

No officer of ours owns a material interest in any approved supplier.

We did not sell any goods, services or supplies to our franchisees in 2025. Hilton collects money for the Hilton Honors program for all of our brands but transmits this money to Hilton Honors Worldwide and we do not record it as revenue. For the fiscal year ended December 31, 2025, Hilton and its other affiliates (including Hilton Honors Worldwide) had revenues from sales of goods, services, computer systems and/or supplies to franchisees of Hilton's subsidiaries of $1,146,094,244 (for clarity this excludes royalty and program fees, pass-through commissions, and the HSM amounts described below).

HSM, a wholly-owned subsidiary of Hilton, negotiates with third-party manufacturers and suppliers for the distribution of hotel furniture, furnishings, fixtures, finishes, equipment and supplies, certain food and beverage supplies, and certain hotel services. You may but are not obligated to purchase specified items from HSM or such third parties, except as described in this Disclosure Document. HSM seeks to negotiate lower prices and preferred terms with manufacturers and suppliers, and then passes these benefits on to franchisees. HSM cannot guarantee that every item sourced under its program will provide a lower cost or better terms than are otherwise available in the market. HSM may negotiate purchase arrangements with manufacturers and suppliers for the benefit of our franchisees, all System Hotels, all Network Hotels, or any subset of each. Occasionally, HSM may negotiate special purchase arrangements with manufacturers and suppliers for franchisees or their management companies that operate multiple hotels. HSM may also permit competitor hotels or their management companies to participate in its purchase arrangements. This is done to help increase HSM's overall purchasing volume and bargaining power.

Except as discussed below, you may purchase the furniture, fixtures, and equipment ("FF&E") and other supplies for your Hotel from any source as long as the Standards are met. However, in the future, we may require you to purchase FF&E and supplies from a supplier approved by us, or we may require you to purchase a particular brand or model of supplies or equipment that is available only from 1 source, and we may derive profit as a result of those purchases.

If you are operating an eforea spa, you must sell all the products we specify and perform the spa treatments we require. If you are opening a spa under a concept other than eforea, you must use an approved third-party management company. We and our affiliates may derive revenue from manufacturers and suppliers in the form of administrative fees and rebates as described in this Item 8, and from any third party that we approve to provide products or services to your spa.

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

In addition, for two of our brands, LivSmart Studios by Hilton and Tru by Hilton, HSM is an optional approved procurement agency and may receive fees for providing procurement services. For one of our other brands, Spark by Hilton, HSM is the required procurement service provider.

For the fiscal year ended December 31, 2025, HSM had revenues of $27,441,465 in rebates and allowances on purchases made by franchisees of all of our brands.

For the fiscal year ended December 31, 2025, HSM had revenues from sales of goods, services and/or supplies to franchisees of all of our brands of $10,667,067. In addition, HSM receives cash discounts for early payment on orders it places with manufacturers and suppliers to fill purchase orders placed with it by franchisees of all of our brands.

HSM negotiates pricing and purchasing terms with manufacturers and suppliers for the benefit of our System. HSM may receive an administrative fee from manufacturers and suppliers that is on average between 1.0% and 4.5% by category of the purchases made by our franchisees (depending on the specific item). For the fiscal year ended December 31, 2025, HSM had revenues of $54,141,339 in administrative fees on purchases made by franchisees of all of our brands.

If you want to use a product, or a particular brand or model, that has not been specified as having met our standards, or if you want to purchase from an unapproved supplier an item that must be purchased from an approved supplier, then you can submit a written request for us to approve the product or supplier. We may require certain information or samples which you must provide at your expense. We will review all of the pertinent information. While we have no obligation to respond within a certain timeframe, our review typically takes 60 to 90 days to complete. We do not provide any material benefit (such as license renewal or the grant of additional licenses) to a franchisee based on a franchisee's use of designated or pre-approved suppliers (the Franchise Agreement is non-renewable).

We evaluate suppliers based on many factors, including: (i) the quality and cost of the products and/or services; (ii) the supplier's established history in serving the System with products that consistently meet or exceed the standards and specifications as set forth in the Manual; (iii) the level of support and recognition of the supplier by us and our franchisees, as well as the System's demand for those products/services; and (iv) the supplier's ability to service the needs of the System. A portion of the revenues collected from rebates, administration fees and purchasing fees is used to offset the cost of establishing the purchasing programs and supporting the operating expenses of HSM.

Our affiliate, Hilton JV Acquisition LLC, currently holds a non-controlling equity interest in Groups360 LLC ("Groups360"), which is a third-party vendor that provides lead generation, advisory, and marketing services to the hotel industry (including us, our System hotels, and competitors) for group and event business. Groups360 receives fees and commissions for the services it provides. As an equity owner, our affiliate may receive pro-rata share of distributions from Groups360. Currently, neither we nor any of our affiliates receive any other direct or indirect fees, rebates, discounts or other benefits from Groups360 in connection with purchases made by our franchisees, but we may in the future.

Signage and Other Trademarked Items

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

You must purchase operating supplies, inventory, and other items bearing our logos, trademarks, and service marks from suppliers approved and licensed by us. You may contact us for a current list in your area.

Reservation Service

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

Business Computer Systems

You must use our required business computer systems, which we may periodically change. Currently, we require you to use OnQ, which connects System Hotels to Hilton's reservation offices and travel planners worldwide. For OnQ you must have certain hardware, software, installation, and support. We also require you to use our required Guest Internet Access System. For Guest Internet Access you must have certain hardware, software, an internet access circuit, and internet service. In addition, you must have the Connected Room system, the GRO system, the Delphi.fdc system, a Digital Floor Plan, and Digital Key system that meet our Standards and specifications. All of these components must be acquired from either HSS or preferred providers, or may be acquired from other (non-preferred) vendors, depending on the specific product or service and the individual circumstances of your Hotel. We will provide you with our Standards and specifications as appropriate, but we do not issue Standards or technical specifications that are proprietary or confidential without protections in place that we deem sufficient (such as vendor confidentiality agreements). At certain times there might be only one approved or preferred vendor for certain hardware components or software applications, such as the GRO system, the Delphi system, and if your system uses the PEP property management system, the PEP local exchange gateway (LEG) device. See Items 5, 6, and 11 for details. In the future, any of the products or services may be manufactured or provided by an approved supplier who is also our client or supplier. See Item 8 above regarding HSS and other affiliate revenues related to the required business computer systems.

Hotel Identity and Positioning Consultant

We may require you to use an independent third-party consultant (an "Identity Consultant") that has been approved by us to consult with you on the Trade Name, visual identity, and strategic brand positioning of your Hotel and all related designs, concepts, themes, ethos, and elements. In that event, you may not use an Identity Consultant that we have not approved. The estimated cost of these services before opening is included in Item 7 above. We may maintain a list of approved Identity Consultants that you can choose from, or you may propose an Identity Consultant for our approval. We will consider approving any Identity Consultant that you propose for your Hotel.

Food and Beverage Consultant

We may require you to use an independent third-party food and beverage consultant ("Food and Beverage Consultant") that has been approved by us to develop your Hotel's food and beverage concepts. In that event, you may not use a Food and Beverage Consultant that we have not approved. Your Food and Beverage Consultant will assist you to design the concept, theme, name and logo, menu items, trade dress, tableware and serving items, kitchen design and equipment, linens, lighting coordination with an approved Lighting Consultant, sound system coordination with an approved Audio Consultant, staff uniforms, operating supplies, and other elements of the operations and guest experience of each of your food and beverage outlets. Your Food and Beverage Consultant must cooperate with us to ensure that your food and beverage outlets are appropriate and meet our Standards. If you choose to utilize an optional Restaurant Brand (described above) or to hire Hilton for food and beverage consulting services under the StiR Creative Collective program (described below), this requirement will be deemed met for the applicable food and beverage outlets. The estimated cost of these services before opening is included in Item 7 above.

Lighting Consultant

We may require you to use an independent third-party lighting consultant (“Lighting Consultant”) to develop the lighting design for all public areas throughout your Hotel. In that event, you may not use a Lighting Consultant that we have not approved. The Lighting Consultant is responsible for creating a lighting concept that delivers a Brand-appropriate experience consistent with your Hotel’s market positioning, food and beverage outlets, and other amenities. Your Lighting Consultant must cooperate with us to ensure that your lighting plans are appropriate and meet our Standards. The estimated cost of these services before opening is included in Item 7 above.

Audio Consultant

We may require you to use an independent third-party acoustic or sound consultant (“Audio Consultant”) that we have approved to develop the acoustic and sound design for all public areas of your Hotel. In that event, you may not use an Audio Consultant that we have not approved. The Audio Consultant is responsible for creating a plan for sound management and guest audio experience that delivers a Brand-appropriate experience consistent with you Hotel’s concept or theme, market positioning, food and beverage outlets, and other amenities. Your Audio Consultant must cooperate with us to ensure that your acoustic and sound design plans are appropriate and meet our Standards. The estimated cost of these services before opening is included in Item 7 above.

Consultant Approval Process

For each of the above-described Food and Beverage, Lighting, and Audio Consultants, we do not maintain a list of pre-approved consultants or a list of approval criteria for franchisees unless otherwise stated above. We review each proposed consultant based on several factors including: (1) the quality of their services; (2) an established history in serving the System or the hotel market; and (3) recognition by us and our franchisees for prior work done. There is no specific time period for approving or disapproving a consultant, however, we normally provide our approval or disapproval within about 30 to 60 days. Currently, we do not charge any fee for reviewing a proposed consultant, and we do not receive any revenue or other benefits from an approved consultant based on your use of their services (other than the StiR Creative Collective program described below). We may disapprove any consultant at any time in our discretion.

StiR Creative Collective

Hilton currently offers food and beverage consulting services under the StiR Creative Collective program (“StiR”). These services are optional. You are not required to participate in the StiR program. The specific consulting services that StiR offers may vary by the location and by the type of food and beverage outlets in your Hotel. These services may include, for example: (1) conducting a market study and preparing a feasibility report to identify opportunities and help you define the objectives of your Hotel’s food and beverage program; (2) developing a comprehensive food and beverage program proposing an identity and culinary direction for each food and beverage outlet in your Hotel; (3) developing names, logos, branding, and supporting collateral for each concept; and (4) consulting with you and your Hotel development project team to ensure that the architecture, interior design, kitchen and other back-of-house foodservice areas, lighting, sound, and other elements provide the intended operational ability and guest experience. In some cases, Hilton may also provide opening menus, recipes, training, and ongoing support after opening. You would need to sign a consulting agreement for these services. In each case the cost would vary, and would be agreed by you and Hilton based on the specific scope of services that you select. By way of example, we anticipate that cost would be $75,000 to $100,000 for each food and beverage outlet in a Tapestry Brand hotel.

Restaurant Brands

As described above, we offer optional Restaurant Brands for System Hotels. If you choose to utilize a Restaurant Brand in the operation of a food and beverage outlet at your Hotel, we will provide the principal brand name and trademark, and approve the trade name of the outlet. We will also provide a package of support materials that may include signage guidelines, menu templates, design and visual identity guides, staff uniform guidelines, and other supporting collateral for the concept. You must offer the types and quality level of food and beverages that we specify. Although we do not mandate entire menus (specifying every food and beverage item that you must offer), we may require you to offer Signature Menu Items, which may utilize specific recipes, ingredients, kitchen equipment, or cooking methods. We may also disapprove any menu item that you propose if we determine that it is inconsistent with the Restaurant Brand identity, concept, or theme.

We may specify the staff uniforms used at a Restaurant Brand outlet. If we do not specify staff uniforms, we may require you to obtain our approval for your staff uniforms. In that case, we may disapprove a uniform that you propose if we determine that it is inconsistent with the Restaurant Brand identity, concept, or theme.

Through the Restaurant Brand Guidelines we may also specify: (a) requirements for the design, construction, renovation, refurbishment, appearance, and maintenance of the outlet; (b) the fixtures, furnishings, equipment, services, and supplies to be used in the outlet; (c) approved or designated sources for supplies, goods and services; (d) required Signature Menu Items, along with ingredient lists, recipes, cooking and serving instructions, procedures, and methods; and (e) requirements pertaining to the opening and operating of the outlet (including but not limited to service levels, ancillary services, safety, and quality) and the advertising and marketing. In addition, we may specify the minimum service or meal periods (such as, for example, breakfast, lunch, dinner, snack occasions, evening drinks and cocktail service, etc.) for on-premises dining and room service offerings.

We do not place any additional restrictions on your sources of supplies for Restaurant Brand food and beverage outlets, other than those that apply to restaurants and bars under the Brand Standards generally (including any that may apply to room service, catering, and other services). We and our affiliates may derive revenue from suppliers as described in this Item 8.

Promotional Programs

We may develop promotional programs with third-party companies that feature those companies' branded products or services being offered or used by our System Hotels. By way of example, we have collaborated with Tesla Inc., in connection with our electric vehicle (EV) charging program, and with Mars Petcare and its family of pet care brands in connection with our pet-friendly hotel programs. We may launch, modify, and end any such promotional programs at any time. We may require or permit your Hotel to participate in these promotional programs, which can involve: (1) offering specified promotional program products or services to guests; (2) participating in related marketing efforts; (3) following related operating Standards; (4) purchasing and using certain related equipment and supplies; and (5) paying any fees or costs associated with the promotional programs (if any). We may designate approved suppliers for any such promotional programs or related products and services, and we and our affiliates may receive fees, rebates, and other revenues from your purchases related to these promotional programs as described in this Item 8.

Construction and Renovation

Before we permit you to proceed with your plans for remodeling of the hotel, and any time you make changes that affect usability or access to your Hotel, your architect or other applicable certified professional must certify to us that the hotel's plans and specifications comply with all laws related to accessibility for those with disabilities, as further described in the Manual. You may be required to complete an ADA Survey, in conjunction with an approved ADA consultant and in the form required by us, to determine if the Hotel is in compliance with the ADA within 30 days of our request. The process for completing the survey, and other requirements related to it, will be set forth in the Manual. If requested, you must arrange for us and/or our affiliates to participate in all progress meetings during the development of the hotel, to have access to all contract and construction documents for the hotel and to have access to the hotel during reasonable business hours to inspect the hotel and its renovation, completion, furnishing and equipment for conformity to the finally-approved construction documents. However, we and our affiliates have no obligation to participate in progress meetings or to inspect the hotel. Our approval is not a representation of the adequacy of the plans and specifications, the structural integrity, or the sufficiency of the mechanical and electrical systems for the hotel. When you begin construction or conversion of the hotel and before your Hotel opens for business, both you and your architect or general contractor must provide us with a certificate stating that the plans and as-built premises comply with all applicable legal requirements relating to accessibility for those with disabilities, as is further described in the Manual. If the hotel does not comply with the ADA, you must submit a plan to the ADA consultant detailing the plan to bring the hotel into compliance, following the process in the Manual. We may choose not to approve your opening if your Hotel is not compliant with the ADA.

We currently estimate that the required purchases described above represent about 15% to 20% of the cost to establish a new System Hotel and about 2% to 5% of operating expenses.

During the term of the Franchise Agreement and any term extensions, we may require you to make additional expenditures and investments to update and maintain your Hotel in accordance with the Standards to comply with any applicable renovation schedule (including any cycled renovation), and to remove any deficiencies in your Hotel's operations. We may periodically require you to maintain, replace, modernize, rehabilitate, and/or upgrade your Hotel’s furniture, furnishings, fixtures, finishes, equipment, fittings, signs, computer hardware and software and related equipment, supplies, inventory, and other items to meet our then-current Standards. We may utilize specific renovation schedules for this purpose as part of the Standards, which we may modify at any time. These renovation schedules may require significant renovations to the premises as well as the periodic replacement of case goods and soft goods at your Hotel. We may provide renovation schedules to you under our cycled renovation program, or any replacement program that we may utilize under the Standards. You are required to comply with each renovation schedule that applies to your Hotel. You are responsible for the costs of complying with any such renovation schedule (including any cycled renovation program requirements), as well as any other changes that are necessary for your Hotel to remain in compliance with the Standards.

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

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 Franchise Agreement	Section in HITS Agreements	Disclosure Document Item
a. Site selection and acquisition/lease	1, 5.1.15 and 5.1.16; Addendum	Not applicable	7 and 11
b. Pre-opening purchases and leases	1, 6.1.2, 6.2, 6.3; Addendum	1.1 and 2.1; Order Doc 1.1 to 1.11 and 4 to 10; Schedule B-1	5, 6, 7, 8 and 11
c. Site development and other pre-opening requirements	1, 5.1.17, 6.2, 6.3 and 6.5; Addendum	1.1	5, 6, 7, 8 and 11
d. Initial and ongoing training	4.1, 5.1.5	Order Doc 1.3	5, 6, 11 and 15
e. Opening	1 and 6.4; 2(a) of Spa Amendment; 2(a) of Restaurant Brand Amendment	1.1	7 and 11
f. Fees	1, 4.1, 4.3, 4.5, 5.1.20, 5.1.21, 5.1.28, 6.3.3, 6.4.2, 6.6.3, 8.1, 8.2, 8.3, 8.4, 8.5, 8.6, 8.7, 12.2.1.2, 12.2.2.1, 12.2.2.3, and 12.3.2; Addendum 7 of Spa Amendment; 7 of Restaurant Brand Amendment	1.1, 2.2, 4.3; Order Doc 1.4, 1.10, 2.5, 3.1, 4.1 and 4.2; Schedule B-2	5, 6 and 7
g. Compliance with Standards and Manual	1, 4.5, 4.8, 5, 6.1.4, 6.2, 6.6.1, and 7.0; 2(b), 2(c), 6(a) and 6(c) of Spa Amendment; 2(b), 2(c), 6(a) and 6(c) of Restaurant Brand Amendment	1.1, 2.1; Order Doc 1.2 and 7	8, 11, 13, 14, 15 and 16
h. Trademarks and Proprietary Information	1, 5.1.14, 5.1.29, and 9; Addendum; 3 and 5 Eforea Spa Amendment; 3 and 5 of Restaurant Brand Amendment	1.1, 2.1, 2.3; Order Doc 7; Schedule A, B-2	13 and 14

Obligation	Section in Franchise Agreement	Section in HITS Agreements	Disclosure Document Item
i. Restrictions on products and services offered	5.1.17, 5.1.18, 5.1.23, 5.1.24 and 5.1.26; 8 of Spa Amendment; 8 of Restaurant Brand Amendment	1.1	8 and 16
j. Warranty and customer service requirements	5.1.8, 5.1.20 and 5.1.28	1.1	6, 8 and 16
k. Territorial development and sales quotas	Not applicable	Not applicable	12
l. Ongoing product and service purchases	1, 5.1.3 and 5.1.6; 3 of Spa Amendment; 3 of Restaurant Brand Amendment	2.1	6 and 8
m. Maintenance, appearance and remodeling requirements	5.1.4 and 6.6; 3 of Spa Amendment; 3 of Restaurant Brand Amendment	2.1; Order Doc 2, 4.2; Schedule A, B-2, K	8 and 11
n. Insurance	5.1.22	1.1; Schedule B-1	6 and 7
o. Advertising	5.1.7, 5.1.13, 5.1.19 and 5.1.20; Addendum; 6(c) of Spa Amendment; 6(c) of Restaurant Brand Amendment	1.1	6 and 11
p. Indemnification	1 and 14; Guaranty	1.1, 5.4	6
q. Owner's participation, management and staffing	1, 4.3, 5.1.25, 5.1.27, 7.1 and 15.1; Addendum	Not applicable	15
r. Records and reports	10.1 and 10.2; Addendum; Guaranty	1.1; Article 3	Not applicable
s. Inspections and audits	4.5 and 10.3; Addendum	1.1; Article 3	6 and 8
t. Transfer	1 and 12; 8 of Spa Amendment; 8 of Restaurant Brand Amendment	2.1	17
u. Renewal	Not applicable	Not applicable	17
v. Post-termination obligations	13.6; 10 of Spa Amendment; 10 of Restaurant Brand Amendment	1.1, 4.2; Schedule B-2	17
w. Non-competition covenants	5.1.29, 5.1.30, 7.2 and 7.3	1.1	17
x. Dispute resolution	16.2.1, 16.2.2	1.1; Schedule C-1	17
y. Other: Guaranty of franchisee’s obligations	1, 5.1.15, 8.6 and Guaranty	1.1	15
z. Other: Liquidated Damages	6.4.4.1 and 13.4	1.1	17

ITEM 10
FINANCING

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

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

We may, in our sole discretion, offer incentives for new hotels ("Incentives"). An Incentive is a financial contribution that we make to assist with the development or conversion of your Hotel. To receive an Incentive, you and your principals must sign a development incentive note ("Note") in the form attached as Exhibit D-2 when you sign the Franchise Agreement. An Incentive does not have to be repaid, unless the franchise terminates before the end of the Term or a transfer occurs as described below. The Incentive will be disbursed to you within 30 days after the Hotel opens with our consent, as long as: (a) there have been no material adverse changes in the business, legal, litigation, bankruptcy status or finances of you, any guarantors, or the project since we granted approval; (b) you have completed any required PIP; and (c) you have paid the Franchise Application Fee.

An Incentive is not a loan, it is a contingent liability. If your franchise terminates before the end of the Term you must pay us the then-current repayable amount of the Incentive. If you transfer your Hotel you must also pay us the then-current repayable amount of the Incentive, unless we permit the transferee to assume your obligations under the Note. In that case we may require the transferee to provide us with such additional security as we deem appropriate. The repayable amount of the Incentive decreases over time. For each year that the Hotel is open, the repayable amount is reduced by an equal annual percentage of the Term. For example, if the franchise has a 10-year Term, the repayable amount is reduced by 1/10th of the original amount annually. If the franchise has a 20-year term, the repayable amount is reduced by 1/20th of the original amount annually. An Incentive bears no interest. However, if an Incentive becomes repayable and payment is not made in full when due, the outstanding amount is subject to interest at 1.5% per month or the highest rate allowed by law. We may reduce the amount of the Incentive that we disburse to you by any amount that you or your affiliates owe to us or our affiliates, and this will not affect the calculation of the amount repayable to us. We may grant renewals, extensions, modifications, compositions, compromises, releases or discharges of other parties without notice to any guarantor or co-maker. You may not use any portion of the Incentive to make, offer, or authorize any Improper Payment or engage in any act violating any Anti-Corruption Law. If we reasonably believe that you have used the Incentive in violation of any Anti-Corruption Law, you must cooperate with our reasonable requests for information and permit us to inspect all books and records pertaining to your Hotel.

We generally do not offer any other financing or guarantee any note, lease, or other obligations. However, in unique or rare circumstances we may choose to offer other types of financing such as, for example, a mezzanine loan or a guaranty of your note, lease, or other obligations. In that event, the arrangements we offer would be based on the unique circumstances and financial situation of your Hotel. As a result, we cannot determine in advance the key terms such as, for example, the amount, term, repayment obligations, interest, fees, costs, penalties, security interests, default provisions, and other conditions or requirements. We also cannot determine in advance the type of documentation that would be required such as, for example, notes, guarantees, security agreements, mortgages, deeds, assignments, equity pledges, credit letters, intercreditor agreements, or other instruments. We do not have sample forms of these types of documents. These documents and each of their terms would be agreed at the time of origination.

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

Except as listed below, we are not required to provide you with any assistance.

We may provide any of these services through our employees and representatives, through our affiliates or through any third-party provider we designate.

Hilton will, at all times acting on our behalf, discharge all of our duties and obligations under Brand franchise agreements governing hotels situated in the US, including: discharging all of our obligations to franchisees; managing the Brand and the System; marketing, offering and negotiating new franchise agreements (including New Development, Relicensing, and Change of Ownership franchise agreements) as our franchise broker; furnishing assistance to Brand franchisees in the US; implementing our quality assurance programs; and, otherwise on our behalf, discharging all duties we owe under franchise agreements governing Brand hotels in the US.

Hilton or its affiliates employ all the persons who will provide services to you on our behalf under the terms of your Franchise Agreement. In the future, we may remove or replace Hilton as our franchise service provider. However, as the Franchisor, we will always be responsible for fulfilling all our duties and obligations under your Franchise Agreement.

<u>Pre-Opening Phase Obligations</u>

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

(1) We will loan to you a copy of our Manual and/or provide you with electronic access to the Manual on the Tapestry Intranet resources library. The Manual is confidential and is the property of our affiliate, Hilton International Holding LLC, a Delaware limited liability company ("HIH") (Franchise Agreement, Section 4.5). References to the Manual include the Standards, which include all standards, specifications, requirements, criteria, and policies that have been and are in the future developed and compiled by us for use by you in connection with the design, construction, renovation, refurbishment, appearance, equipping, furnishing, supplying, opening, operating, maintaining, marketing, services, service levels, quality, and quality assurance of System Hotels, including the Hotel, and for hotel advertising and accounting, whether in the Manual or the Franchise Agreement or other written communication (Franchise Agreement, Sections 1.0 and 4.5). The Standards do not include any personnel policies or procedures that we may, at our option, make available to you in the Manual or other written communication. You may, in your sole judgment, determine to what extent, if any, any such personnel policies or procedures

might apply to the Hotel or Hotel site. The current table of contents of the Manual is attached as Exhibit H.

(2) Before you retain or engage an architect, interior designer, general contractor and major subcontractors, we will review your selection, and you must obtain our prior written consent (Franchise Agreement, Section 6.1.1).

(3) For New Development, we will review the Plans, layouts and specifications, drawings and designs for constructing and furnishing your Hotel, including guest room areas, and grant or deny approval, which may be conditioned on your architect or other certified professional certifying to us that the Plans comply with all laws related to accessibility for those with disabilities. You may not start construction until you receive our approval. Once you receive our approval, you may not make any changes to the plans without our advance consent (Franchise Agreement, Sections 6.1.2, 6.1.3 and 6.1.4).

For a Conversion, Plan and Designs must be submitted to us in accordance with the PIP. Before we approve your Plans, your architect or other certified professional must certify to us that the Plans comply with all laws related to accessibility for those with disabilities. You shall not commence any Renovation Work unless and until we have issued our written consent in respect of the Plans and Designs, which consent will not be unreasonably withheld. Once we have provided our consent to the Plans and Designs, no change may be made to the Plans or Designs without our prior written consent.

By consenting to the Plans and Designs or any changes or modifications to the Plans and Designs, we do not warrant the depth of our analysis or assume any responsibility or liability for the suitability of the Plans and Designs or the resulting Renovation Work. On completion of the Renovation Work and, as a condition to our authorization to open the Hotel under the Brand, your architect, general contractor or other certified professional must provide us with a certificate stating that the as-built premises comply with all laws relating to accessibility for those with disabilities. Consenting to the opening of the Hotel is within our sole business discretion (Franchise Agreement, Sections 6.1.2., 6.1.3, 6.1.4 and 6.1.5).

(4) We will review and approve or disapprove your proposed management company for the hotel (Franchise Agreement, Section 7.0). In evaluating the proposed management company, we look at the proposed management organizational structure, prior experience and performance in managing similar first-class, full-service hotels, as well as other relevant factors. If we do not approve your proposed management company, then we will require you to hire a professional hotel management company satisfactory to us to manage the hotel for at least the first year of operations. At the end of the year, if you request it, we will reevaluate this requirement.

(5) We will provide you with the applicable HITS Agreement (which will be countersigned by HSS) before you open your Hotel. The HITS Agreement governs your access to and use the Reservation Service which is an integral part of the System we license to you (see Computer System below.)

(6) We will make available to you for use in your Hotel various purchase, lease, or other arrangements with respect to exterior signs, operating equipment, operating supplies and furnishings, which we or Hilton Worldwide may have and which we make available to other Brand franchisees (Franchise Agreement, Section 4.7).

(7) If you open an eforea spa with your Hotel, before your spa opens, we or one of our affiliates will provide you with the Hilton Global Wellness Design guidelines, eforea design guidelines, a collateral suite and spa menus (Spa Amendment, Section 4). We will also loan to you a copy of the eforea spa Manual or provide you with electronic access to the eforea spa Manual on the Hilton Intranet resources library. The eforea spa Manual is confidential and is the property of our affiliate, HIH (Franchise Agreement, Section 4.6). The current Table of Contents of the eforea spa Manual is attached at Exhibit H-2. We will also provide you with a list of approved suppliers and specifications for required operating equipment, products, supplies and furnishings in the spa (Spa Amendment, Section 4).

(8) If you open a food and beverage outlet at your Hotel that uses a Restaurant Brand, before opening, we or one of our affiliates will provide you with the Restaurant Brand materials described in Item 1, and we will also consult with you on the design and build-out of your outlet (Restaurant Brand Amendment, Section 4). We will also loan you a copy of the Restaurant Brand Guidelines or provide you with electronic access to Restaurant Brand Guidelines on the Hilton intranet resources library. The Restaurant Brand Guidelines are confidential and the property of our affiliate, HIH (Franchise Agreement, Section 4.6). The current Table of Contents of the Restaurant Brand Guidelines is attached at Exhibit H-3.

(9) We will specify initial and ongoing required and optional training programs (Franchise Agreement, Section 4.1). You must pay a fee for these programs and the training materials. You must also pay for travel, lodging and other expenses associated with training (see <u>Training</u> below).

We are not obligated to assist you with locating, purchasing or leasing a site for your Hotel. We may require you to provide us with evidence that is satisfactory to us showing your title to, or long-term possessory interest in, the real property on which the Hotel will be sited, such as a deed, lease, or similar instrument.

<u>Computer System</u>

You must use our required business computer system, which we may periodically change (Franchise Agreement, Sections 5.1.3 and 5.1.6). Currently, we require you to use "OnQÒ," which connects System Hotels to Hilton's reservation offices and travel planners worldwide. OnQ is comprised of proprietary components for reservations, property management, revenue management, rate & inventory management, forecast management, learning management, and other components we consider necessary to support the following activities: reservations, distribution, sales, customer relationship management, hotel operations, and business intelligence gathering and analysis. The complete OnQ package currently includes hardware, software, installation, and support. We also require you to use our required Guest Internet Access System, which we may periodically change. The components of each are described below, and the cost estimates are based on a standard prototype Brand hotel.

<u>The OnQ System</u>

<u>OnQ Hardware and Software</u>. You must use authorized hardware and the required software for the OnQ system. You may acquire the authorized hardware from HSS or its preferred providers, or you may purchase or lease it through other third-party providers. If you acquire the hardware from another (non-preferred) third party, you must also pay HSS for its reasonable expenses in determining that it conforms to our specifications. You must also pay for all necessary

communications vehicles for OnQ (wide area network connections, electronic mail, and Internet connections), along with the installation and configuration costs, and travel and other expenses of the employees and vendors who perform the installation and configuration services.

The property management system component within the OnQ system is called the Hilton Property Management System ("HPMS"). HPMS may also be referred to as the Property Engagement Platform ("PEP®"). You are required to license the HPMS software from our affiliate, HSS. HSS is the only supplier of the HPMS software because of its proprietary nature. We are not able to determine a separate market price because there is no third-party market for this product in its entirety. You must pay for the reasonable travel and other expenses of HSS employees and vendors who install and maintain the software. If you purchase the standard hardware and software from HSS, we estimate it will cost between $51,750 and $136,750. This includes hardware, software, installation and certain other costs and fees, and is based on the size of the hotel and number of workstations. These fees are not refundable.

About 90 to 120 days before your Hotel opens, you must sign the agreement for OnQ (HITS Agreement) and/or other related agreements we require, which will govern your access to and use of the OnQ system. The current HITS Agreement is attached as Exhibit G. You must also purchase certain software licenses such as Windows Server operating systems and related client access licenses, database applications, and virus detection and removal tools. Where applicable, these licenses must be purchased through existing enterprise agreements HSS has in place with vendors such as Microsoft. HSS will invoice the Hotel for such purchases. You may purchase other software not covered by enterprise agreements from other third-party suppliers. Costs of these licenses may vary based on the number of users or computers at your Hotel and other factors.

<u>OnQ Connectivity.</u> The cost for OnQ connectivity is billed to you by HSS, and costs between $400 and $600 per month ($4,800 and $7,200 per year). Billing will begin when your Hotel's internet access circuit is installed, about 45 days before opening. These fees are not refundable (see HITS Agreement, Order Document Section 1.7).

<u>Start-Up Delay and Rescheduling Fees</u>. You must have one or more Systems Implementation Consultants ("SICs") on site for your Hotel's opening. HSS determines the number of SICs and the number of days they will be on site based on size and type of hotel. Any delays in opening will cost $700 per SIC per day for each additional day, plus the SICs' travel expenses. If the delay results in the departure and re-scheduling of the SICs' on-site service period, a $2,000 re-scheduling fee would be charged plus the SICs' additional travel expenses. These fees are not refundable (see HITS Agreement, Order Document Sections 1.6 and 1.11).

<u>Hardware and Software Maintenance and Support</u>. HSS provides maintenance upgrades on HPMS software. In addition, you must sign a hardware maintenance contract for OnQ hardware and you must pay the first month's fee within 30 days after shipment of the hardware. The cost varies based on the size of the hotel and number of workstations. In 2025, these fees ranged from $2,105 to $6,499 per month ($25,260 and $77,988 per year). These fees are not refundable (see HITS Agreement, Schedule B-2).

<u>OnQ System Refresh</u>. You must update and upgrade ("refresh") the OnQ system at least every 3 years or such longer period as we may designate. We may also require the OnQ system to be refreshed in connection with a Change of Ownership or Relicensing, when a new franchise agreement is signed. We anticipate that cost of this to be the same or less than the cost of the

original installation (but not including any elements that were needed for the original installation only).

We will have independent access to the information that will be generated by or stored in the OnQ system. There are no contractual limitations on our rights to access this information. We may change the way in which data is delivered to System Hotels in our sole judgment as changes are made to the architecture of the OnQ system or other business computer systems that we may require (Franchise Agreement, Sections 5.1.3 and 5.1.6).

Guest Internet Access System

You must provide internet access for all guest rooms, meeting rooms, and public spaces at your Hotel in accordance with our Standards ("Guest Internet Access") (Franchise Agreement, Sections 5.1.3 and 5.1.6). Currently, our approved Guest Internet Access program is called "StayConnected." You must install certain hardware and software, an internet access circuit, and subscribe to an internet access service to meet this requirement.

Guest Internet Access Hardware and Software. The hardware and software for Guest Internet Access will be provided by, installed by, and maintained by our preferred providers. In addition to the hardware and software costs, you must pay for all necessary communication vehicles (phone lines, network connections), installation and configuration costs, and travel and other expenses of the vendors who perform the installation and configuration services. We estimate that it will cost between $60,028 and $87,725 for Guest Internet Access hardware, software, installation, and certain other costs and fees, excluding taxes or structured cable and cabling installation.

Guest Internet Access Circuit. You must install a Guest Internet Access circuit that meets our specifications and pay for the ongoing cost of using the circuit from a preferred provider. You must arrange for procurement of the monthly service for the required dial-in-line locally. The cost will depend on the circuit size, type, and the physical location of your Hotel. Currently, we estimate that these together will cost between $1,950 and $4,900 per month ($23,400 and $58,800 per year). These fees are normally not refundable.

Guest Internet Access Service. You must also arrange and pay for the ongoing Guest Internet Access service. You must purchase this service from a preferred provider. The cost will depend on your Hotel's size and number of meeting rooms. Currently, we estimate that it will cost between $566 and $1,000 per month ($6,792 to $12,000 per year). This estimate includes the monthly service for the 24x7 call center support and equipment break-fix maintenance. Your costs will depend on your Hotel's size and number of meeting rooms. These fees are normally not refundable.

Guest Internet Access Refresh. You must refresh the Guest Internet Access system at least every 4 years. We may also require the Guest Internet Access system to be refreshed in connection with a Change of Ownership or Relicensing, when a new franchise agreement is signed. We anticipate that cost of this to be the same or less than the cost of the original installation (but not including any elements that were needed for the original installation only).

GRO System

You must install our required Global Revenue Optimization ("GRO") system. The GRO system is an online application that utilizes third-party software to provide pricing recommendations for your Hotel based on robust data analytics and forecasting. The GRO system integrates with the OnQ system for ease of operation. You are not required to adopt the pricing recommendations provided by GRO. Currently, the GRO system is based on a solution provided by Integrated Decisions and Systems, Inc. ("IDeaS"), which provides maintenance and customer support services for the application. We may provide additional support. There are no other approved vendors at this time. We are not obligated to provide any maintenance or updates for the GRO system. The system is updated and maintained centrally by IDeaS. We will have independent access to your Hotel's information stored in this system. There are no contractual limitations on our right to access this information. Currently, you must pay for a portion of the installation costs of the GRO system at your Hotel, which is currently about $3,800. Currently, you are not required to pay an ongoing fee to use this system.

Connected Room System

We may require you to install our "Connected Room" system, which provides an assortment of streaming apps and allows guests to control their guest room television using the Hilton Honors App. This system requires a control module that is connected to each in-room television along with certain electrical fixtures, which you must purchase from us or our approved vendors. The cost of this system is currently between $29,725 and $35,525, and the cost of the electrical fixtures is competitive with equivalent standard fixtures. The initial installation costs are paid to the vendor before opening. You must also have maintenance and support from us or an approved vendor, which is paid to us and currently costs between $543 and $833 per month ($6,516 to $9,996 per year). These costs are normally not refundable.

Delphi System

You must use Delphi.fdc, a cloud-based sales and events system powered by Amadeus Hospitality, in a configuration we approve. The set-up costs of this system are between $990 and $41,000. Additional set-up costs may apply, depending on the implementation approach you choose and the specific needs of your Hotel. You will pay the set-up costs to the vendor directly. You must also pay annual license fees and maintenance costs of $858 per user per year. You will pay all Delphi system fees to HSS, which are passed through to the vendor. The optional on-property license fee includes a mark-up of up to 12%, which we keep to help cover our costs in developing and maintaining the Delphi system for Network Hotels. Depending on your Hotel's technology configuration, you may be required to utilize the MeetingBroker lead distribution platform, which integrates with Delphi.fdc and other group booking systems. MeetingBroker is also powered by Amadeus Hospitality. There are no separate fees for the MeetingBroker lead distribution platform, although you may be required to sign a separate license agreement with Amadeus Hospitality to use it. We are not obligated to provide any maintenance or updates for either of these systems. You must maintain and update them at your cost to remain in compliance with the Standards. There are no limits on the frequency or cost of this obligation. We will have independent access to your Hotel's event sales information stored in these systems (including accounts, inventory, bookings and other data). There are no contractual limitations on our right to access this information.

Eforea Spa

If you open an eforea spa at your Hotel, you must obtain and use industry appropriate spa booking software to schedule customer appointments, record customer information and transaction data, take payments for services, create reports regarding your spa's operations and create and customize social media and email marketing campaigns. You will also need to purchase certain other equipment including a bar code scanner, magstrips reader and receipt printer. Neither we, nor any affiliate or any third party has any obligation to provide ongoing maintenance, repairs, upgrades or updates related to any such computer system. We can periodically require you to upgrade or update any of your spa computer systems while you are operating an eforea spa. There are no contractual limitations on the cost of this obligation.

Digital Floor Plan

You must pay $2,500 for the preparation of a Digital Floor Plan for your Hotel. HSS will have the Digital Floor Plan prepared by a local vendor. The floor plan will be used by us and our affiliates, including Hilton Honors Worldwide, to allow Hilton Honors guests to choose their room from a map of the hotel and enable digital check-in. This fee is paid to HSS before opening and is not refundable.

Digital Key

You must use our Digital Key system, which enables hotel guests to open their guest room doors wirelessly (without a physical door key) through the Hilton Honors App. This effectively allows guests to use their mobile phone as their room key. There is no separate charge for the Digital Key system. The software for the system is within the OnQ system described above, and the hardware consists of electronic door locksets and a programming device which are included in the construction cost estimates in Item 7 above.

Other Business Systems

For the operation of any other business computer systems you may choose to use outside of OnQ, including but not limited to financial and accounting systems, point of sale, telephone, timekeeping and payroll, certain inventory systems, and spa and health club memberships (if applicable), you are able to contract with the supplier of your choice for both the hardware and software, subject to meeting our Standards on features and functionality. The only restriction would be where such hardware and software need to interface to OnQ. In those instances, your choice of supplier would be restricted to those that have a working interface to OnQ. The hardware, software, and interfaces must be installed by, and fees must be paid to, the respective vendors you choose.

Training

We offer required training courses to those affiliated with the System for orientation and as part of the certification process. Our training is designed for and based on the specific business and operational functions of Brand Hotels. The personnel you designate to fulfill these business and operational functions must complete the required training to our satisfaction. If you hire replacement personnel for any of these roles or functions, the replacements must successfully complete the appropriate training programs.

When we provide training, we provide the training content that we deem necessary and appropriate for the business and operational functions of the Hotel so that it may operate in accordance with our Standards. At all times under the Franchise Agreement you are an independent contractor and an independent employer, and we will not direct or supervise your personnel, or have, retain, reserve, or exercise any control over your (or your Management Company's) personnel or personnel policies or procedures in any manner.

The following table describes our training program as of the Issuance Date of this Disclosure Document. We may modify our training requirements over time. The subject matter, time required, locations, and costs are subject to change. In this table the term "virtual" means an internet-based class with a live instructor, and "online" means an internet-based class that does not have a live instructor. Both virtual and online training courses are considered equivalent to classroom training. These courses may be provided by us or our designated third-party vendors.

We will provide you with our current Brand training requirements document upon request and/or you may access it through our intranet, The Lobby.

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On the Job Training	Location
Brand Conference (Note 1)	Varies	0	Varies
General Manager, Commercial and Sales Leader Training (Note 2)	Up to 18	0	Virtual
Hilton Property Management System (HPMS) Training (Note 3)	1-5	0	Online
OnQ Rate & Inventory and GRO Training (Note 4)	5	0	Online
Hilton Honors Training (Note 5)	1	1	Online or On-site
Hilton Core Sales Skills (Note 6)	24	0	Virtual
ADA Training (Note 7)	Varies	0	Online
Annual Compliance Training (Note 8)	2-3	0	Online or On-site
Pre-Opening Training Resources (Note 9)	Varies	0	On-site
Owner Orientation (Note 10)	16	0	Virtual
New to Hospitality Owner Education (Note 11)	20	0	Virtual
Eforea Spa Training (Note 12)	16	0	On-site
Welcome to Hilton Orientation (Note 13)	4 to 8	0	On-site
Service Skills Training (Note 14)	1 to 3	0	On-site or Online

NOTES

1. **Brand Conference**. We require participation by your general manager and director of sales (or equivalent) in an annual Brand or regional conference. Conference program fees and expenses are not refundable. The conference may be held at various hotel locations. Currently, the cost is $2,500 per attendee.

2. **General Manager, Commercial and Sales Leader Training**. Your general manager and other commercial leaders must complete this virtual learning program within 90 days of their start date. This training is required for all new general managers and commercial leaders, and those who have been away from the Brand or the role for more than 24 months. When a qualified general manager or commercial leader leaves the role, you must have a replacement person (even if temporary) complete the training so that your Hotel does not have more than 90 days without a qualified person overseeing the function. The specific curriculum of this training and the attendant cost may vary based on the trainee's experience in the role. Currently, the cost is up to $1,200.

3. **Hilton Property Management System ("HPMS") Training**. Before the opening of your Hotel, all Hotel staff that will be utilizing HPMS must first complete their respective training based on their role. This training is mandatory for all personnel working in the designated subject areas. We will verify that all front desk staff and management have successfully completed training. If your staff have not completed the required training, the opening of your Hotel may be delayed. Currently, there is no separate fee for this training.

4. **OnQ Rate & Inventory and GRO Training**. Before your Hotel opens, all staff that will be utilizing the OnQ Rate and Inventory Management component must complete their respective self-paced web-based training and obtain a certificate of completion. We will verify that all reservations and revenue management staff have successfully completed training and have passed a certification test by at least a minimum score of 80%. Up to 3 of your management staff must be certified, based on the number of rooms. If your staff does not attain the minimum score, the opening of your Hotel may be delayed. Currently there is no separate fee for this training.

5. **Hilton Honors Training**. The Hilton Honors Training is online through Hilton University. This training program is mandatory for all management personnel in key functions and applicable front office personnel and must be completed before the Hotel opens, or is converted, or within 14 to 45 days of their start date, depending on job position. Currently, there is no separate fee for this training.

6. **Hilton Core Sales Skills**. All designated commercial leaders and sales staff must successfully complete this certification program within 90 days of their start date. This program teaches Hilton's sales process and reinforces critical consultative selling skills. Attendees must complete the applicable track to complete the certification: The "Foundations" track is for attendees with less than 2 years of experience. It consists of a 6-week blended learning program. The "Accelerated" track is for attendees with 2 or more years of experience. It consists of a 2-week blended learning program. Currently, the cost is up to $600 per attendee.

7. **ADA Training**. If you engage in a Permitted Transfer, Conversion, Relicensing or Change of Ownership Transfer for the Hotel, we may require you or personnel you designate to attend an online training in order to complete an independent survey conducted by an ADA consultant to determine the Hotel's compliance with the ADA. Currently, there is no separate fee for this training.

8. **Annual Compliance Training**. Your Hotel must meet annual compliance training requirements. Annual compliance training topics may include human trafficking prevention, disability awareness, cyber security, and other topics we determine. We offer annual compliance training at no cost. Alternatively, you may choose to obtain this training from a vendor of your choice, in which case the cost would be agreed between you and the vendor. We can provide vendor recommendations upon request. We estimate vendor fees would typically cost $25 to $50 per person, per topic.

9. **Pre-Opening Training Resources.** Your Hotel is provided unlimited access to brand hospitality tools and resources including intro webinars and team member workshops. The current cost is $1,000.

10. **Owner Orientation.** Owner orientation is required for all franchisees or management company representatives who are new to the Hilton Worldwide Brands 12-18 months before the opening of your Hotel. Either you or the person you designate to supervise your general manager must attend. If a Change of Ownership takes place and the transferee is a first-time Brand franchisee, they must attend this program within 180 days of the date of the transfer. Currently, there is no separate fee for this program.

11. **New to Hospitality Owner Education.** This portfolio of classes is a virtual learning program for franchisees that do not have prior hospitality or comparable brand experience. This training must be taken before opening or within 90 days after a Change of Ownership. We encourage you to complete this training before Owner Orientation. This program will provide baseline industry knowledge, best practices, and help build competencies in hospitality foundations including revenue management, asset management, sales generation, and talent management. This training is provided by a vendor we select. Currently, all fees are paid directly to the vendor. At least 1 person in your organization must successfully complete this training. Currently, the cost for this program is up to $2,500 per participant.

12. **Eforea Spa Training.** If you have an eforea spa at your Hotel, product and service training must be completed before your eforea Spa opens for business by the spa director (or equivalent), each member of your leadership team, all members of administration and all technical positions including estheticians, nail technicians, therapists and hairdressers. Training will focus on the various products and services that you will provide at your spa. Training will be conducted by personnel of the suppliers we specify who are providing their products and services to your spa. They will generally have a minimum of 6 to 10 years' experience in the spa industry and at least 1 year's experience with their respective companies. Currently, there is no separate fee for this training. We may require you to attend an eforea spa Brand guest experience training in the future on how to deliver the eforea spa experience.

13. **Welcome to Hilton Orientation.** All new Hotel staff must complete this orientation within 30 days of their start date. This orientation is conducted by designated trainers at the Hotel or as otherwise approved by us. This orientation currently includes three sessions: Welcome to Hilton, Welcome to Your Brand, and Welcome to Your Hotel. Currently, there is no additional fee for this training.

14. **Service Skills Training.** All Hotel staff must complete this training within 30 days of their start date. It is designed to enable the Hotel to deliver reliable and friendly guest experiences using e-learning, instructor-led training, and leader resources. We may utilize different titles for this training. Currently there is no separate fee for this training.

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

Our instructors and presenters generally have a minimum of 2 to 5 years' experience in the subject taught. We use a variety of instructional materials in connection with our training programs, including our Manual, virtually led live learning labs, self-paced eLearning, webinars, e-books, digital programs, social learning opportunities, on-the-job learning recommendations, and a variety of printed and multimedia resources. We may modify these materials or use other materials for the training programs.

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

Operational Phase Services

During the operation of the franchised business, we will:

(1) Periodically publish (either in hard copy or electronic form or both) and make available to the traveling public a directory that includes System Hotels, including your Hotel. We will include the Hotel, or cause the Hotel to be included, where applicable, in advertising of System Hotels and in international, national and regional marketing programs offered by us, subject to and in accordance with our general practice for System Hotels (Franchise Agreement, Section 4.4).

(2) Afford you access to the Reservation Service on the same basis as other System Hotels, as long as you are in full compliance with the obligations set forth in the Franchise Agreement, including all Standards set forth in the Manual. Our Reservation Service currently connects System Hotels to our global reservations database and global distribution systems. (Franchise Agreement, Section 4.2). However, if your Hotel is in default we may suspend our obligations to you under the Franchise Agreement, including removing the listing of your Hotel from any directories we publish and from any advertising we publish, assessing any applicable non-compliance fee, and/or suspending or removing your Hotel from the Reservations Service. (Franchise Agreement, Section 13.3).

(3) Administer a quality assurance program for the System that may include conducting periodic inspections of the hotel and guest satisfaction surveys and audits to ensure compliance with System Standards (Franchise Agreement, Section 4.5).

(4) If you are operating an eforea spa, we will also make available to you the services of a team member who will periodically provide you with suggestions for the improvement of your spa's operations (Spa Amendment, Section 4).

(5) If you are operating a food and beverage outlet in your Hotel that utilizes a Restaurant Brand, our quality assurance program may include conducting periodic inspections and audits to ensure compliance with Restaurant Brand Guidelines as well as the Brand Standards.

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

Quality Assurance Program

Our quality assurance program has multiple components. Under this program, we conduct periodic inspections of the Hotel and guest satisfaction surveys, audits, and assessments, to ensure your Hotel's compliance with PIP requirements, cycled renovation requirements, and overall System Standards. Our quality assurance fees are listed in Item 6. The intent of these fees is to recoup our actual costs as well as damage and losses incurred in connection with harm done to the Brand's reputation and goodwill as a result of quality and service failures at Brand hotels. Accordingly, any amounts collected in excess of our costs will be used to supplement the Monthly Program Fee for the benefit of the System and Network as described below, and will not be retained by us.

Our Service Improvement Program (formerly known as the Quality Improvement Program) is a part of our quality assurance program. Any hotel that fails to meet our minimum Service Standards for more than 6 continuous months may be required to participate in our Service Improvement Program, which consists of: (a) completion of a Service Improvement Plan for your Hotel; (b) you or your management's successful completion of our service improvement process (which may include additional assessments, re-training, consulting and coaching, or other steps administered by us or third-party vendors we designate); and (c) payment of the applicable Service Improvement program fees. We may waive one or more these requirements based on the particular circumstances at individual hotels. We plan to implement these updates to our Service Improvement Program later this year. At that time, we might make certain adjustments to the program components and fees. See Item 6.

If you are operating a food and beverage outlet in your Hotel that utilizes a Restaurant Brand, our quality assurance program may include conducting periodic inspections and audits to ensure compliance with Restaurant Brand Guidelines as well as the Brand Standards. We may utilize third-party service providers to conduct these inspections and audits. We may also make available to you the services of a consultant who will periodically provide you with suggestions for the improvement of your outlet's operations.

Advertising

We are not required to engage in or maintain any particular advertising program apart from our general obligations to periodically publish and make available to the traveling public a directory of all System Hotels (including your Hotel), to include your Hotel in national or regional group advertising of System Hotels, and to include your Hotel in international, national and regional market programs. (Franchise Agreement, Section 4.4). Most advertising is placed on the internet, as well as in traditional media (such as TV, radio, newspaper, magazine, and direct email), generally with national coverage. The source of our advertising is our in-house marketing department, advertising agencies, and other external vendors.

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

You may not engage, directly or indirectly, in any cross-marketing or cross-promotion of your Hotel with any other hotel, motel or related business without our prior written consent, except for System Hotels and Network Hotels. You also may not utilize a list of customers (whether acquired before or during the term of your franchise) without our prior approval. The term "System Hotels" means hotels operating under the System using the Brand name and the Standards. The term "Network" means the elements, including know-how, that we or our Affiliates designate to distinguish the hotels, inns, conference centers, timeshare or residential properties and other hospitality-related businesses that Hilton Worldwide and its subsidiaries own, control, license, lease, operate or manage now or in the future. The term "Network Hotel" means any hotel, inn, conference center, timeshare or residential property or other hospitality-related business within the Network.

You must refer guests and customers, wherever reasonably possible, only to System Hotels and (if and as we direct) Network Hotels. However, we can require you to participate in programs designed to refer prospective customers to other hotels, whether in the System or otherwise. You must also display all material, including brochures and promotional material we provide to System Hotels and Network Hotels; and allow advertising and promotion only of System Hotels and Network Hotels on your Hotel premises (Franchise Agreement, Section 5.1.13).

We may suggest room rates and pricing policies to the extent allowed by law. You will determine the room rates and the prices of the services and amenities that you offer to guests, except that we may establish maximum rates and prices for marketing and promotions if permitted by law. For the efficiency and consistency of our distribution programs, and to enable us to operate certain marketing and promotions (such as our Price Match Guarantee), we may also require that the rates and prices you advertise through certain distribution channels be the same as or better than the rates and prices you advertise through other distribution channels as permitted by law.

We may occasionally convene an advisory council to consult with us on advertising policies and marketing programs. Currently we have no such council. If we convene a council, it may consist of franchisees together with representatives of our company-managed hotels and company employees. We may select franchisees for the council by their hotel type, geographic location, being in good standing and demonstrating leadership in the System, or other considerations we deem relevant. The council would serve only in an advisory capacity and would not have operational or decision-making power. We may change or dissolve any advisory council in our discretion.

We may occasionally create marketing programs for specific promotional purposes that include only certain hotels. These programs may focus on a geographic location, particular types of hotels, or other criteria. For example, we may develop a marketing campaign that promotes hotels in a specific tourist destination. For these programs, we decide which hotels to include and the nature and method of the marketing under our general marketing policies and practices for System Hotels. If your Hotel is selected for such a program, your participation may be required but there would be no fee for participating. As described in Item 8, we may also occasionally develop promotional programs with other companies that feature those companies' branded products or services used or offered by our System Hotels. We may require or permit your Hotel to participate in those promotional programs in accordance with the Standards.

We may also occasionally provide marketing programs in which your participation is voluntary. Participating hotels normally bear their proportionate costs of participation. We have periodically matched or supplemented the amounts paid by participating franchisees, when, in our opinion, the marketing effort supports our broader (national or global) marketing objectives for the System or Network.

We may enter into certain types of distribution, marketing, and/or loyalty relationships ("Strategic Partnerships") with third-party companies or vendors ("Strategic Partners") under which guests can make reservations and purchases through our Reservation Service and distribution system, and Hilton Honors members may receive benefits at such businesses. We currently have Strategic Partnerships in place with Small Luxury Hotels of the World LTD (SLH), Prospect Hotel Management, LLC (Autocamp), LWP Cypress PM LLC (Evermore Resort), and MSC Group (Explora Journeys cruises). We may enter into additional Strategic Partnerships in the future. See Item 12 for details.

You are not required to participate in any marketing cooperative. We may occasionally develop local marketing programs that operate like cooperatives in that they may consist of a group of franchisees that pool their resources and actively work together on local marketing efforts. However, these cooperatives are not legal entities and do not operate from written governing documents. These cooperatives need not prepare annual or periodic financial statements. We may help form this type of cooperative whenever a group of franchisees wish to get together. Participation is voluntary. The contributions to these cooperatives vary depending on the voluntary contributions of members. These cooperatives may be administered by us, by franchisees, or by an advertising agency. If we participate in a cooperative, we can require it to be formed, changed, dissolved, or merged with another cooperative. We cannot guarantee that we will offer any cooperative marketing programs to franchisees in the future. Any plan that we offer in the future may differ from the plans we offered to franchisees in past years.

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

Fees paid to us by franchisees does not constitute a trust or "advertising fund" and we are not a fiduciary with respect to the Monthly Program Fees paid by you and other franchisees. We are not obligated to expend funds in excess of the amounts received from franchisees. If any interest is earned on unused Monthly Program Fees, we will use the interest before using the principal. The Monthly Program Fee does not cover your costs of participating in any optional marketing programs and promotions periodically offered by us or our affiliates in which you voluntarily choose to participate. These fees also do not cover the cost of operating your Hotel in accordance with the standards in the Manual. (Franchise Agreement, Section 4.4).

The Monthly Program Fee is not used to directly support any Restaurant Brands. We also do not operate any type of advertising fund for any Restaurant Brands. We are not required to engage in or maintain any particular advertising program for the Restaurant Brands. Most advertising is done in connection with our System or Network Hotels and is placed on the internet, as well as in traditional media (such as TV, radio, newspaper, magazine, and direct email), generally with national coverage. The source of our advertising is our in-house marketing department, advertising agencies, and other external vendors. You must advertise and promote your Restaurant Brands food and beverage outlet as we specify in the Manual, in a first-class, dignified manner, using our identity and graphics standards, at your expense.

Web Sites

You may not register, own, or maintain any internet domain names, World Wide Web or other electronic communications sites, including mobile applications (each, a “Site” and collectively, "Sites"), relating to the Network, the System, or your Hotel, or that include the Marks. The only Sites, or Site contractors, that you may use for your Hotel are those assigned or approved by us. You must obtain our prior written approval of any third-party Site in which your Hotel will be listed, any proposed links between the Site and any other Sites ("Linked Sites"), and any proposed modifications to all Sites and Linked Sites. All Sites containing any of the Marks and any Linked Sites must advertise, promote, and reflect on your Hotel and the System in a first-class, dignified manner. Our right to approve all materials is necessitated by the fact that those materials will include and be inextricably linked with the Marks. Any use of the Marks on the internet and any other computer network or electronic distribution system, including mobile applications, must conform to our requirements, including the content, identity, and graphics standards for all System Hotels. Given the changing nature of computer and communications technology, we have the right to withhold our approval, withdraw any prior approval, and to modify our requirements at any time.

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

When your Franchise Agreement expires or terminates (including any applicable Restaurant Brand or eforea spa Amendment), you must irrevocably assign and transfer to us or our designee all of your right, title and interest in any domain name listings and registrations that contain any references to our Marks, System or Brand, notify the applicable domain name registrars of the termination of your right to use any domain name or Sites associated with the Marks or the Brand, and authorize and instruct the cancellation or transfer of the domain name to us or our designee, as directed by us. You must also delete all references to our Marks or brands from any other Sites you own, maintain or operate after the expiration or termination of the Franchise Agreement. (Franchise Agreement, Section 9.5).

Advance Purchase Program

Hilton's Advance Purchase Program provides guests with the ability to pay for hotel reservations in advance in exchange for receiving a discounted room rate. You may but are not required to participate in this optional program. Currently, we charge a fee of 4.5% of the advance payments received ("Advance Purchase Fee"). Guests typically make advance payments using their credit or debit cards. In 2024, we rolled out an enhancement to this program that permits guests to make payments with certain third-party digital payment apps and online services such as Google Pay and Apple Pay. The third-party apps/payment providers may change over time. If you choose to participate in the Advance Purchase Program you will be required to offer digital payments as an option to your guests. You must also open a merchant account and sign a Licensee Merchant Agreement with a third-party vendor called Adyen N.V. ("Adyen") and a Refund Authorization with us. Adyen provides electronic payment processing services for this program. Currently, you do not have to pay any additional fees to us or to Adyen to enroll in the digital payments option and the Advance Purchase Fee will be waived. However, Adyen may charge certain transaction, processing, or service fees that apply to your account. If you wish to participate in the Advance Purchase Program, we will provide complete details on request. We may modify this program and make this program or some of its components mandatory in the future.

Time Frame for Opening the Hotel

For New Development, you must start construction at your Hotel within 16 months from the date we approve your Application. You then must complete construction, receive our authorization for opening, and open your Hotel within 36 months from the date we approve your Application.

In Conversion, Re-licensing, or Change of Ownership situations, you must upgrade the property to meet our standards. We will establish a deadline by which you must begin work on a project-by-project basis. Generally, you must complete the requisite upgrades for Change of Ownership situations within the timeframe we establish in the PIP. In Conversion situations, we determine the commencement and completion deadlines according to your PIP. We determine the deadlines for beginning and completing work for room additions on a project-by-project basis.

If you operate an eforea spa, you must open the spa by the date we specify, which will generally be within 12 months after the date you sign the Spa Amendment. If you operate a food and beverage outlet under a Restaurant Brand, you must open the food and beverage outlet at the opening of your Hotel, or otherwise on a date that we specify, which will generally be within 12 months after you sign the Restaurant Brand Addendum.

ITEM 12
TERRITORY

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

If you operate a food and beverage outlet utilizing a Restaurant Brand, you will receive a non-exclusive license to use the applicable Restaurant Brand and system during the term of the

Restaurant Brand Amendment at a specified location. There are no provisions in the Restaurant Brand Amendment granting franchisees a protected area or territory. You will not receive an exclusive territory for your Restaurant Brand food and beverage outlet.

You may face competition from other franchisees, from hotels that our affiliates own, or from other channels of distribution or competitive brands that we control. The standard Franchise Agreement permits us to own, operate, manage, franchise, license, lease, or affiliate or associate with any Other Business of any nature, whether in the lodging or hospitality industry or not, and whether under the Brand, a competitive brand, or otherwise, at any time and in any location. We and our affiliates have the right to engage in any Other Businesses, even if they compete with your Hotel, the Brand, System Hotels, or Network Hotels, and whether we or our affiliates start those businesses, or purchase, merge with, acquire, are acquired by, come under common ownership with, affiliate or associate with, such Other Businesses.

We may also: (a) modify the System by adding, altering, or deleting elements of the System; (b) use or license to others all or part of the System; (c) use the facilities, programs, services and/or personnel used in connection with the System in Other Businesses; and (d) use the System, the Brand, and the Marks in the Other Businesses. You acknowledge and agree that you have no rights to, and will not make any claims or demands for, damages or other relief arising from or related to any of the foregoing activities, and you acknowledge and agree that such activities will not give rise to any liability on our part, including, but not limited to, liability for claims for unfair competition, breach of contract, breach of any applicable implied covenant of good faith and fair dealing, or divided loyalty. “Other Businesses” means any business activity we or our affiliates engage in, other than the licensing of your Hotel.

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

The following discussion applies where we agree to give you a Restricted Area Provision in your Franchise Agreement:

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

2. **Restricted Area Provision**. The Restricted Area Provision will typically restrict us and our affiliates from operating, or authorizing someone else to operate, another Brand hotel during the Restrictive Period and within the Restricted Area (except as described in Paragraph 3 below). In the Restricted Area Provision, the term ‘Brand’ means the name used to identify the chain of hotels operated under the same Chain Code and Standards. It excludes any other brands or product lines containing “Tapestry” in the name. It also

excludes Hilton Worldwide Holdings Inc., its affiliates, and other chains of hotels that include the word "Hilton" as part of their brand name (such as "Hilton Garden Inn," "DoubleTree by Hilton" or "Homewood Suites by Hilton").

3. **Exclusions from the Restricted Area Provision**: The Restricted Area Provision will generally not apply to: (a) any hotel or motel that is currently open or under construction or has been approved for development or opening as a Brand hotel as of the Effective Date, or any hotel located or to be located within the Restricted Area that replaces such hotel under the Brand; (b) hotels or motels under brands other than the Brand; (c) hotels or motels that will not begin operating under the Brand until after the expiration of the Restrictive Period; (d) gaming-oriented hotels or facilities using the Brand; (e) shared ownership properties (commonly known as "vacation ownership" or "time share ownership" or similar real estate properties) under the Brand; and (f) any hotels, motels, or inns that are part of a chain or group of four (4) or more hotels, motels, or inns that we or our Affiliates, as a result of a single transaction or group of related transactions, own, operate, acquire, lease, manage, franchise, license, or join through a merger, acquisition or marketing agreement (or otherwise), whether under their existing name or the Brand name or any other name.

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

IMPORTANT NOTES: A Restricted Area Provision will not give you protection from previously existing hotels which are managed or licensed by us or an affiliate or our or their predecessors, or any hotel site for which we or an affiliate or its predecessor have approved an application and/or signed a franchise agreement, management agreement, lease or license agreement for a System Hotel to be developed. In addition, a Restricted Area Provision will not give you protection from any replacement hotel that replaces or will replace another such existing hotel or hotel site. SOME STATE AND/OR OTHER LAWS PROVIDE THAT TERRITORIAL AND/OR AREA RESTRICTIONS ARE VOID, VOIDABLE AND/OR SUPERSEDED BY LAW.

There may currently be franchised or company-owned Network Hotels situated in or near your area. We, Hilton Worldwide and our affiliates or subsidiaries may establish new franchised, company-owned, or company-managed Network Hotels in or near your area.

You may compete with any Network Hotels in and near your area. There is no mechanism for resolving any conflicts that may arise between your Hotel and Network Hotels. Any resolution of conflicts regarding location, customers, support or services will be entirely within the business judgment of Hilton Worldwide and us.

We may enter into certain types of distribution, marketing, and/or loyalty relationships ("Strategic Partnerships") with third-party companies or vendors ("Strategic Partners") under which guests can make reservations and purchases through our Reservation Service and distribution system, and Hilton Honors members may receive benefits at such businesses. These Strategic Partnerships are "Other Businesses" under the Franchise Agreement. Strategic Partners are not Hilton Worldwide Brands. Strategic Partners are not our corporate affiliates, and do not offer franchises or management agreements for any of the Hilton Worldwide Brands. We may enter into, terminate, or modify any Strategic Partnership anywhere, at any time, in our discretion. Strategic Partners' businesses may be located in and near your area, including within your Restricted Area (if any). Your Hotel may compete with any hotels, motels, inns, campsites, other lodging facilities or accommodations, as well as any tours, excursions, or other customer experiences, products, or services offered by our Strategic Partners or through any of our Strategic Partnerships anywhere, at any time, other than as provided in your Restricted Area Provision (if any).

See Item 1 for a description of the hotel brands licensed, operated and managed by, or otherwise affiliated with Hilton Worldwide. You may compete with these guest lodging properties.

We and our affiliates engage in a wide range of business activities in lodging, hospitality, and related services, both directly and through the activities of our and their parents and affiliates. Some of these activities may be competitive with your Hotel, the System, System Hotels, the Network, and Network Hotels. We and our affiliates may own, operate, manage, franchise, license, lease, affiliate or associate with, acquire or establish, or serve as franchisee or licensee for, competitive guest lodging businesses or any other businesses or networks anywhere, at any time, including within your Restricted Area, under any brands or marks (provided that your Restricted Area protections, if any, will be observed). We and/or our affiliates may also furnish services, products, advice, and support to competitive guest lodging businesses or any other businesses, facilities, networks, properties or concepts located anywhere, at any time, including in your Restricted Area, in any manner we or our affiliates determine. We or any of our affiliates may be sold to or otherwise acquired by an existing competitor or newly formed entity which itself has established or may establish competitive guest lodging businesses or any other businesses located anywhere, at any time (provided that your Restricted Area protections, if any, will be observed). Further, we and/or our affiliates may purchase, merge, acquire, or affiliate in any other way with any franchised or non-franchised network or chain of guest lodging businesses or any other business regardless of the location of that business, network, chain, or other business's facilities, including within your Restricted Area, and that following such activity we may own, operate, manage, franchise, license, or lease those other facilities under any brands or marks anywhere, at any time, regardless of the location of those businesses or facilities (provided that your Restricted Area protections, if any, will be observed). There is no mechanism for resolving any conflicts that may arise between your Hotel and other hotels or businesses described in this paragraph.

You may not register, own or maintain any Sites relating to the Network or your Hotel or including the Marks. The only domain names, Sites, or Site contractors that you may use relating to your Hotel or the Franchise Agreement are those we assign or otherwise approve in writing. You must obtain our advance written approval for any third-party Site in which your Hotel will be listed, and any proposed links between the third-party Site and any Linked Sites and any proposed modifications to all Sites and Linked Sites. See Item 11 for further information concerning our Web Site requirements and limitations. The Franchise Agreement does not otherwise limit the channels through which you may solicit customers for your Hotel.

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

ITEM 13
TRADEMARKS

Trademark Use: Your Rights

We grant you a limited, nonexclusive right to use our System in the operation of a hotel at a specified location under the trademark "Tapestry" ("Principal Mark"). As used in the Franchise Agreement and this Disclosure Document, the System includes the Marks. The Marks include the Principal Mark and all other service marks, copyrights, trademarks, logos, insignia, emblems, symbols, and designs (whether registered or unregistered), slogans, distinguishing characteristics, trade names, domain names, and all other marks or characteristics associated or used with or in connection with the System, and similar intellectual property rights, that we designate to be used in the System. If you open an eforea branded spa and sign the Spa Amendment, the Marks will include the eforea trademarks and service marks during the term of the Spa Amendment. If you open a food and beverage outlet at your Hotel utilizing one of the Restaurant Brands and sign the Restaurant Brands Amendment, the Marks will include the applicable Restaurant Brand trademarks shown on Exhibit J-2.

Our affiliate, HIH, holds the rights to the Marks, including the following trademarks and service marks, which are registered on the United States Patent and Trademark Office Principal Register:

Mark	Registration Number	Registration Date
HILTON (word)	2478190	August 14, 2001
TAPESTRY	5775995	June 11, 2019
TAPESTRY COLLECTION	7985670	October 14, 2025
EFOREA	3952726	April 26, 2011
EFOREA butterfly design (design)	3952727	April 26, 2011

For a complete list of the Restaurant Brands trademarks, see Exhibit J-2.

We entered into a license agreement with HIH which grants us the right to use the Marks in connection with the System in the US. The term of the license agreement between us and HIH continues indefinitely so long as each party continues to be an affiliate of Hilton Worldwide. HIH has certain enforcement rights if we default under the license agreement, including the right to terminate the license agreement if we fail to cure a default within the time period specified in the license agreement. These enforcement rights or any other rights of HIH to terminate the license agreement will not affect your right to use the Marks licensed to you under the Franchise Agreement as long as you are in good standing under the Franchise Agreement (and, in the case of the eforea trademarks and the Restaurant Brands trademarks, as long as the Spa Amendment or the Restaurant Brands Amendment is in effect, respectively).

In the future, HIH may transfer the Marks or licenses related to the Marks to other affiliates in connection with changes to Hilton Worldwide's subsidiaries or for administrative purposes periodically. If that occurs, we will continue to have a license to use the Marks in connection with the System in our franchise business, and your license to use the Marks will not be disturbed. The Franchise Agreement does not grant you the right to use any other marks owned by our affiliates.

You may use the Marks only in connection with the System and only in the manner we designate, as set out in the Franchise Agreement and the Standards. We may designate additional Marks, change the way Marks are depicted, or withdraw Marks from use at any time. We will not withdraw the Principal Mark. We may limit what Marks each Brand of hotel may use. Your Hotel will be initially known by the trade name set forth in the Addendum ("Trade Name"). We may change the Trade Name at any time, but we will not change the Principal Mark. You may not change the Trade Name without our specific written consent.

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

Use of the Marks: Your Duties

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

You must operate under and prominently display the Marks in your Hotel and eforea spa, and any Restaurant Brand, if applicable. You may not adopt any other brands in operating your Hotel, the eforea spa, or a Restaurant Brand that we do not approve. You also may not, use any of the Marks or the words "Tapestry," or "Tapestry Collection by Hilton," or "Hilton," or any similar word(s) or acronyms: (a) in your corporate, partnership, business or trade name; (b) any Internet-related name (including a domain name); or (c) any business operated separate from your Hotel, including the name or identity of developments adjacent to or associated with your Hotel, without our prior written consent or as provided in the Franchise Agreement or the Manual. Any unauthorized use of the Marks will be an infringement of our rights and a material breach of the Franchise Agreement. You may not, and must ensure that your Affiliates do not, allow any Competitor to use Your Marks without our prior written approval.

Agreements, Proceedings, Litigation and Infringing Uses

There are no agreements currently in effect which significantly limit our rights to use or license the use of these Marks in any material manner. There are no infringements actually known to us that could materially affect your use of the Marks. There are no effective determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board or the trademark administrator of any state or any court in the United States involving our Marks. There is no pending material litigation or pending infringement, opposition or cancellation proceedings in the United States that could materially affect the use of our Principal Mark. All required affidavits and renewals have been filed.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Our license from HIH includes a license to all the intellectual property rights relating to the Brand (as well as eforea spa and/or a Restaurant Brand as applicable) in the US. You may use this intellectual property only in connection with the System and only in the manner we designate, as set out in the Franchise Agreement and the Standards. If applicable, you may use the intellectual property related to the eforea Brand only so long as you are operating an eforea spa. If applicable, you may use the intellectual property related to a licensed Restaurant Brand only so long as you are operating the food and beverage outlet that we have approved to utilize that Restaurant Brand. The Franchise Agreement does not grant you the right to use any other intellectual property owned by any of our affiliates.

Neither we nor HIH own any rights in or licenses to any patents or registered copyrights nor have any pending patent applications material to our franchise business. The proprietary information of HIH, which has been licensed to us, consists of the Manual and all other information or materials concerning the methods, techniques, plans, specifications, procedures, information, systems and knowledge of and experience in the development, operation, marketing and licensing of the System ("Proprietary Information"). You must treat the Proprietary Information as confidential. You must adopt and implement all reasonable procedures we may periodically establish to prevent unauthorized use or disclosure of the Proprietary Information, including restrictions on disclosure to your employees and the use of non-disclosure and non-competition clauses in agreements with your employees, agents and independent contractors who have access to the Proprietary Information.

The Standards, as compiled in the Manual or set out in the Franchise Agreement or otherwise, set forth our requirements and recommended practices and procedures regarding the specifications, requirements, criteria, and policies for design, construction, renovation, refurbishment, appearance, equipping, furnishing, supplying, opening, operating, maintaining, marketing, services, service levels, quality, and quality assurance of System Hotel operations and for hotel identification, advertising and accounting. Although neither we, nor HIH, nor any predecessor of either of us, have filed an application for a copyright registration for the Manual, we and HIH claim copyrights and the information is proprietary. You must comply with our requirements concerning confidentiality of the Manual. You may not copy or distribute any part of the Manual to anyone who is not affiliated with the System. You must promptly notify us, in writing, when you learn of any unauthorized use of our Proprietary Information. We will respond as we think appropriate. We are not, however, obligated to participate in your defense or indemnify you for damages or expenses if you are a party to a proceeding involving the copyright on the Manual. Items 11 and 15 of this Disclosure Document further describe the limitations on the use of the Manual.

Although neither HIH nor any predecessor has filed an application for copyright registration for the Hilton OnQ software, which includes OnQ (formerly System 21) and other Hilton systems (namely the Revenue and Customer Relationship Management Systems), HIH claims copyrights and the information is Proprietary Information. You may not copy or distribute any of the OnQ software, and you must notify us of any unauthorized use of the OnQ software or any other Hilton systems.

There are no agreements currently in effect which significantly limit your right to use any of HIH's claimed copyrighted materials. Also, there are no currently effective determinations of the U.S. Patent and Trademark Office, Copyright Office (Library of Congress) or any court pertaining to or affecting any of the claimed copyrights discussed above. Finally, as of the issuance date of this Disclosure Document, neither we nor HIH are aware of any infringing uses of or superior prior rights to any of their claimed copyrights which could materially affect your use of them.

If it becomes advisable at any time in our sole discretion to modify or discontinue the use of any current or future copyright and/or the use of one or more additional or substitute copyrights, you must comply with our instructions. We are not obligated to reimburse you for any costs, expenses or damages.

Although the copyrights described above are claimed by HIH, as applicable, the copyrights may be transferred to another affiliate for administrative purposes periodically, and we will continue to have a license to use them in connection with the System in our franchise business.

Your and our obligations to protect your rights to use our copyrights are the same as the obligations for the Marks described in Item 13 of this Disclosure Document.

All information that we provide to you, including but not limited to Personal Information, for your use in connection with operating the Hotel during the Term is our property. You may not use any such information after the Term, except as expressly permitted by us in writing in the Standards or otherwise. All information we obtain from you or about your Hotel or its guests or prospective guests under the Franchise Agreement or any related agreement (including agreements relating to the computerized reservation, revenue management, property management, and other system(s) we provide or require), or otherwise related to your Hotel ("Information"), and all revenues we derive from the Information will also be our property (except for Information you provide with respect to yourself and any affiliates, including your or your affiliates' respective officers, directors, shareholders, partners or members), which we may use for any reason as we consider necessary or appropriate, in our judgment, including making financial performance representations in our Franchise Disclosure Documents. At your own risk you may use Information that you acquire from third parties in operating your Hotel, such as customer data (but not including any such information obtained in connection with guest reservations or any loyalty or frequent guest program operated by us or our Affiliates), at any time during or after the Term, to the extent lawful and, but only in connection with operating your Hotel.

You must abide by all applicable laws pertaining to the privacy and security of personal information, including, without limitation, local, regional and national requirements applicable to your Hotel ("Privacy Laws"). In addition, you must comply with our standards and policies pertaining to the privacy and security of personal information, customer relationships and Privacy Laws.

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

You must provide qualified and experienced management for the operation of your Hotel. To fulfill this responsibility, your Hotel must be operated either by you or a third-party management company ("Management Company") that we have approved. No other person or entity may operate the Hotel.

We will only grant approval when we consider you or your proposed Management Company to be qualified to manage the Hotel. We may refuse to approve you or any proposed Management Company that, in our reasonable business judgment, is inexperienced or unqualified in managerial skills or operating capacity or capability, or is unable to adhere fully to the obligations and requirements of the Franchise Agreement.

If you wish to manage your Hotel directly, you must have our prior written approval and successfully complete our training program, unless we waive this requirement. If we determine that you are not qualified to operate the Hotel, at any time, we may require you to retain a Management Company that is acceptable to us to manage the Hotel.

If you wish to hire or are required to hire a Management Company to manage your Hotel, you must obtain our prior written approval. Your Management Company must have the authority to perform all of your obligations under the Franchise Agreement, including all indemnity and insurance obligations. After we approve the Management Company, we can require the general manager and other personnel, such as the director of sales, to attend training programs that pertain to the operational functions of the Hotel related to those roles as are necessary to meet our Brand Standards. If your Management Company resigns or is terminated by you, or otherwise becomes unsuitable or unqualified to operate the Hotel as determined by us, in our sole judgment, you must retain a new Management Company that is acceptable to us within 90 days.

You are solely responsible for the management and operation of your Hotel at all times, regardless of whether you are an individual, corporation, limited liability company, partnership or other entity. Your engagement of a Management Company does not reduce your obligations under the Franchise Agreement. We may communicate directly with your managers and Management Company, and we have the right to rely on their communications to us as being made on your behalf.

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

If you operate a food and beverage outlet utilizing a Restaurant Brand in your Hotel, each of the rights and obligations described in this Item 15 concerning the management of your Hotel and the use of a Management Company at your Hotel also apply to your Restaurant Brand outlet as part of the Hotel.

In addition, you may not be a Competitor (defined below) and we reserve the right to not approve a Competitor, or any entity that is the exclusive manager for a Competitor through itself or an affiliate, to manage your Hotel. If your Management Company becomes a Competitor, you will have 90 days to retain a qualified substitute Management Company that we approve. You may not, and must ensure that your Affiliates do not, allow any Competitor to use Your Marks without our prior written approval.

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

After a review of the financial information submitted with your Application and the proposed ownership of the Hotel and real property, we determine guaranty requirements. Each required guarantor, who may include the spouse of an owner of the Hotel or the franchisee, must sign a Guaranty, by which the guarantor assumes and agrees to discharge certain of the Franchisee's obligations under the Franchise Agreement. In addition, we may require you to provide a Guaranty from a third party acceptable to us as a condition to our issuing a lender comfort letter for a loan related to the Hotel or as a condition to our consent to certain kinds of loans you or your principals may obtain. Such loans may include those in which the Hotel loan will be cross-collateralized and/or cross-defaulted with loans to other hotels or loans secured by the Hotel that are not for the direct benefit of the Hotel. If we send you a written notice of default, we may also require you to provide a Guaranty from a third party acceptable to us covering all of your obligations under the Franchise Agreement. A copy of the Guaranty is attached as Exhibit E.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

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

You must operate the hotel 24 hours a day every day, except as we may otherwise permit based on special circumstances. If you are operating an eforea spa, you must comply with the minimum hours of operation for the spa that we may specify. You must operate, furnish, maintain and equip the Hotel, any eforea spa, and any food and beverage outlet in the Hotel, in a clean, safe and orderly manner and in first-class condition under the provisions of the Franchise Agreement and the Standards, and in compliance with all applicable local, state, and federal laws, customs and regulations, including maintaining and conducting your business using sound business and financial practices. You must adopt, use and comply with the Standards, and keep your Manual current at all times. You must also provide efficient, courteous and high-quality service to the public.

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

We may require your Hotel to offer products, services, and amenities such as restaurants, lounges, recreational facilities (swimming pool, whirlpool, exercise room, sauna, etc.), meeting and function space, gift shops and other concessions, parking facilities, guest laundry, and housekeeping services. As described in Item 8, we may develop promotional programs with third-party companies that feature those companies' branded products or services, and we may require or permit your Hotel to participate in those promotional programs. We may also require or permit your Hotel to accept guests with pets, and provide amenities, products, or services related to those pets. The types and quality of the products, services, and amenities that your Hotel offers, and any related charges that you assess guests, must comply with our Standards.

We may periodically require you to modernize, rehabilitate and/or upgrade the hotel's furniture, furnishings, fixtures, finishes, equipment, fittings, signs, computer hardware and software and related equipment, supplies and other items to meet the then current standards and specifications specified in the Manual. These standards will benefit the System as a whole. You must make these changes at your sole cost and expense. You must also maintain acceptable product quality ratings at the hotel and maintain the hotel in accordance with the Standards. We may make limited exceptions from some of those standards based on local conditions or special circumstances, but we are not required to do so.

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

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

You must participate in, and pay all charges related to, all guest frequency programs we or Hilton require, including the Hilton Honors guest reward programs and any successor programs. You must also honor the terms of any discount or promotional programs (including any frequent guest program) that we or Hilton offers to the public on your behalf, any room rate quoted to any guest when the guest makes an advance reservation, and any award guest certificates issued to hotel guests participating in these programs. You may not charge any Mandatory Guest Fee without our consent, in accordance with the Standards and subject to our requirements for granting such consent.

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

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

Except as described in the following sentence, you may not conduct or permit the sale of timeshares, vacation ownership, fractional ownership, condominiums, or like schemes at or adjacent to your Hotel without our written permission, you may do so only as we permit, and we may withhold permission at our sole discretion. You may conduct timeshare or condominium sales or marketing at any property that you own or lease which is located adjacent to the hotel so long as you do not use any of the Marks in these sales efforts and you do not use the hotel or its facilities in these timeshare or condominium sales, marketing efforts or business operations.

You may not share the business operations and your Hotel facilities with any other hotel, inn, conference center, lodging facility or similar business without our express permission, which we may withhold for any reason. If we permit your Hotel to share facilities with another hotel in our Network (which is also franchised or managed by us or any of our Affiliates), then you must sign the Shared Facilities Addendum to the Franchise Agreement, shown in Exhibit D to this Disclosure Document. You are not allowed to engage in any tenant-in-common syndication or transfer of any tenant-in-common interest in the hotel or the hotel site, other than a Transfer that is otherwise a Permitted Transfer, without our express permission, which we may withhold for any reason. If we permit you to share your business operation or engage in a tenant-in-common syndication or transfer, you must comply with any terms that we require as a condition to our approval.

Restaurant Brands

If you are operating a food and beverage outlet under a Restaurant Brand, you must offer and sell the type and quality of food products that we specify, and operate the outlet on the days and for all required meal periods we may specify (breakfast, lunch, dinner, other) including up to all days and hours that the Hotel is required to be in operation.

You must operate, furnish, maintain and equip your Restaurant Brand food and beverage outlet in a clean, safe and orderly manner and in first-class condition under the Franchise Agreement, the Standards, and the Restaurant Brand Guidelines, and in compliance with all applicable local, state, and federal laws, customs and regulations, including maintaining and conducting your business using sound business and financial practices. You must adopt, use and comply with the Restaurant Brand Guidelines, and keep your Manual current at all times. You must also provide efficient, courteous and high-quality service to the public.

You may not make any significant change (including major changes in structure, design or decor) in your food and beverage outlet without our prior written approval. You may not offer any new products or services from the outlet unless they have been approved by us. Minor redecoration and minor structural changes that comply with our standards and specifications will not be considered significant. We may periodically require you to modernize, rehabilitate and/or upgrade your Restaurant Brand fixtures, equipment, furnishings, furniture, signs, computer hardware and software and related equipment, supplies and other items to meet the then-current standards and specifications specified in the Manual. These standards are intended to benefit Restaurant Brand outlets as a whole. You must make these changes at your sole cost and expense. You must also maintain acceptable quality ratings for products and services and maintain your outlet in accordance with the Restaurant Brand Guidelines. We may make limited exceptions from some of those standards based on local conditions or special circumstances, but we are not required to do so. There is no limit on our right to make changes to the System, the Brand Standards or the Restaurant Brand Guidelines.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

This table lists certain important provisions of the franchise and related agreements pertaining to renewal, termination, transfer, and dispute resolution. You should read these provisions in the agreements attached to this Disclosure Document.

THE FRANCHISE RELATIONSHIP

Provision	Section in Franchise Agreement ("FA"), Spa Amendment, Restaurant Brand Amendment and HITS Agreements	Summary
a. Length of the franchise term	FA §3, Addendum	New Construction: Generally, at midnight on the last day of the month 23 years after the Effective Date. Conversion: Generally, at midnight on the last day of the month 10 to 20 years after the Opening Date. Change of Ownership: Generally, either the remaining Term under the existing franchise agreement, or such other term as we may approve.
	Spa Amendment §2(a)	eforea spa: Generally, the term of the Franchise Agreement or as otherwise agreed. The term expires on the earlier of: (i) the termination of the Spa Amendment; or (ii) the expiration or termination of the Franchise Agreement.
	Restaurant Brand Amendment §2(i)	Restaurant Brand: Generally, 7 years or as otherwise agreed. The term expires on the earlier of: (i) the termination of the Restaurant Brand Amendment; or (ii) the expiration or termination of the Franchise Agreement.
	HITS Agreement 1.1	The HITS Agreement will run concurrently with the Franchise Agreement and will automatically terminate on the termination or expiration of the Franchise Agreement.
b. Renewal or Extension of the term	FA §3	You do not have the right to renew or extend the Franchise Agreement.
	Spa Amendment	Same as Franchise Agreement.
	Restaurant Brand Amendment	Same as Franchise Agreement.
	HITS Agreement Not applicable	The HITS Agreement will run concurrently with the Franchise Agreement. You do not have the right to renew or extend the HITS Agreement.
c. Requirements for you to renew or extend	FA – Not applicable	You do not have the right to renew or extend, but if we agree, in our sole discretion, to re-license, you may be asked to sign a contract with materially different terms and conditions from the original Franchise Agreement, and you must comply with any PIP performance conditions that we specify.
	Spa Amendment – Not applicable	Same as Franchise Agreement.
	Restaurant Brand Amendment – Not applicable	Same as Franchise Agreement.

Provision	Section in Franchise Agreement ("FA"), Spa Amendment, Restaurant Brand Amendment and HITS Agreements	Summary
	HITS Agreement Not applicable	The HITS Agreement will run concurrently with the Franchise Agreement. You do not have the right to renew or extend, but if we agree, in our sole discretion, to re-license, you may be asked to sign a new HITS Agreement with materially different terms and conditions from the original HITS Agreement.
d. Termination by you	FA §13.4 and 134.5	You are not authorized to terminate the Franchise Agreement before expiration of the Term. If you unilaterally terminate the Franchise Agreement without cause, it is a material breach of the Franchise Agreement, and you must pay to us, on demand, Liquidated Damages, or we may seek to recover actual damages in certain circumstances.
	Spa Amendment §9	If the Franchise Agreement is terminated for any reason, your right to operate the eforea spa will automatically terminate.
	Restaurant Brand Amendment §10	If the Franchise Agreement is terminated for any reason, your right to operate the Restaurant Brand will automatically terminate.
	HITS Agreement – Not applicable	You must operate under the HITS Agreement as long as the Franchise Agreement is in effect.
e. Termination by us without cause	FA §11.1	Condemnation: you must immediately inform us of any proposed taking of any portion of the hotel by eminent domain, and we may terminate the Franchise Agreement on notice to you and will release you from the obligation to pay Liquidated Damages.
	FA §11.2	Casualty: You must immediately inform us if the Hotel is damaged by fire or other casualty, or Event of Force Majeure. If the casualty requires closing of the Hotel, you may choose to repair or rebuild according to the Standards provided that the Hotel reopens no later than 18 months after the closing. If you elect not to repair or rebuild the hotel after a condemnation or casualty to the hotel, we may terminate the franchise agreement on notice to you. We will release you from the obligation to pay Liquidated Damages as long as you and your Affiliates do not own or operate a hotel at the site under a lease, license or franchise with a Competitor within 3 years after the termination.
	Spa Amendment §9	If we terminate the Franchise Agreement, your right to operate the eforea spa will automatically terminate.
	Restaurant Brand Amendment §10	If we terminate the Franchise Agreement, your right to use the Restaurant Brand will automatically terminate.
	HITS Agreement 4.1	If we terminate the Franchise Agreement or any other agreement that allows you to operate the hotel, we can terminate the HITS Agreement.

Provision	Section in Franchise Agreement ("FA"), Spa Amendment, Restaurant Brand Amendment and HITS Agreements	Summary
f. Termination by us with cause	FA §13	Except as described above, we can terminate if you fail to satisfy any obligations under the Franchise Agreement or any attachment to it.
	Spa Amendment §§ 8 and 9	Except as described above, we can terminate if you fail to satisfy any obligations under the Franchise Agreement, the Spa Amendment, or any attachment to them.
	Restaurant Brand Amendment §§ 9 and 10	Except as described above, we can terminate if you fail to satisfy any obligations under the Franchise Agreement, the Restaurant Brand Amendment, or any attachment to them.
	HITS Agreement 4.1	Except as described above, we can terminate only if you fail to satisfy any obligations under the HITS Agreement. Termination of the Franchise Agreement also terminates the HITS Agreement.
g."Cause" defined – defaults which can be cured	FA §§8.6 and 13.1	We may terminate the Franchise Agreement by written notice to you at any time before its expiration on any of the following grounds: (1) you fail to pay us any sums due and owing to us or our Affiliates or to pay or fund any amounts due under any of Your Hotel Agreements within the cure period in the notice (at least 10 days); (2) you fail to commence or complete the Hotel Work by the applicable deadline, including any extensions, or fail to open the Hotel on the Opening Date, and do not cure that default within the cure period in the notice (at least 10 days); (3) you do not purchase or maintain required insurance or do not reimburse us for our purchase of insurance on your behalf within the cure period in the notice (at least 10 days) unless provided otherwise in the Franchise Agreement; or (4) you fail to comply with any provision of the Franchise Agreement, the Manual, or any Standard that can be cured (see subjection h. below), or breach a representation or warranty made in the Franchise Agreement and you do not cure that default within the cure period in the notice (at least 30 days) unless provided otherwise in the Franchise Agreement. If we send you a written notice that you are in default for failing to pay or fund amounts due, we may require an acceptable third-party guaranty as a condition of curing the default.
	FA §13.3	If we send you a written notice that you are in default, we may elect to impose an Interim Remedy, including the suspension of our obligations under this Agreement and/or our or our Affiliates' obligations under Your Hotel Agreements. We may: (1) suspend the Hotel from the Reservation Service and any reservation and/or website services provided through or by us; (2) remove the listing of the Hotel from any directories or advertising we publish; (3) divert reservations previously made for the Hotel to other System Hotels or Network Hotels; (4) disable all or any part of the software provided to you under Your Hotel

Provision	Section in Franchise Agreement ("FA"), Spa Amendment, Restaurant Brand Amendment and HITS Agreements	Summary
		Agreements and/or may suspend any one or more of the information technology and/or network services that we provide or support under Your Hotel Agreements; (5) charge you for costs related to suspending or disabling your right to use any software systems or technology we provided to you, together with intervention or administration fees as set forth in the Standards; (6) revoke any financial accommodations (including but not limited to any Monthly Fee discounts, fee ramps or fee waivers that we have granted and charge you the then-current standard fee or charge that would have otherwise applied absent the temporary financial accommodation.
	Spa Amendment §§ 8 and 9	We may terminate by written notice to you if you fail to satisfy any obligations under the Franchise Agreement and/or Spa Amendment that are curable and not cured after notice, as outlined above.
	Restaurant Brand Amendment §§ 9 and 10	We may terminate by written notice to you if you fail to satisfy any obligations under the Franchise Agreement and/or Restaurant Brand Amendment that are curable and not cured after notice, as outlined above.
	HITS Agreement 4.1	We can terminate if you (1) fail to pay us sums due and fail to cure your default within 10 days; (2) you breach your obligations of confidentiality; (3) you fail to timely refresh the Authorized Equipment; or (4) you default under any other provision of the HITS Agreement and fail to cure your default within 30 days after notice from us. The HITS Agreement will automatically terminate on the termination or expiration of your Franchise Agreement.
h."Cause" defined – non-curable defaults	FA §13.2	We may terminate the Franchise Agreement immediately on notice to you, without giving you any opportunity to cure the default if:
	FA §13.2 (1)	after curing any material breach, you engage in the same non-compliance within any consecutive 24-month period, whether or not the non-compliance is corrected after notice, which pattern of non-compliance in and of itself will be deemed material;
	FA §13.2 (2)	we send you 3 notices of material default in any 12-month period, regardless of whether the defaults have been cured;
	FA §13.2 (3)	you fail to pay debts as they become due or admit in writing your inability to pay your debts or you make a general assignment for the benefit of your creditors;
	FA §13.2 (4)	you file a voluntary petition in bankruptcy or any pleading seeking any reorganization, liquidation, or dissolution under any law, or you admit or fail to contest the material allegations of any such pleading filed against you or the Hotel, and the action results in the entry of an order for relief against you under the Bankruptcy Code, the adjudication of you as insolvent, or the abatement of the

Provision	Section in Franchise Agreement (“FA”), Spa Amendment, Restaurant Brand Amendment and HITS Agreements	Summary
		claims of creditors of you or the Hotel under any law; or you have an order entered against you appointing a receiver for the hotel or a substantial part of your or the hotel’s assets;
	FA §13.2 (5)	you or your Guarantor lose possession or the right to possession of all or a significant part of the Hotel or Hotel Site for any reason other than those described in Section 11;
	FA §13.2 (6)	you fail to operate the hotel for 5 consecutive days, unless the failure to operate is due to an event of Force Majeure, provided that you have taken reasonable steps to minimize the impact of such events;
	FA §13.2 (7)	you contest in any court or proceeding our ownership of the System or any part of the System or the validity of any of the Marks;
	FA §13.2 (8)	you or any Equity Owner with a controlling Equity Interest, or any of your Affiliates, employees, or Management Company, engage in conduct that we reasonably determine is likely to adversely reflect upon or affect in any manner the reputation, goodwill, or business of the Hotel, the System, us and/or our Affiliates;
	FA §13.2 (9)	you conceal revenues, maintain false books and records of accounts, submit false reports or information to us or otherwise attempt to defraud us;
	FA §13.2 (10)	you Transfer any interest that is not in compliance with the Franchise Agreement;
	FA §13.2 (11)	you, your Affiliate or any Guarantor become a Sanctioned Person or are owned or controlled by a Sanctioned Person or otherwise breach the representations in the Franchise Agreement;
	FA §13.2 (12)	information is disclosed involving you or your Affiliates, which, in our business judgment, is likely to adversely reflect on or affect in any manner, any gaming licenses or permits held by us or our Affiliates or the then-current stature of us or any of our Affiliates with any gaming commission, board, or similar governmental or regulatory agency;
	FA §13.2 (13)	any Guarantor breaches its guaranty to us;
	FA §13.2 (14)	a threat or danger to public health or safety results from the construction, maintenance, or operation of the hotel;
	FA §13.2 (15)	you, your Affiliate or a Guarantor become a Competitor except as otherwise permitted by Subsection 5.1.29.
	FA §13.2 (16)	you breach any representation, warranty, or obligation in Section 16.12 of the Franchise Agreement regarding Existing Agreements;
	FA §13.2 (17)	any of Your Hotel Agreements is terminated based on a breach or default by you or your Affiliates; or

Provision	Section in Franchise Agreement ("FA"), Spa Amendment, Restaurant Brand Amendment and HITS Agreements	Summary
	FA Shared Facilities Addendum	If we withdraw our consent to your Hotel's use of Shared Facilities and you fail to construct comparable facilities or amenities in order for the Hotel to meet the Standards.
	Spa Amendment §§ 8 and 9	We may terminate immediately on notice to you, without giving you any opportunity to cure, upon the occurrence of any non-curable breach or default of the Franchise Agreement with the Spa Amendment, as outlined above, or if you: (i) lease or sublease commercial space in your eforea spa, or enter into concession arrangements for operations in connection with your eforea spa; (ii) operate, have operated on your behalf or on behalf of an affiliate, or allow the operation of, another spa in, adjacent to or that is associated in any way with, the Hotel; (iii) enter into a Change of Ownership Transfer for your Hotel unless you are also transferring your eforea spa in the same transaction and you may not enter into a Change of Ownership Transfer for your eforea spa unless you are also transferring your Hotel in the same transaction.
	Restaurant Brand Amendment §§ 9 and 10	We may terminate immediately on notice to you, without giving you any opportunity to cure, upon the occurrence of any non-curable breach or default of the Franchise Agreement with the Restaurant Brand Amendment, as outlined above, or if you: (i) lease or sublease commercial space in your Restaurant, or enter into concession arrangements for operations in connection with your Restaurant; (ii) enter into a Change of Ownership Transfer for your Restaurant unless you are also transferring your Hotel in the same transaction; (iii) any Change of Ownership Transfer for your Hotel must also include a transfer of your Restaurant in the same transaction, unless we approve a termination of the Restaurant Brand Amendment; or (iv) enter into a Change of Ownership Transfer for your Hotel.
	HITS Agreement 4.1	You have no right to cure once your Franchise Agreement terminates.
i. Your obligations on termination, expiration or non-renewal	FA §13.6	On termination or expiration of the Agreement you must immediately:
	FA §13.6 (1)	pay all sums due and owing to us or any of our Affiliates, including liquidated damages and any expenses incurred by us in obtaining injunctive relief for the enforcement of the Franchise Agreement;
	FA §13.6 (2)	cease operating the Hotel as a System Hotel and cease using the System;
	FA §13.6 (3)	cease using the Marks, the Trade Name, and any confusingly similar names, marks, trade dress systems, insignia, symbols, or other rights, procedures, and methods; deliver all goods and materials containing the Marks to us; make any specified changes to the location

Provision	Section in Franchise Agreement ("FA"), Spa Amendment, Restaurant Brand Amendment and HITS Agreements	Summary
		as we may reasonably require for this purpose, which will include removal of the signs, custom decorations, and promotional materials;
	FA §13.6 (4)	cease representing yourself as then or formerly a System Hotel or affiliated with the Brand or the Network;
	FA §13.6 (5)	return all copies of the Manual and any other Proprietary Information to us;
	FA §13.6 (6)	cancel all assumed name or equivalent registrations relating to your use of any Mark, notify the telephone company and all listing agencies and directory publishers including Internet domain name granting authorities, Internet service providers, global distribution systems, and web search engines of the termination or expiration of your right to use the Marks, and any telephone number, any classified or other telephone directory listings, Internet domain names, uniform resource locators, website names, electronic mail addresses and search engine metatags and keywords associated with the hotel, and authorize their transfer to us;
	FA §13.6 (7)	irrevocably assign and transfer to us (or to our designee) all of your right, title and interest in any domain name listings and registrations that contain any reference to our Marks, System, Network or Brand; notify the applicable domain name registrars of the termination of your right to use any domain name or Sites associated with the Marks or the Brand; and authorize and instruct the cancellation of the domain name, or transfer of the domain name to us (or our designee), as we specify; delete all references to our Marks, System, Network or Brand from any Sites you own, maintain or operate beyond the expiration or termination of the Franchise Agreement.
	Spa Amendment §10	If your right to operate an eforea spa terminates or expires, your post-term obligations include termination of use of the eforea spa brand and any other brands, marks, systems or other rights licensed to you for the spa, delivery of all items containing any portion of our trademarks or service marks to us for use by us as we may see fit, make the changes we request to your Hotel, hotel site and spa to de-identify your spa as an eforea spa, return all copies of the eforea spa Manual, cancel all assumed name or equivalent registrations and transfer any domain name listings and registrations that contain any reference to the eforea spa brand to us, and cease representing yourself or the hotel as then or formerly operating an eforea spa.
	Restaurant Brand Amendment §11	If your right to use the designated Restaurant Brand terminates or expires, your post-term obligations include termination your use of the Restaurant Brand, the Trade Name, and any other brands, marks, systems or other

Provision	Section in Franchise Agreement ("FA"), Spa Amendment, Restaurant Brand Amendment and HITS Agreements	Summary
		rights licensed to you for the Restaurant, delivery of all items containing any portion of our trademarks or service marks to us for use by us as we may see fit, make the changes we request to your Hotel, hotel site and Restaurant to de-identify your restaurant as an Restaurant Brand, return all copies of the Restaurant Brand Guidelines, cancel all assumed name or equivalent registrations and transfer any domain name listings and registrations that contain any reference to the Restaurant Brand to us, and cease representing yourself or the hotel as then or formerly operating a Restaurant Brand restaurant.
	HITS Agreement 4.2	You must stop using our software and related documents, return all copies to us, and certify to us that you have done so.
j. Assignment of contract by us	FA §12.1	We may assign or transfer the Franchise Agreement and any of our rights, duties or assets to any person or entity without your consent so long as the assignee assumes all of our obligations to permit you to operate the hotel.
	HITS Agreement 2.1	HSS may delegate its operational responsibilities under the HITS Agreement to third parties but remains responsible.
k. "Transfer" by you – definition	FA §§1 and 12.2	Any sale, lease, assignment, spin-off, transfer, or other conveyance of a direct or indirect legal or beneficial interest, including a transfer of an interest the hotel, the Franchise Agreement, the site on which the hotel is located or any direct or indirect Equity Interest (as defined in the Franchise Agreement). You may not transfer to a Competitor or a Sanctioned Person.
	Spa Amendment	Same as Franchise Agreement.
	Restaurant Brand Amendment	Same as Franchise Agreement.
	HITS Agreement – Not applicable	Transfer is not defined in the HITS Agreement. We consider any attempt on your part to transfer or assign any of your rights or obligations under the HITS Agreement to be a "transfer" by you.
l. Our approval of transfer by you	FA §12.2	A Transfer of any interest in you, the Hotel, the Hotel Site, or the Franchise Agreement (or any rights or obligations under it) are prohibited unless expressly allowed in the Franchise Agreement. The Franchise Agreement allows 2 types of Transfers if certain conditions are satisfied: (a) Permitted Transfers; and (b) Change of Ownership Transfers. In any Transfer, the proposed Transferee may not be a Sanctioned Person or a Competitor.
	Spa Amendment § 8	The Transfer terms of the Franchise Agreement apply to your eforea spa, as outlined in this table. A Transfer of any interest in you, the Hotel, the Hotel Site, the eforea spa, the Franchise Agreement or the Spa Amendment (or

Provision	Section in Franchise Agreement ("FA"), Spa Amendment, Restaurant Brand Amendment and HITS Agreements	Summary
		any rights or obligations under them) are prohibited unless expressly allowed in the Franchise Agreement or Eforea Spa Amendment. In addition, you may not enter into a Change of Ownership Transfer for your eforea spa unless you are also transferring your Hotel in the same transaction to the same transferee, with our consent.
	Restaurant Brand Amendment § 9	The Transfer terms of the Franchise Agreement apply to your Restaurant, as outlined in this table. A Transfer of any interest in you, the Hotel, the Hotel Site, the Restaurant, the Franchise Agreement or the Restaurant Brand Amendment (or any rights or obligations under them) are prohibited unless expressly allowed in the Franchise Agreement or Restaurant Brand Amendment. In addition, you may not enter into a Change of Ownership Transfer for your Restaurant unless you are also transferring your Hotel in the same transaction to the same transferee, with our consent.
	HITS Agreement 2.1	You have no right to assign the HITS Agreement. If there is a Change of Ownership transfer of the Franchise Agreement, we may permit the HITS Agreement to be assigned.
m. Conditions for our approval of transfer	FA §12.2.1	Permitted Transfers are Transfers that will not result in a change of Control of you, the Hotel, or the Hotel Site.
	FA §12.2.1.1	You may complete the following types of Permitted Transfers without giving us notice or obtaining our consent: Transfers of (a) Publicly Traded Equity Interests; (b) privately held Equity Interests when the transferee will hold less than 50% after the Transfer, and there is no resulting change of Control; and (c) interests within and to designated institutional investment funds if the named asset manager does not change.
	FA §12.2.1.2	For the following types of Permitted Transfers, unless the Transfer otherwise qualifies under §12.2.1.1, you must give us 60 days' written notice, obtain our consent, follow our then-current procedure for processing Permitted Transfers, sign documents required by us, and pay a processing fee: Transfers (a) to Affiliates; (b) to a family member or trust; (c) on death; and (d) of privately-held Equity Interests if more than 50% will have changed hands since the Effective Date of the Franchise Agreement.
	FA §12.2.2	Any Transfer that is not a Permitted Transfer under §12.2.1 is a Change of Ownership Transfer. You must give 60 days' written notice and provide any information we may require to consent to this type of transfer, not be in default; pay all amounts due to us and our Affiliates through closing; conclude any suit, action or proceeding that is pending or threatened against you, us or any of our Affiliates with respect to the Hotel, or provide adequate security. Proposed transferee must meet our then-current

Provision	Section in Franchise Agreement ("FA"), Spa Amendment, Restaurant Brand Amendment and HITS Agreements	Summary
		business requirements for new franchisees, including credit, background investigation, operations experience, prior business dealings, and other relevant factors. Proposed transferee must submit a Change of Ownership Application, pay our Franchise Application Fee, sign our then-current form of franchise agreement, agree to our request for upgrades to the hotel (which may include payment of a PIP fee); agree to indemnify, hold harmless and defend us and our affiliates against any action by a Government Entity arising in connection with any fees or costs you charged to customers; and, if applicable, the Proposed transferee's guarantors must sign our then-current form of guaranty of franchise agreement. Proposed transferee must not be a Sanctioned Person or a Competitor. If the transferee has SBA financing, you and the transferee must agree to escrow and disburse our estimated fees to us at closing. We will refund any excess about 30 days after closing.
	FA §12.3	You must give 60 days' advance notice of a public offering or private placement; follow our instructions about the use of the Marks and disclosure; and indemnify us from any claims related to the offer or sale of your securities; pay a processing fee when you submit the request and pay any additional costs we may incur.
	FA §12.4	You or an Equity Owner may mortgage or pledge the hotel or an Equity Interest to a lender that finances the acquisition, development or operation of the hotel, without notifying us or obtaining our consent, if (i) you or the applicable Equity Owner are the sole borrower, and (ii) the loan is not secured by any other hotels or other collateral. You must notify us of any other proposed mortgage or pledge, including any collateral assignment of this Agreement, and obtain our consent, which we may withhold in our business judgment. We will evaluate the proposed mortgage or pledge according to our then-current procedure and standards for processing such requests. We may issue our consent in the form of a lender comfort letter agreement ("LCL") in a form satisfactory to us, and may include an estoppel and general release of claims. We charge a fee for the processing of a lender comfort letter. In a Managed-to-Franchised Conversion, you must cause each Mortgage Lender to sign an LCL in the form required by us under which the Mortgage Lender agrees not to disturb or interfere with our rights under the Franchise Agreement and to assume (or cause the transferee to assume) your obligations under the Franchise Agreement and any Development Incentive Note if the Mortgage Lender or other transferee acquires possession or

Provision	Section in Franchise Agreement ("FA"), Spa Amendment, Restaurant Brand Amendment and HITS Agreements	Summary
		ownership of the Hotel. The specific form of LCL cannot be determined in advance because it would depend on the specific circumstances. Accordingly, it would be provided at the time of origination.
	FA §5.1.24	You may lease or sublease commercial space in the hotel, or enter into concession arrangements for operations in connection with the hotel, in the ordinary course of business, subject to our right to review and approve the nature of the proposed business and the proposed brand and concept, all in keeping with our then current Standards for System Hotels.
	Spa Amendment §8	You may not Transfer your eforea spa or assign your Spa Amendment without simultaneously transferring the Hotel and Franchise Agreement to the same transferee with our consent.
	Restaurant Brand Amendment §9	Unless we terminate the Restaurant Brand Amendment, you may not Transfer your Restaurant or assign your Restaurant Brand Amendment without simultaneously transferring the Hotel and Franchise Agreement to the same transferee with our consent.
	HITS Agreement 2.1	You have no right to assign the HITS Agreement. If there is a Change of Ownership transfer of the Franchise Agreement, we may permit the HITS Agreement to be assigned.
n. Our right of first refusal to acquire your business	FA – §19	None, but you must notify us if you want to market any Equity Interests, other than a Transfer under §§ 12.2.1 or 12.2.2.
	Spa Amendment – Not applicable	Same as Franchise Agreement.
	Restaurant Brand Amendment – Not applicable	Same as Franchise Agreement.
	HITS Agreement – Not applicable	None.
o. Our option to purchase your business	FA – Not applicable	None.
	Spa Amendment – Not applicable	None.
	Restaurant Brand Amendment – Not applicable	None.
	HITS Agreement – Not applicable	None.
p. Your death or disability	FA – §12.2.1.2.3	On the death of a Franchisee or Equity Owner who is a natural person, this Agreement or the Equity Interest of the deceased Equity Owner may Transfer in accordance with

Provision	Section in Franchise Agreement ("FA"), Spa Amendment, Restaurant Brand Amendment and HITS Agreements	Summary
		such person's will or, if such person dies intestate, in accordance with laws of intestacy governing the distribution of such person's estate without our consent, provided that: (a) the Transfer On Death is to an immediate family member or to a legal entity formed by such family member(s); and (b) within 1 year after the death, such family member(s) or entity meet all of our then current requirements for an approved applicant and the transfer otherwise satisfies our conditions.
	Spa Amendment	Same as Franchise Agreement.
	Restaurant Brand Amendment	Same as Franchise Agreement.
	HITS Agreement – Not applicable	None.
q. Non-competition covenants during the term of this franchise	FA §§1, 5.1.29, 5.1.30, 7.2 and 7.3	You, your Affiliates, and your management company (if any) may not, indirectly or directly, own or be a licensor or franchisor of a hotel brand that competes with the System, a System Hotel or Network Hotel in our sole judgment, but you may own a minority interest in a Competitor under certain circumstances, and you may be a franchisee of a Competitor, or manage a property of a Competitor. You may not, and must ensure that your Affiliates do not, allow any Competitor to use Your Marks without our prior written approval.
	Spa Amendment §8	While you are operating an eforea spa, neither you nor any affiliate of yours may operate, have operated on your behalf or on behalf of an affiliate, or allow the operation of, another spa that is in, adjacent to, or associated in any way with, your Hotel.
	Restaurant Brand Amendment – Not applicable	None.
	HITS Agreement – Not applicable	None.
r. Non-competition covenants after the franchise is terminated or expires	FA – Not applicable	None.
	Spa Amendment – Not applicable	None.
	Restaurant Brand Amendment – Not applicable	None.
	HITS Agreement – Not applicable	None.

Provision	Section in Franchise Agreement ("FA"), Spa Amendment, Restaurant Brand Amendment and HITS Agreements	Summary
s. Modification of the agreement	FA §16.5.1	No change, termination, or attempted waiver or cancellation of any provision of this Agreement will bind us unless it is in writing, specifically designated as an amendment or waiver, and signed by one of our officers. We may condition our agreement to any amendment or waiver on receiving from you, in a form satisfactory to us, an estoppel and general release of claims that you may have against us, our Affiliates, and related parties.
	Spa Amendment	Same as Franchise Agreement.
	Restaurant Brand Amendment	Same as Franchise Agreement.
	HITS Agreement 1.1	No additions or modifications to the Agreement unless in writing and signed by all parties.
t. Integration/ merger clause	FA §16.4	Only the terms of the Franchise Agreement, the Application, the Guaranty and any other related agreements signed by the parties are enforceable (subject to state law). Any other promises may not be enforceable. However, nothing in this section disclaims the statements made in our franchise disclosure document.
	Spa Amendment	Same as Franchise Agreement.
	Restaurant Brand Amendment	Same as Franchise Agreement.
	HITS Agreement 1.1	Only the terms of the Agreement (and any representations in the franchise disclosure document) are binding (subject to state law). Any other promises may not be enforceable.
u. Dispute resolution by arbitration or mediation	FA – Not applicable, except in Puerto Rico, Puerto Rico Addendum §16.2.2.	None, except in Puerto Rico. In Puerto Rico, except as noted below, all claims and disputes will be settled by arbitration conducted by the American Arbitration Association, JAMS, or similar arbitral body chosen at our election, in accordance with the Federal Rules of Civil Procedure, by 1 or more arbitrators chosen in accordance with those rules. To the extent the Federal Rules of Civil Procedure do not govern certain procedures or requirements relating to the arbitration, the rules of the applicable arbitral body will apply. The proceedings will be conducted in English. As an alternative to arbitration, we may elect to initiate or maintain any action for temporary remedies, or injunctive or other equitable relief, in any court, governmental agency, or other authority with jurisdiction over the matter. Issues relating to the conduct of any arbitration proceeding, and the enforcement of any arbitration award, will be governed by the Federal Arbitration Act.
	Spa Amendment	Same as Franchise Agreement.

Provision	Section in Franchise Agreement ("FA"), Spa Amendment, Restaurant Brand Amendment and HITS Agreements	Summary
	Restaurant Brand Amendment	Same as Franchise Agreement.
	HITS Agreement 1.1	Same as Franchise Agreement.
v. Choice of forum	FA §16.2.2, Puerto Rico Addendum §16.2.2.	Court actions must be brought in the U.S. District Court for the Eastern District of Virginia, in Alexandria, Virginia, or, if there is no subject matter jurisdiction in federal court, in a state court of competent jurisdiction in either Fairfax County, Virginia, or New York, New York, but we may elect to bring an action against you where the hotel is located. For Puerto Rico arbitration actions, the venue will be Fairfax County, Virginia, and the seat of the arbitration will be New York, New York. An arbitration award may be confirmed in any court of competent jurisdiction.
	Spa Amendment	Same as Franchise Agreement.
	Restaurant Brand Amendment	Same as Franchise Agreement.
	HITS Agreement 1.1	Same as Franchise Agreement.
w. Choice of law	FA §16.2.1	New York law applies, without recourse to New York choice of law on conflicts of law principles, except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 USC § 1050) (subject to state law).
	Spa Amendment	Same as Franchise Agreement.
	Restaurant Brand Amendment	Same as Franchise Agreement.
	HITS Agreement 1.1	Same as Franchise Agreement.

ITEM 18
PUBLIC FIGURES

We currently do not use any public figure to promote our licenses.

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.

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. 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 outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to our management by contacting Matt Wehling, Senior Vice President of Development US and Canada, 7930 Jones Branch Drive, Suite 1100, McLean, Virginia 22102, 703-883-1000, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
System wide Hotel Summary
For Years 2023 to 2025

Hotel Type	Year	Hotels at the Start of the Year	Hotels at the End of the Year	Net Change
Franchised	2023	78	100	+22
	2024	100	117	+17
	2025	117	143	+26
Company-Owned	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Total Hotels	2023	78	100	+22
	2024	100	117	+17
	2025	117	143	+26

Table No. 2
Transfers of Franchised Hotels to New Owners (Other than the Franchisor)
For Years 2023 to 2025

State	Year	Number of Transfers
Florida	2023	0
	2024	0
	2025	0
Maryland	2023	0
	2024	0
	2025	0
Massachusetts	2023	0
	2024	0
	2025	1
New Jersey	2023	0
	2024	0
	2025	0
New York	2023	1
	2024	1
	2025	0

State	Year	Number of Transfers
Rhode Island	2023	0
	2024	1
	2025	0
Tennessee	2023	0
	2024	0
	2025	1
Texas	2023	0
	2024	2
	2025	2
Utah	2023	1
	2024	0
	2025	0
Vermont	2023	1
	2024	0
	2025	0
Total	2023	3
	2024	4
	2025	4

Table No. 3
Status of Franchised Hotels*
For Years 2023 to 2025

State	Year	Hotels at Start of Year	Hotels Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Hotels at End of Year
Alabama	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	1	0	0	0	1
Arkansas	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	1	0	0	0	0	4
Arizona	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
California	2023	15	5	0	0	0	0	20
	2024	20	3	0	0	0	0	23
	2025	23	5	0	0	0	0	28
Colorado	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Connecticut	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Delaware	2023	1	1	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Florida	2023	6	3	0	0	0	0	9
	2024	9	1	0	0	0	0	10
	2025	10	1	0	0	0	0	11
Hawaii	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0

State	Year	Hotels at Start of Year	Hotels Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Hotels at End of Year
	2025	0	1	0	0	0	0	1
Georgia	2023	2	1	0	0	0	0	3
	2024	3	1	0	0	0	0	4
	2025	4	0	0	0	0	0	4
Illinois	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	2	0	0	0	0	4
Idaho	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Iowa	2023	4	0	0	0	0	0	4
	2024	4	1	0	0	0	0	5
	2025	5	1	2	0	0	0	4
Indiana	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Kansas	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Kentucky	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	1	0	0	0	0	2
Louisiana	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	0	2
	2025	2	1	1	0	0	0	2
Maryland	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	1	0	0	0	0	2
Massachusetts	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Michigan	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Missouri	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	2	0	0	0	0	3
Montana	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Nevada	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	0	0	0	0	0	1
New Jersey	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2

State	Year	Hotels at Start of Year	Hotels Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Hotels at End of Year
New Mexico	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
New York	2023	7	2	0	0	0	0	9
	2024	9	0	0	0	0	0	9
	2025	9	1	0	0	0	0	10
North Carolina	2023	1	1	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	4	0	0	0	0	6
Ohio	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	2	0	0	0	0	3
Oklahoma	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Oregon	2023	0	2	0	0	0	0	2
	2024	2	1	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Pennsylvania	2023	3	1	0	0	0	0	4
	2024	4	0	0	0	0	0	4
	2025	4	0	0	0	0	0	4
Rhode Island	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
South Carolina	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Tennessee	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	2	0	0	0	0	4
Texas	2023	4	1	0	0	0	0	5
	2024	5	0	0	0	0	0	5
	2025	5	2	0	0	0	0	7
Utah	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Virginia	2023	3	0	0	0	0	0	3
	2024	3	1	0	0	0	0	4
	2025	4	1	0	0	0	0	5
Vermont	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Washington	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	1	0	0	0	0	3
West Virginia	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1

State	Year	Hotels at Start of Year	Hotels Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Hotels at End of Year
District of Columbia	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Puerto Rico	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Total	2023	78	22	0	0	0	0	100
	2024	100	17	0	0	0	0	117
	2025	117	30	4	0	0	0	143

* In the table above, when: (a) an existing franchised hotel converts from another hotel brand to the Brand; or (b) a management agreement for an existing Brand hotel ends and a franchise agreement for that Brand hotel begins (for the continued operation of that hotel under a franchise), that transaction is shown as a Termination of the first franchise agreement (if applicable) and a new Hotel Opening. In prior years, some of these transactions may have been shown in the "Ceased Operations – Other Reason" column depending on the circumstances. Accordingly, some prior year data has been adjusted in this table for consistency.

Table No. 4
Status of Company-Owned Hotels
For Years 2023 to 2025

State	Year	Hotels at Start of Year	Hotels Opened	Hotels Reacquired from Franchisees	Hotels Closed	Hotels Sold to Franchisees	Hotels at End of Year
All States	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	0	0	0	0	0
Total	2023	0	0	0	0	0	0
	2025	0	0	0	0	0	0
	2025	0	0	0	0	0	0

Table No. 5
Projected Openings as of December 31, 2025

State	Franchise Agreements Signed but Hotels Not Opened	Projected New Franchised Hotels in Next Fiscal Year	Projected New Company-Owned Hotels in Next Fiscal Year
Arizona	3	1	0
Arkansas	2	0	0
California	3	0	0
Colorado	1	0	0
Connecticut	1	0	0
Florida	8	1	0
Georgia	6	2	0
Hawaii	1	1	0
Illinois	1	0	0
Indiana	5	1	0
Massachusetts	2	0	0
Michigan	2	0	0
Missouri	2	1	0

State	Franchise Agreements Signed but Hotels Not Opened	Projected New Franchised Hotels in Next Fiscal Year	Projected New Company-Owned Hotels in Next Fiscal Year
Nebraska	1	1	0
New Jersey	2	0	0
New York	4	1	0
North Carolina	2	0	0
Ohio	3	0	0
Oregon	2	0	0
Pennsylvania	2	0	0
South Carolina	1	0	0
Tennessee	3	0	0
Texas	7	0	0
Utah	2	1	0
Wyoming	1	0	0
Puerto Rico	1	0	0
Total	68	10	0

In these tables, all fiscal year numbers are as of December 31 of each year. Any hotel that had temporarily modified or reduced operations or was temporarily closed in connection with the COVID-19 pandemic is not considered to have ‘closed’ or ‘ceased operations.’

Exhibit A lists all Brand franchisees and the addresses and telephone numbers of all of their outlets as of December 31, 2025.

Exhibit B lists all Brand franchisees who had an outlet terminated, cancelled or not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during 2025, or who has not communicated with us within 10 weeks of the issuance date of this Disclosure Document. This includes any pre-opening terminations and Change of Ownership transactions in which a franchise agreement was terminated.

As of December 31, 2025, there were 2 eforea spas in operation at franchised hotels in the US, and there were 3 eforea spas in operation at Company-Managed hotels in the US. As of December 31, 2025, there was 1 restaurant operating under a Restaurant Brand license at franchised hotel in the US and there were 2 restaurants operating under Restaurant Brand licenses at Company Managed hotels in the US.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last 3 fiscal years, some current and former franchisees have signed provisions restricting their ability to speak about their experience with us. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

We have not created, endorsed, or sponsored any trademark-specific franchisee organizations associated with the System. There are no trademark-specific franchisee organizations associated with the franchise system which are incorporated or otherwise organized under state law and have asked us to be included in our disclosure document during the next fiscal year.

ITEM 21
FINANCIAL STATEMENTS

Attached as Exhibit C are our audited consolidated financial statements including balance sheets as of December 31, 2025 and 2024, the related statements of operations and member's capital, and cash flows for the years ended December 31, 2025, 2024, and 2023, and the related notes to the consolidated financial statements.

ITEM 22
CONTRACTS

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

Exhibit D	Franchise Agreement and Addendum
Exhibit D-2	Development Incentive Promissory Note
Exhibit D-3	Eforea Spa Amendment
Exhibit D-4	Restaurant Brand Amendment
Exhibit E	Guaranty of Franchise Agreement
Exhibit F	Franchise Application
Exhibit G	Information Technology System Agreement (HITS Agreement)
Exhibit K	Lender Comfort Letter Forms

These exhibits are SAMPLES ONLY and are not for signature. These documents are not exhaustive and may vary significantly from state to state and from transaction to transaction.

ITEM 23
RECEIPTS

Exhibit M contains 2 copies of a detachable receipt.

EXHIBIT A

EXHIBIT A

TAPESTRY

OPEN

ALABAMA
JK Commerce LLC The Kelly Birmingham, AL 2027 1ST Avenue North, Birmingham, Alabama 35203

ARIZONA
Capri Tucson Eddy Hotel LLC The Eddy Tucson, AZ 4626 N Campbell Ave, Tucson, Arizona 85718

ARKANSAS
Rogers Hospitality LLC Hotel Avail Rogers, AR 4100 South Pinnacle Hills Parkway, Rogers, Arkansas 72758
SOUTHERN LODGING LLC The Burgundy Hotel, AR 1501 Merrill Dr, Little Rock, Arkansas 72211
El Dorado Hospitality Services LLC The Haywood El Dorado, AR 210 South Washington Avenue, El Dorado, Arkansas 71730
BMM Waters LLC The Waters Hot Springs, AR 340 Central Ave., Hot Springs, Arkansas 71901

CALIFORNIA
Skyline Avatar House LP Avatar Hotel Santa Clara, CA 4200 Great America Pkwy, Santa Clara, California 95054
PDOF Paso 206 LLC Bellasera Hotel & Suite Paso Robles, CA 206 Alexa Ct, Paso Robles, California 93446
Flamingo Bavarian LLC Flamingo Resort & Spa Santa Rosa Sonoma, CA 2777 4th Street, Santa Rosa, California 95405
CS Sonoma Owner LLC Hotel Centro Sonoma Wine Country, CA 5870 Labath Ave, Rohnert Park, California 94928
205 Kentucky Street LLC Hotel Petaluma, CA 205 Kentucky Street, Petaluma, California 94952
S.B. Hotel Partners Hotel Virginia Santa Barbara, CA 17 W Haley, Santa Barbara, California 93101
2322 Lombard Street LLC Infinity Hotel San Francisco, CA 2322 Lombard St, San Francisco, California 94123
Osheanic Capital LLC Inn at Saratoga, CA 20645 Fourth Street, Saratoga, California 95070
Marina del Rey Innvestors Jamaica Bay Inn Marina Del Rey, CA 4175 Admiralty Way, Marina del Rey, California 90292
Truckee Hotel LLC Martis Valley Lodge Truckee, CA 11951 State Highway 267, Truckee, California 96161
California Hotel Group LLC National Hotel Jackson, CA 2 Water St., Jackson, California 95642
Sunrise Harbor Ltd. Redondo Beach Hotel, CA 400 N Harbor Drive, Redondo Beach, California 90277
Sagarmatha Hotel Inc. Sanctity Hotel Rancho Cucamonga, CA 12255 Base Line Road, Rancho Cucamonga, California 91739
7500 Old Dominion Court Associates LLC Seacliff Inn Aptos, CA 7500 Old Dominion Court, Aptos, California 95003
Sonoma Valley Inn Operating Company LLC Sonoma Valley Inn, CA 550 2nd Street West, Sonoma, California 95476
DISNEY WAY HOTEL PARTNERS LLC SunCoast Park Hotel Anaheim Resort, CA 1640 South Clementine St, Anaheim, California 92802
SoInToIt LLC The Anthem Los Angeles Stadium District, CA 3900 W Century Blvd, Inglewood, California 90303
AWH Villa Florence Hotel LLC The Barnes San Francisco, CA 225 Powell St, San Francisco, California 94102

EXHIBIT A

Ponderosa Belamar LLC The Belamar Hotel Manhattan Beach, CA 3501 N. Sepulveda Blvd., Manhattan Beach, California 90266
Grand Pacific Palisades Hotel L.P. The Cassara Carlsbad,CA 5805 Armada Dr, Carlsbad, California 92008
PIPELINE VENTURES INC. The Fin Hotel, CA 133 South Coast Highway, Oceanside, California 92054
Capitol 28 LLC The Fort Sutter Hotel Sacramento, CA 1308 28th St, Sacramento, California 95816
SYBCI CALIFORNIA HOTEL NO.2 LLC The Hadsten Solvang, CA 1450 Mission Drive, Solvang, California 93463
CN Napa Owner LLC The Knoll Hotel Napa Valley, CA 320 Soscol Ave, Napa, California 94559
AWH Goleta Hotel LLC The Leta Santa Barbara Goleta, CA 5650 Calle Real, Goleta, California 93117
Lodge at Healdsburg Limited Partnership The Lodge at Healdsburg, CA 1261 Grove Street, Healdsburg, California 95448
PL Boutique Investors LLC The Monsaraz San Diego, CA 1451 Rosecrans Street, San Diego, California 92106
813 South Flower Street Associates LLC The Wayfarer Downtown LA, CA 813 S Flower Street, Los Angeles, California 90017
IWF SLO Hotel LLC The Wayfarer San Luis Obispo, CA 1800 Monterey Street, San Luis Obispo, California 93401

COLORADO
BMM Basalt LLC The Hoffmann Hotel Basalt Aspen, CO 30 Kodiak Drive, Basalt, Colorado 81621
WelArm Land LLC The Slate Hotel Denver, CO 1250 Welton Street, Denver, Colorado 80204

CONNECTICUT
500 LLC Hotel Marcel New Haven, CT 500 Sargent Drive, New Haven, Connecticut 6511
RMSHotel I LLC The Lloyd Stamford, CT 909 Washington Blvd., Stamford, Connecticut 6901

DELAWARE
Rehoboth Hotel LLC Coast Rehoboth Beach, DE 123 Second Street Sussex, Rehoboth Beach, Delaware 19971
Sands Fenwick Inc. Fenwick Island Hotel, DE 1501 Coastal Highway, Fenwick Island, Delaware 19944

DISTRICT OF COLUMBIA
Georgetown Suites LLC West End Washington DC 1121 New Hampshire Ave NW, Washington DC, District of Columbia 20037

FLORIDA
Fort Walton Beach Hotels LLC Beal House Fort Walton Beachfront, FL 380 Santa Rosa Blvd, Fort Walton Beach, Florida 32548
Vista Hotel XI Inc Castillo Real St. Augustine Beach, FL 530 A1A Beach Blvd, St. Augustine, Florida 32080
SOHO Tampa TRS LLC Hotel Alba Tampa, FL 5303 West Kennedy Blvd, Tampa, Florida 33609
S 3 Hospitality Miami LLC Hotel Dello Fort Lauderdale Apt, FL 28 South Federal Highway, Dania Beach, Florida 33004
905 N. Florida Ave Master Tenant LLC Hotel Flor Tampa Downtown, FL 905 N. Florida Ave, Tampa, Florida 33602
N Melby LLC Hotel Melby Downtown Melbourne, FL 801 E Strawbridge Ave., Melbourne, Florida 32901
MHH Naples Operating LLC Inn of Naples, FL 4055 Tamiami Trail North, Naples, Florida 34103
SOV CMB Hotel Owner LLC Miami Beach - Mid Beach, FL 4000 Collins Ave, Miami Beach, Florida 33140

EXHIBIT A

Shalev Development Group LLC SERENA Hotel Aventura Miami, FL 2820 NE 214th St, Aventura, Florida 33180
Laxmi Lodging Florida LLC The Banyan Hotel Fort Myers, Tapestry Collection by Hilton 1520 Broadway, Fort Myers, Florida 33901
329 E. Main LLC The Terrace Hotel Lakeland, FL 329 E Main St, Lakeland, Florida 33801

GEORGIA
160 Ted Turner Drive LLC The American Hotel Atlanta Downtown, GA 160 Ted Turner Dr NW, Atlanta, Georgia 30303
Jaylaxmi inc. The Bluff Savannah Historic District, GA 630 West Bay Street, Savannah, Georgia 31401
River Street Hotel LLC The Cotton Sail Hotel Savannah, GA 126 W. Bay Street, Savannah, Georgia 31401
551 Ponce Hotel Owner LLC The Wylie Hotel Atlanta, GA 551 Ponce De Leon Ave NE, Atlanta, Georgia 30308

HAWAII
Ambassador Owner L.P. The Ambassador Hotel of Waikiki, HI 2040 Kuhio Ave, Honolulu, Hawaii 96815

IDAHO
Cascade Investments NW LLC Hotel NoBo Cascade, ID 500 N Main St, Cascade, Idaho 83611

ILLINOIS
1244 Hospitality LLC Claridge House Chicago, IL 1244 N Dearborn Pkwy, Chicago, Illinois 60610
Icon Hospitality LLC Hotel Royer Urbana Champaign, IL 210 S Race St, Urbana, Illinois 61801
HOA Hotels LLC The Axis Hotel Moline, IL 1630 5th Avenue, Moline, Illinois 61265
Rosemont Balmoral Hotel LLC The Rose Chicago O'Hare, IL 5200 Pearl Street, Rosemont, Illinois 60018

INDIANA
500 Main LLC Hotel Elkhart, IN 500 South Main Street, Elkhart, Indiana 46516
Nickel Plate Hotel Partners LLC Hotel Nickel Plate Fishers, IN 8651 E 116th Street, Fishers, Indiana 46038

IOWA
HOA Hotels LLC Hotel Renovo Des Moines Urbandale, IA 11167 Hickman Road, Urbandale, Iowa 50322
HOA Hotels LLC Revel Hotel Des Moines Urbandale, IA 11211 Hickman Road, Urbandale, Iowa 50322
Dubuque Racing Association LTD The Key Hotel Dubuque, IA 1825 Greyhound Park Road, Dubuque, Iowa 52001
HOA Hotels LLC The Rewind West Des Moines, IA 6075 Mills Civic Parkway, West Des Moines, Iowa 50266

KANSAS
MHH Oread Operating LLC The Oread Lawrence, KS 1200 Oread Ave, Lawrence, Kansas 66044

EXHIBIT A

KENTUCKY
900 Baxter LLC. The Myriad Hotel Louisville, KY 900 Baxter Ave, Louisville, Kentucky 40204
Raining Hills LLC The Sire Hotel Lexington, KY 120 West Second Street, Lexington, Kentucky 40507

LOUISIANA
Gravier Holdings LLC Hotel Theo New Orleans, LA 535 Gravier St, New Orleans, Louisiana 70130
Hotel Monroe Operations LLC The Hotel Monroe, LA 120 Walnut Street, Monroe, Louisiana 71201

MARYLAND
BLT Fund 9 Bethesdan LLC The Bethesdan Hotel, Bethesda, MD 8120 Wisconsin Avenue, Bethesda, Maryland 0
Fells Point Hotel Investors LLC The William Fell Baltimore, MD 888 S. Broadway, Baltimore, Maryland 21231

MASSACHUSETTS
JNR Cambridge MA OpCo LLC Freepoint Hotel Cambridge, MA 220 Alewife Brook Pkwy, Cambridge, Massachusetts 2138
DDH Hotel NatickWorcester LLC The VERVE Boston Natick, MA 1360 Worcester Street, Natick, Massachusetts 1760

MICHIGAN
Cadillac House LLC Cadillac House Lexington, MI 5502 Main St, Lexington, Michigan 48450
Hotel Ventures 7th St. LLC Tulyp, MI 61 E 7th Street, Holland, Michigan 49423

MINNESOTA
MPLS Acquisition Owner LLC The Lofton Hotel Minneapolis, MN 601 N 1st Ave, Minneapolis, Minnesota 55403

MISSOURI
634 N Grand Master Tenant LLC Angad Arts Hotel St. Louis, MO 3550 Samuel Sheppard Dr, St. Louis, Missouri 63103
Hotel Holdings LLC Hotel Savoy Kansas City, MO 219 W 9th Street, Kansas City, Missouri 64105
Hare Krishna KC Hotel LLC Hotel Westport Kansas City, MO 801 Westport Rd, Kansas City, Missouri 64111

MONTANA
EA West Yellowstone LLC Starlite Yellowstone, MT 301 Madison Ave, West Yellowstone, Montana 59758

NEVADA
Fitzgerald Real Property LLC Whitney Peak Hotel Reno, NV 255 N Virginia St, Reno, Nevada 89501

EXHIBIT A

NEW JERSEY
200 Liberty T Owner LLC Somerset Hills, NJ 200 Liberty Corner Road, Warren, New Jersey 7059
Watt Hotel LLC Watt Hotel Rahway, NJ 1403 Irving Street, Rahway, New Jersey 7065

NEW MEXICO
WPA Taos II LLC Hotel Don Fernando de Taos, NM 1005 Paseo Del Pueblo Sur, Taos, New Mexico 87571

NEW YORK
RSS MSBAM2012C5 NY 3PL LLC Distrikt Hotel New York City, NY 342 West 40th Street, New York City, New York 10018
Midas Canandaigua LLC Hotel Canandaigua, NY 205 Lakeshore Drive, Canandaigua, New York 14424
601 South Crouse Avenue LLC Hotel Skyler Syracuse, NY 601 South Crouse Avenue, Syracuse, New York 13210
Shaker Hills Hospitality Group Hotel Trilogy, NY 254 Wolf Road, Latham, New York 12110
Altmar Genesee LLC Tailwater Lodge Altmar, NY 52 Pulaski Street, Altmar, New York 13302
145 East 47th Street LLC The Bernic Hotel New York City, NY 145 - 147 East 47th Street, New York City, New York 10017
4 West 37th Street LLC The Draper New York, NY 4-6 West 37th Street, New York, New York 10018
Columbia International LLC The George at Columbia, NY 412 West 126th Street, Harlem, New York 10027
5000 Group LLC The Mosey Buffalo Williamsville, NY 5195 Main Street, Williamsville, New York 14221
TRH Hospitality LLC The Roslyn, NY 1221 Old Northern Blvd, Roslyn, New York 11576

NORTH CAROLINA
Golden Sands Resort LLC Golden Sands Carolina Beach Oceanfront, NC 1211 S. Lake Park Blvd., Carolina Beach, North Carolina 28428
Seraj Enterprises Inc. Hotel Lela Wilmington, NC 5001 Market Street, Wilmington, North Carolina 28405
TRIH LLC New Bern Riverfront Hotel, NC 100 Craven St., New Bern, North Carolina 28560
Kent TC MT LLC The Radical Asheville, NC 95 Roberts Street, Asheville, North Carolina 28801
WGC Hospitality LLC Waynesville Inn & Golf Club, NC 176 Country Club Dr., Waynesville, North Carolina 28786
MHI Hospitality TRS LLC Wilmington-Hotel Ballast, NC 301 N. Water Street, Wilmington, North Carolina 0

OHIO
First Barclay LLC Hotel Ardent Dayton Downtown, OH 137 N Main St, Dayton, Ohio 45402
Montgomery Quarter Hotel Partners LLC The Hotel Rambler Montgomery, OH 7711 Roosa Street, Montgomery, Ohio 45242
AWH Master Tenant LLC The Well House Hamilton, OH 10 South Monument Ave, Hamilton, Ohio 45011

OKLAHOMA
Oak Hotel Owner LLC Lively Hotel on OAK Oklahoma City, Tapestry by Hilton 5101 North Pennsylvania Avenue, Oklahoma City, Oklahoma 73112

EXHIBIT A

OREGON

Hotel Management Services LLC Bend, OR 300 NW Franklin Avenue, Bend, Oregon 97703
195 Commercial Street LLC Holman Riverfront Park Hotel Salem 195 Commercial St. SE, Salem, Oregon 97301
Hotel Management Services LLC River's Edge Hotel Portland, OR 455 S Hamilton Court, Portland, Oregon 97239

PENNSYLVANIA

Concord Keystone Sora West Owner LLC NC Hotel West & Main Conshohocken Philadelphia, PA 46 Fayette Street, Conshohocken, Pennsylvania 19428
Scholar State College Manager LLC Scholar State College, PA 205 East Beaver Avenue, State College, Pennsylvania 16801
L H Investors LLC The Wilbur Lititz, Tapestry Collection by Hilton 50 North Broad Street, Lititz, Pennsylvania 17543
YTH Master Tenant LLC The Yorktowne Hotel, PA 48 East Market Street, York, Pennsylvania 17401

RHODE ISLAND

Supreme Bright Warwick I LLC The LOOM Hotel, RI 400 Knight Street, Warwick, Rhode Island 2886

SOUTH CAROLINA

Hotel Florence LLC Hotel Florence, SC 126 W. Evans Street, Florence, South Carolina 29501
SRE Seahawk Owner LLC Myrtle Beach Oceanfront, SC 3200 South Ocean Boulevard, Myrtle Beach, South Carolina 29577

TENNESSEE

CHPF Hotel Partners LLC Black Fox Lodge Pigeon Forge, TN 3171 Parkway, Pigeon Forge, Tennessee 37863
Waymark Chattanooga Master Tenant LLC Chattanooga Downtown, TN 736 Broad Street, Chattanooga, Tennessee 37402
Sachchidanand 1109 LLC Cumberland House Knoxville, TN 1109 White Avenue, Knoxville, Tennessee 37916
Printing House Nashville ME LLC The Printing House Hotel, TN 501 3rd Avenue South, Nashville, Tennessee 37210

TEXAS

LMDN SA LP Estancia del Norte San Antonio, TX 37 NE Loop 410 at McCullough, San Antonio, Texas 78216
Teoff Hotel LP Lorenzo Hotel Dallas, TX 1011 South Akard Street, Dallas, Texas 75215
Supreme Bright Plano III LLC NYLO Dallas Plano Hotel, TX 8201 Preston Road, Plano, Texas 75024
LXMI Las Colinas Property Owner LLC NYLO Las Colinas Hotel, TX 1001 West Royal Lane, Irving, Texas 75039
GSMS 2014GC20 West Loop South LLC The Chifley Houston, TX 2400 W Loop S, Houston, Texas 77027
MB Hospitality FWSouthside LLC The Nobleman Fort Worth, TX 503 Bryan Ave, Fort Worth, Texas 76104
SCA Sam Houston Hotel LP The Sam Houston Hotel, TX 1117 Prairie Street, Houston, Texas 77002

UTAH

Springdale Lodging LLC Hotel De Novo Springdale, UT 2400 Zion Park Blvd, Springdale, Utah 84767

EXHIBIT A

PEERY REFI LLC The Peery Salt Lake City Downtown, UT 110 W Broadway, Salt Lake City, Utah 84101

VERMONT

100 State Street Hospitality LLC Capitol Plaza Hotel Montpelier, VT 100 State Street, Montpelier, Vermont 5602
MHH Killington Operating LLC Killington Mountain Lodge, VT 2617 Killington Road, Killington, Vermont 5751

VIRGINIA

Tabb Street Development LLC Hotel Petersburg,VA 20 West Tabb Street, Petersburg, Virginia 23803
Founders Conference Center LLC The Founders Inn and Spa, Tapestry Collection by Hilton 5641 Indian River Road, Virginia Beach, Virginia 23464
Provident GroupRadford Properties LLC The Highlander at Radford, VA 604 Tyler Avenue, Radford, Virginia 24141
Marina Hotel LLC The Landing at Hampton Marina, Tapestry Collection by Hilton 700 Settlers Landing Road, Hampton, Virginia 23669
OCI Virginia Crossings LLC Virginia Crossings Hotel & Conference Center, VA 1000 Virginia Center Pkwy., Glen Allen, Virginia 23059

WASHINGTON

JEM Building LLC Hotel Maison Yakima, WA 321 E Yakima Ave, Yakima, Washington 98901
Roosevelt Hotel Owner LLC Hotel Theodore Seattle Downtown, WA 1531 7th Ave, Seattle, Washington 98101
Seattle Tower I LLC The Sound Hotel Seattle Belltown, WA 2120 4th Avenue, Seattle, Washington 98121

WEST VIRGINIA

Scholar Hotel WV LLC Scholar Morgantown, WV 345 Chestnut Street, Morgantown, West Virginia 26505

PUERTO RICO

Condado Palm condado Palm Inn San Juan, Puerto Rico 55 Condado Ave, San Juan, Puerto Rico

Signed but not yet Open

ARIZONA

FHG Mayo Clinic Owner LLC Hotel Phoenix North Mayo Clinic, AZ SEQ of N 64th Street and E Mayo Blvd, Phoenix, Arizona 85054
Monaco Group LLC Hotel Scottsdale, AZ 9090 E Horseshoe Rd, Scottsdale, Arizona 85250
DT PHX Lodging LLC The Inkwell Phoenix, AZ 222 E Portland St, Phoenix, Arizona 85004

ARKANSAS

IATM Management LLC Inn at the Mill Springdale, AR 3906 Johnson Mill Blvd, Springdale, Arkansas 72762
203 Emma Avenue OZ LLC Sundry Hotel Springdale, AR SWQ of E Emma Ave. and N Commercial, Springdale, Arkansas 72764

EXHIBIT A

CALIFORNIA
Reneson Hotels Inc. Hotel Auburn, CA 120 Grass Valley Hwy, Auburn, California 95603
Moda Hotels LLC Hotel Santa Ana, CA 1580 E Warner Ave, Santa Ana, California 92705
Pinnacle 1617 LLC The Dextro San Diego Downtown, CA 1617 1st Ave, San Diego, California 92101

COLORADO
HPH Tower Dual LLC Denver Airport, CO SEQ of East 65th Avenue & Tower Rd, Denver, Colorado 80249

CONNECTICUT
Mill Development CT ST LLC Hale Mill Norwich, CT 140 Yantic Road, Norwich, Connecticut 6360

FLORIDA
PLDD Harborview LLC Clearwater Downtown, FL 50 N. Osceola Avenue, Clearwater, Florida 33758
Padmavati Three LLC Daytona Beach, FL 738 - 744 North Atlantic Avenue, Daytona Beach, Florida 32118
Marion Opportunity Zone Investment I LLC Hotel Marion Ocala, FL 108 North Magnolia Avenue, Ocala, Florida 34470
EGD Hotel LLC Hotel Tristan Pensacola, FL 39 East Chase Street, Pensacola, Florida 32502
EHP Orlando Hotel LLC Orlando Universal Boulevard, FL 8504 Universal Blvd, Orlando, Florida 32819
AD1 Daytona Hotels LLC RUSHHH Daytona Beach Hotel, FL 2323 South Atlantic Avenue, Daytona Beach, Florida 32118
Hospitality Group Sarasota Portfolio v LLC Sarasota Downtown Hotel, FL 1703 Main Street, Sarasota, Florida 34236
Vista Hotel VIII Inc. The Factory Hotel St. Augustine, FL 88 Riberia Street, St. Augustine, Florida 32084

GEORGIA
PHG Acquisitions LLC Atlantic Station Atlanta, GA 301 17th St. NW, Atlanta, Georgia 30363
Jekyll Hotel Owner LLC Beachview Club Jekyll Island, GA 721 North Beachview Dr, Jekyll Island, Georgia 31527
Central City Commons GP LLC Macon Downtown Hotel, GA SEQ of Poplar St. and 1st St., Macon, Georgia 31202
Battey Hotel Management Group INC. Rome Hotel, GA 100-110 West 2nd Avenue NW, Rome, Georgia 30161
Downtown Development Authority of Lawrenceville Georgia The Lawrence Hotel Lawrenceville, GA 120 E Crogan St, Lawrenceville, Georgia 30046
Image-Redrock, LLC The SoJourn Pooler Savannah Airport, GA SWQ of I-95 and, Pooler, Georgia 31408

HAWAII
ASAP Seaside Hotel LLC ASAP Maui Op Zone LLC Maui Seaside Hotel, HI 100 W Kaahumanu Ave, Kahului, Hawaii 96732

ILLINOIS
Decatur Management Services LLC Hotel Decatur, IL 250 N. Water St, Decatur, Illinois 62523

EXHIBIT A

INDIANA
Grandview Mishawaka Hotel LLC Hotel Mishawaka, IN NWQ of Cleveland Rd & Gumwood Rd, Mishawaka, Indiana 46530
Muncie Hotel Partners LLC Hotel Muncie, IN 1800 W University Ave, Muncie, Indiana 47303
The Elsby LLC The Elsby New Albany, IN 117 Spring Street, New Albany, Indiana 47150
Printing House Indy LLC The Printing House Hotel Indianapolis, IN 233 McCrea Street, Indianapolis, Indiana 46225
Wilshaw Hotel LLC The Wilshaw Indianapolis, IN 4801 West 16th Street, Speedway, Indiana 46224

MASSACHUSETTS
BHR Operations L.L.C. The Beacon Hill Hotel Boston, MA 5 Blossom Street, Boston, Massachusetts 2114
79 Bridge Street Realty LLC The Berkshire Great Barrington, MA 79 Bridge Street, Great Barrington, Massachusetts 1230

MICHIGAN
GLC Northern Michigan Front LLC Hotel Avec Traverse City, MI 290 W. Front Street, Traverse City, Michigan 49684
Shoreline Inn, LLC The Shoreline Inn, MI 750 Terrace Point Rd, Muskegon, Michigan 49440

MISSOURI
CharterLiberty Plaza Hotel LLC Hotel Kansas City Country Club Plaza, MO 4600 Mill Creek Parkway, Kansas City, Missouri 64112
Anchor Point Hotel LLC St. Louis Hotel, MO 205 N. 9th Street, St. Louis, Missouri 63101

NEBRASKA
R Hotel LLC Hotel Deco Omaha, NE 1504 Harney St, Omaha, Nebraska 68102

NEW JERSEY
Colosseo Atlantic City INC Atlantic City Oceanfront, NJ 3400 Pacific Ave, Atlantic City, New Jersey 8401
South Cove Commons III Urban Renewal LLC Bayonne, NJ 149 LeFante Way, Bayonne, New Jersey 7002

NEW YORK
988CANALST LLC Canal Street Hotel Middletown, NY 9-29 Canal Street, Middletown, New York 10940
2 Girls 1 Boy Holdings LLC Cornwall Arms West Point, NY 317 Main Street, Cornwall, New York 12518
NBD Holdings LLC Freeport, NY 435 Woodcleft Avenue, Freeport, New York 11520
319 West 38th Street LP West 38th Street Hotel New York, NY 321 West 38th Street, New York, New York 10018

NORTH CAROLINA
The Brevard Hotel LLC City Camper Brevard, NC 50 Appletree Street, Brevard, North Carolina 28712

EXHIBIT A

Holdings of John M. Sandlin Southern Pines, NC 275 South Bennett Street, Southern Pines, North Carolina 28387

OHIO
Parkway Towers Associates LLC Cincinnati Downtown, OH 1420 Central Parkway, Cincinnati, Ohio 45202
HOF Village Newco LLC Hall of Fame Village Hotel, OH East of George Halas Dr and South, Canton, Ohio 44708
Cincy DT Hotel LLC Hotel Cincinnati, OH 609 Walnut St, Cincinnati, Ohio 45202

OREGON
Holdings of Masudur Khan SaltLine Hotel Seaside, OR 250 1st Avenue, Seaside, Oregon 97138
A1 Hotels LLC The Foxtrot Hood River, OR 4000 Westcliff Dr, Hood River, Oregon 97031

PENNSYLVANIA
Spring Creek Hotel Operations LLC Hotel Bellefonte, PA 315 West High Street, Bellefonte, Pennsylvania 16823
LAK Bourse Owner LLC The Declaration Philadelphia, PA 111 S. Independence Mall, Philadelphia, Pennsylvania 19106

SOUTH CAROLINA
Main at McBee Hospitality LLC Greenville Downtown, SC SEQ of S Main St. and E McBee Ave, Greenville, South Carolina 29601

TENNESSEE
Holdings of Sandip Patel TN Johnson City Hotel, TN 929 W. Watauga Ave, Johnson City, Tennessee 37604
Holdings of Nitinkumar B. Patel Madison Hotel Memphis Downtown, TN 79 Madison Ave, Memphis, Tennessee 38103
3535 Partners LLC Memphis Central, TN 3535 Central Avenue, Memphis, Tennessee 38111

TEXAS
Equicor Hotel Group Austin Downtown, TX NEQ of W 6th St and Wood St, Austin, Texas 78746
Pier 334 LLC Cedar Creek Reservoir Hotel Gun Barrel City, TX SWQ of Hwy 334 and Big Chief Dr, Gun Barrel City, Texas 75156
EL TROPICANO HOTEL LLC El Tropicano San Antonio Riverwalk, TX 110 Lexington Avenue, San Antonio, Texas 78205
LS Brentway LLC Midland Downtown, TX 112 S Loraine St, Midland, Texas 79701
MM Entrada Hotel LLC The Entrada Hotel, TX SEQ of Hwy 114 and Davis Blvd, Westlake, Texas 76262
OFL Group Ltd. Co. The Hotel Revelry Bryan Downtown, TX SWQ of N Main St and W 21st St, Bryan, Texas 77803
Marble Falls Hotel Group LLC The Ophelia Hotel Marble Falls, TX NWQ of Avenue H and Yett St, Marble Falls, Texas 78654

UTAH
Sugar House Hotel LLC Sugar House Salt Lake City, UT SE corner of 1300 E and 2100 S, Salt Lake City, Utah 84106

EXHIBIT A

Beehive Hospitality Ascent PC LLC The Ascent Park City, UT 4080 North Cooper Lane, Park City, Utah 84098

WYOMING
True Land Realty Company LLC Casper Hotel, WY NEQ of W Midwest Ave & S Ash St, Casper, Wyoming 82601

PUERTO RICO
Cabos Development LLC, Cabos Resort Fajardo, Puerto Rico, Sandinera, 18.34473 N, 65.64159 W, Fajardo, Puerto Rico 00738

EXHIBIT B

EXHIBIT B

TAPESTRY

ALABAMA
St. James Hotel, LLC, St. James Hotel Selma, AL, 2101 5th Avenue North, Birmingham, AL 35203, 813-335-6528

FLORIDA
SRI GANESHA, LLC and AMELIA HOSPITALITY, LLC, Fernandina Beach, FL, 76071 Sidney Place, Yulee, FL 32097, 904-553-4922

GEORGIA
Savannah Liberty Hotel, LLC, Layla Lane Savannah, GA, 60 Pointe Circle, Greenville, SC 29615, 864-232-9944
Image-Redrock, LLC, The SoJourn Pooler Savannah Airport, GA, 508A W. Jones Street, Savannah, GA 31401,

IOWA
Hotel Chauncey LLC, Hotel Chauncey Iowa City, IA, 2706 James St., Coralville, IA 52241, 319-752-7400
HH Vetro LLC, hotelVetro Iowa City, IA, 2706 James St., Coralville, IA 52241, 319-752-7400

LOUISIANA
HP NOLA Hotel LLC, The Troubadour Hotel New Orleans, LA, 4020 Goeller Boulevard, Suite G, Columbus, IN 47201, 212-725-0357

MASSACHUSETTS
220 Alewife Brook Parkway LLC, Freepoint Hotel Cambridge, MA, 510 Walnut Street, 9th Floor, Philadelphia, PA 19106, 215-238-1046

TENNESSEE
PHVIF II Knoxville LLC, Cumberland House Knoxville, TN, 3500 lenox Road, Suite 625, Atlanta, GA 30326, 404-497-4115

TEXAS
O-B NYLO Plano Operator, LLC, NYLO Dallas Plano Hotel, TX, 11755 Wilshire Blvd, Suite 1350, Los Angeles, CA 90025, 800-261-4481
O-B NYLO Las Colinas Operator, LLC, NYLO Las Colinas, TX, 11755 Wilshire Blvd, Suite 1350, Los Angeles, CA 90025, 800-261-4481

EXHIBIT C

Hilton Franchise Holding LLC
Financial Statements
For the years ended December 31, 2025, 2024 and 2023

Hilton Franchise Holding LLC
Index to Financial Statements

Cherry Bekaert LLP
Your Guide Forward

Report of Independent Auditor

To the Member
Hilton Franchise Holding LLC
McLean, Virginia

Opinion

We have audited the accompanying financial statements of Hilton Franchise Holding LLC (the "Company") which comprise the balance sheets as of December 31, 2025 and 2024, and the related statements of comprehensive income and member's equity, and cash flows for the years ended December 31, 2025, 2024, and 2023, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years ended December 31, 2025, 2024, and 2023 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other 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 Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 an audit conducted in accordance with generally accepted auditing standards 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 financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 financial statements.
- Obtain an understanding of internal control relevant to the audit 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 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 audit, significant audit findings, and certain internal control related matters that we identified during the audits.

Cherry Bekaert LLP

Tysons Corner, Virginia
March 18, 2026

Hilton Franchise Holding LLC
Balance Sheets
(in thousands)

	December 31, 2025	December 31, 2024
ASSETS		
Current Assets:		
Cash	$ 671	$ 317
Accounts receivable, net of allowance for credit losses of $12,543 and $10,411	135,003	135,970
Due from Hilton affiliates related to franchise deposits	18,232	18,498
Financing receivables, net of allowance for credit losses of $1 and $3,375	185	11,438
Other receivables due from Hilton affiliates	611,550	703,943
Other	293	2,346
Total current assets	765,934	872,512
Non-current Assets:		
Franchise contracts, net	477,506	392,748
Financing receivables, net of allowance for credit losses of $3,842 and $412	24,394	4,626
Other	1,360	11
Total non-current assets	503,260	397,385
TOTAL ASSETS	$ 1,269,194	$ 1,269,897
LIABILITIES AND MEMBER'S EQUITY		
Current Liabilities:		
Franchise deposits	$ 18,232	$ 18,498
Current intercompany payables	4,450	89,994
Current portion of deferred revenues	44,920	41,598
Current franchise contract acquisition costs payable	31,175	17,120
Other	619	400
Total current liabilities	99,396	167,610
Deferred revenues	540,831	517,282
Franchise contract acquisition costs payable	24,825	8,000
Total liabilities	665,052	692,892
Commitments and contingencies - see Note 7		
Member's Equity:		
Contributed capital	310,000	310,000
Retained earnings	567,745	528,936
Due from Hilton affiliates	(273,637)	(261,959)
Accumulated other comprehensive income	34	28
Total member’s equity	604,142	577,005
TOTAL LIABILITIES AND MEMBER'S EQUITY	$ 1,269,194	$ 1,269,897

See notes to financial statements.

Hilton Franchise Holding LLC
Statements of Comprehensive Income and Member's Equity
(in thousands)

	Year Ended December 31,		
	2025	**2024**	**2023**
Revenues			
Franchise royalty fees	$ 1,502,299	$ 1,434,453	$ 1,331,169
Franchise sales and change of ownership fees	52,254	49,340	43,294
Franchise termination fees and other	5,514	18,276	2,434
Total revenues	1,560,067	1,502,069	1,376,897
Expenses			
Operating expenses	1,475	1,354	861
Provision for credit losses	2,383	6,248	4,430
Amortization	6,121	3,751	414
Other expenses	3,215	—	—
Total expenses	13,194	11,353	5,705
Operating income	1,546,873	1,490,716	1,371,192
Non-operating income (loss), net	3,225	(2,733)	1,217
Income before taxes	1,550,098	1,487,983	1,372,409
Foreign tax expense	(694)	(412)	(128)
Net income	1,549,404	1,487,571	1,372,281
Other comprehensive income:			
Currency translation adjustment	6	28	1
Total other comprehensive income	6	28	1
Comprehensive income	$ 1,549,410	$ 1,487,599	$ 1,372,282
Member's equity, beginning of year[(1)]	$ 577,005	$ 616,454	$ 662,063
Comprehensive income	1,549,410	1,487,599	1,372,282
Distribution of retained earnings to Hilton affiliates	(1,510,595)	(1,500,000)	(1,400,000)
Increase in due from Hilton affiliates	(11,678)	(27,048)	(17,891)
Member's equity, end of year	$ 604,142	$ 577,005	$ 616,454

[(1)] For additional information on the components of member's equity, including the activity during the years ended December 31, 2025, 2024 and 2023, see Note 8: Related Party Transactions.

See notes to financial statements.

Hilton Franchise Holding LLC
Statements of Cash Flows
(in thousands)

	Year Ended December 31,		
	2025	**2024**	**2023**
Operating Activities:			
Net income	$ 1,549,404	$ 1,487,571	$ 1,372,281
Adjustments to reconcile net income to net cash provided by operating activities:			
Amortization of contract acquisition costs	20,128	16,053	12,897
Amortization expenses	6,121	3,751	414
Franchise contract acquisition costs, net of refunds	(91,692)	(81,063)	(37,185)
Changes in operating assets and liabilities:			
Accounts receivable, net	967	(7,971)	(5,787)
Other receivables due from Hilton affiliates	92,393	64,535	30,383
Other current assets	2,053	(2,269)	(54)
Other current liabilities	219	5	10
Change in other non-current assets	(1,349)	(7)	85
Change in deferred revenues	26,871	34,651	46,130
Change in other long-term liabilities	—	(5,568)	5,405
Change in due from Hilton affiliates related to franchise deposits	266	387	(73)
Change in franchise deposits	(266)	(387)	73
Change in current intercompany payables	(240)	4,690	—
Other	2,632	2,382	(1,470)
Net cash provided by operating activities	1,607,507	1,516,760	1,423,109
Investing Activities:			
Acquisition of franchise contract intangible assets	—	(85,304)	—
Payments received on financing receivables	372	5,254	—
Net cash provided by (used in) investing activities	372	(80,050)	—
Financing Activities:			
Issuance (repayment) of short-term note	(85,304)	85,304	—
Distribution of retained earnings to Hilton affiliates	(1,510,595)	(1,500,000)	(1,400,000)
Increase in due from Hilton affiliates	(11,678)	(27,048)	(17,891)
Net cash used in financing activities	(1,607,577)	(1,441,744)	(1,417,891)
Effect of exchange rate changes on cash	52	3	31
Net increase (decrease) in cash	354	(5,031)	5,249
Cash, beginning of year	317	5,348	99
Cash, end of year	$ 671	$ 317	$ 5,348

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

Note 1: Organization

Hilton Franchise Holding LLC ("we," "us," "our" or the "Company") is a Delaware limited liability corporation that was formed on September 12, 2007 and began operations on October 11, 2007. We are a wholly owned subsidiary of Hilton Domestic Operating Company Inc. (the "Parent"), whose equity is indirectly held by Hilton Worldwide Holdings Inc. ("Hilton"). The Company is a franchisor of the Hilton family of brands within the United States ("U.S."), territories of the U.S. and Thailand for franchise contracts executed or amended subsequent to October 24, 2007.

We license intellectual property ("IP"), including brand names, trademarks and service marks, from a wholly owned affiliate of Hilton on a royalty free basis and then license the use of this IP to third-party hotel owners under long-term franchise contracts.

Note 2: Basis of Presentation and Summary of Significant Accounting Policies

Basis of Presentation

Use of Estimates

Our financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported and, accordingly, ultimate results could differ from those estimates.

Summary of Significant Accounting Policies

Revenue Recognition

Revenues are primarily derived from franchise contracts with third-party hotel owners. Our primary performance obligation in connection with these franchise contracts is related to IP licenses, which grant the right to access our IP, including brand IP, reservations systems and property management systems. This performance obligation is considered to be a series of distinct services transferred over time, for which we receive variable consideration through our franchise royalty fees. While the underlying activities may vary from day to day, the nature of the commitments are the same each day, and the hotel owner can independently benefit from each day's services. We may also receive fixed consideration in connection with other types of fees, which usually represent an insignificant portion of the transaction price. We allocate the variable fees to the distinct services to which they relate by applying the prescribed variable consideration allocation guidance, and we allocate fixed consideration to the related performance obligations based on their estimated standalone selling prices. The terms of the fees earned under the contracts relate to a specific outcome of providing the services (e.g., hotel room sales) to satisfy the performance obligations. Using time as a measure of progress, we recognize fee revenue in the period earned per the terms of the contracts. We do not estimate revenues expected to be recognized related to our unsatisfied performance obligations for our royalty fees since they are considered sales-based royalty fees recognized as hotel room sales occur in exchange for licenses of our IP over the terms of the franchise contracts. We do not typically include extended payment terms in our contracts with customers.

Our revenues consist of the following:

- *Franchise royalty fees* are generally based on a percentage of the hotel's monthly gross room revenue and, in some cases, may also include a percentage of gross food and beverage revenues and other revenues, as applicable. These fees are typically billed and collected monthly, and revenue is generally recognized as services are provided.

- *Franchise sales and change of ownership fees* include application, initiation and other fees that are charged when: (i) new hotels enter our system; (ii) there is a change of ownership of a hotel; or (iii) contracts with hotels already in our system are extended. These fees are typically fixed and collected upfront and are recognized as revenue over the term of the franchise contract. We do not consider this advance consideration to include a significant financing component, since it is used to protect us from the hotel owner failing to adequately complete some or all of its obligations under the contract, including establishing and maintaining the hotel in accordance with our standards.

- *Franchise termination fees* are charged in connection with the termination of a franchise contract by the hotel owner. We generally recognize termination fees in the period in which the payment is received as there usually is no further service to be provided and due to the uncertainty of collection associated with the termination of the relationship with the hotel owner.

Accounts Receivable and Financing Receivables

Our accounts receivable primarily consist of amounts due from the hotel owners with whom we have franchise contracts. Our financing receivables consist of loans made to certain owners of franchised hotels.

Allowance for Credit Losses

An allowance for credit losses is provided on both accounts receivable and financing receivables. Our expected credit losses are estimated as of the date of the balance sheet, assuming that conditions existing at that time will not change for the remaining life of the asset, and are based on historical collection activity, the nature of the financial instrument, geographic considerations and current and forecasted business conditions.

Franchise Contracts

We capitalize consideration paid to incentivize hotel owners to enter into franchise contracts with us as contract acquisition costs and, together with other incremental costs to obtain franchise contracts, both of which are generally fixed, as franchise contracts, net in our balance sheet. During the year ended December 31, 2024, we recorded franchise contract intangible assets related to the acquisition of the Graduate brand, which will be amortized over an estimated useful life of 15 years (refer to Note 3: "Acquisition" for additional information). Franchise contracts are amortized using the straight-line method over their respective estimated useful lives, which is the contract term, generally including any extension periods that are at our sole option, and are generally 10 to 20 years. Amortization begins on the opening date of the hotel to which the franchise contract relates or the contract execution date, whichever is later. Amortization of franchise contract acquisition costs is recognized as a reduction to franchise royalty fees and amortization of costs to obtain franchise contracts is recognized as amortization expense in our statement of comprehensive income and member's equity. Cash flows for both contract acquisition costs and costs to obtain a contract are included as operating activities in our statement of cash flows. Cash flows for acquired franchise contracts are included as investing activities in our statement of cash flows. We evaluate the carrying value of our franchise contracts for indicators of impairment, and, if such indicators exist, we perform an analysis to determine the recoverability of the carrying value of the asset group by comparing the expected undiscounted future cash flows to the net carrying value of the asset group. If the carrying value of the asset group is not recoverable and it exceeds the estimated fair value of the asset group, we recognize an impairment loss in our statement of comprehensive income and member's equity for the amount by which the carrying value exceeds the estimated fair value. We allocate the impairment loss related to the asset group among the various assets within the asset group pro rata based on the relative carrying values of the respective assets.

Franchise Deposits

Franchise deposits represent application, initiation and other fees that are collected at the time a hotel owner applies for a franchise license. These amounts are recorded as a current liability until the fees become non-refundable, at which time they are reclassified to deferred revenues. In certain cases, if the franchise application is not approved, the fee is recorded as an other current liability in our balance sheet until it is refunded to the applicant, less processing fees, if applicable.

Contract Liabilities

Contract liabilities relate to non-refundable advance consideration received from hotel owners for application, initiation and other fees reclassified from franchise deposits. This consideration received from hotel owners is recognized over the term of the related contract. Our contract liabilities are presented as deferred revenues in our balance sheet.

Fair Value Measurements - Valuation Hierarchy

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date (i.e., an exit price). We use the three-level valuation hierarchy for classification of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. Inputs refer broadly to the assumptions that market participants would use in pricing an asset or liability. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from independent sources. Unobservable inputs are inputs that reflect our own assumptions about the data market participants would use in pricing the asset or liability developed based on the best information available to us in the specific circumstances. The three-tier hierarchy of inputs is summarized below:

- Level 1 - Valuation is based upon quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 - Valuation is based upon quoted prices for similar assets and liabilities in active markets, or other inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the instrument.
- Level 3 - Valuation is based upon other unobservable inputs that are significant to the fair value measurement.

The classification of assets and liabilities within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement in its entirety. Proper classification of fair value measurements within the valuation hierarchy is considered each reporting period. The use of different market assumptions or estimation methods may have a material effect on the estimated fair value amounts.

Estimates of the fair values of our financial instruments and nonfinancial assets are determined using available market information and appropriate valuation methods. Considerable judgment is necessary to interpret market data and develop the estimated fair values and the classification within the valuation hierarchy. We have not elected the fair value measurement option for any of our financial assets or liabilities.

Acquisitions

We make certain judgments to determine whether a transaction should be accounted for as a business combination or an asset acquisition. These judgments include the assessment of the inputs, processes and outputs associated with an acquired set of activities and whether the fair value of total assets acquired is concentrated to a single identifiable asset or group of similar assets. We account for a transaction as a business combination when the assets acquired include inputs and one or more substantive processes that, together, significantly contribute to the ability to create outputs and substantially all of the total fair value of the assets acquired is not concentrated to a single identifiable asset or group of similar assets. Otherwise, we account for the transaction as an asset acquisition.

When a transaction is accounted for as an asset acquisition, we allocate the cost of the acquisition, including direct and incremental transaction costs, to the individual assets acquired and liabilities assumed based on their relative fair values. We do not recognize any goodwill in an asset acquisition.

Note 3: Acquisition

In May 2024, we completed the acquisition of Graduate franchise contracts, as part of the larger Hilton acquisition of the Graduate brand, and accounted for the transaction as an asset acquisition. As a result, we recorded franchise contract intangible assets at their cost of approximately $85 million.

Note 4: Franchise Contracts

Franchise contracts, net was as follows:

	December 31, 2025		
	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
		(in thousands)	
Contract acquisition costs	$ 486,558	$ (89,436)	$ 397,122
Franchise contract intangible assets acquired	85,304	(9,005)	76,299
Costs to obtain contracts	7,259	(3,174)	4,085
	$ 579,121	$ (101,615)	$ 477,506

	December 31, 2024		
	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
		(in thousands)	
Contract acquisition costs	$ 376,063	$ (69,820)	$ 306,243
Franchise contract intangible assets acquired	85,304	(3,317)	81,987
Costs to obtain contracts	7,259	(2,741)	4,518
	$ 468,626	$ (75,878)	$ 392,748

Amortization of our franchise contracts was as follows:

	Year Ended December 31,		
	2025	2024	2023
		(in thousands)	
Recognized as a reduction of franchise royalty fees	$ 20,128	$ 16,053	$ 12,897
Recognized in amortization expense	6,121	3,751	414

Note 5: Fair Value Measurements

The fair values of our financial assets and liabilities are estimated to be equal to their carrying values as of December 31, 2025 and 2024.

Note 6: Income Taxes

Certain U.S. territories require the taxation of payments made for franchise licensing and certain other fees to foreign domiciled entities, which includes those in the U.S. The taxation rates for these payments vary by jurisdiction and in some cases may be exempt from any withholding taxes based on cross-jurisdictional tax relief agreements. In circumstances where we are subject to a tax on payments made for franchise licensing and certain other fees, the franchisee is responsible for the withholding and remittance of these foreign taxes to the local taxing authority. Taxes related to franchise fees are presented as foreign tax expense in our statements of comprehensive income and member's equity. Taxes that have been withheld that have not been remitted to the local taxing authority are presented as other current liabilities in our balance sheets.

No provision is made in our accounts for U.S. income taxes because for U.S. income tax purposes, we are treated as a disregarded entity and all items of taxable income and expense are included in the computation of taxable income of Hilton. The results of operations reflected in the accompanying statements of comprehensive income and member's equity may differ from amounts reported in Hilton's federal income tax returns because of differences in accounting policies adopted for financial and tax reporting purposes.

Note 7: Commitments and Contingencies

Certain of Hilton's debt obligations, which mature from 2027 to 2034, are unconditionally and irrevocably guaranteed by certain Hilton direct or indirect wholly owned material domestic subsidiaries, which includes us. All of our assets and franchise contracts have been pledged as collateral for the term of the debt agreements. We did not record a guarantee liability related to these guarantees as of December 31, 2025 and 2024 due to the nature of the parent and subsidiary relationship between us and Hilton.

From time to time, we are involved in various claims and lawsuits arising in the ordinary course of business, some of which could include claims for substantial sums. While the ultimate results of claims and litigation cannot be predicted with certainty, we expect that the ultimate resolution of all pending or threatened claims and litigation as of December 31, 2025 will not have a material adverse effect on our financial position, results of operations or cash flows.

Note 8: Related Party Transactions

We maintain intercompany balances with Hilton affiliates, which are the result of Hilton's centralized cash management system, which is not controlled by us. One of these balances relates to franchise deposits, which are collected on our behalf by Hilton affiliates and deposited into a lockbox account to which we have no access. Amounts due from Hilton affiliates related to franchise deposits, if any, are reflected as an asset and are payable to us upon demand. The amounts due from Hilton affiliates include certain receivables from related parties that are repaid through periodic settlements with simultaneous distributions of our retained earnings to Parent. We expect to continue to settle certain amounts due from Hilton affiliates, with amounts that are expected to be settled within twelve months from the date of the balance sheet recorded as current assets. These amounts are classified as other receivables due from Hilton affiliates. Amounts due from Hilton affiliates that are not expected to be repaid are reflected as a component of member's equity.

During the years ended December 31, 2025, 2024 and 2023, we settled $1.5 billion, $1.5 billion and $1.4 billion of other receivables due from Hilton affiliates, respectively, and simultaneously distributed $1.5 billion, $1.5 billion and $1.4 billion of our retained earnings to Parent, respectively. These settlements of other receivables due from Hilton affiliates are presented as operating activities and the distributions of retained earnings are presented as financing activities in our statements of cash flows for the years ended December 31, 2025, 2024 and 2023.

During the year ended December 31, 2024, as discussed in Note 3: "Acquisition," as part of the acquisition of the Graduate brand, we recorded franchise contract intangible assets. The payment for the franchise contract intangible assets acquired was made by an affiliate of ours, and therefore, we recognized a short-term note payable for the value of the assets acquired by us, which was recorded as current intercompany payables on our balance sheet and settled in February 2025, including accrued interest.

We have an operator agreement with a Hilton affiliate which entitles the Hilton affiliate to receive a reasonable fee as compensation to be established from time to time. For the years ended December 31, 2025, 2024 and 2023, no compensation was provided to the Hilton affiliate.

Note 9: Subsequent Events

We have evaluated all subsequent events through March 18, 2026, the date that the financial statements were available to be issued.

EXHIBIT D

Brand Codes Used in the Franchise Agreement

Apartment Collection by Hilton	AQ
Canopy by Hilton	PY
Curio Collection by Hilton	QQ
DoubleTree by Hilton/DoubleTree Suites by Hilton	DT
Embassy Suites by Hilton	ES
Graduate by Hilton	GU
Hampton Inn by Hilton/Hampton Inn & Suites by Hilton	HAM
Hilton Hotels & Resorts	HFS
Hilton Garden Inn	HGI
Home2 Suites by Hilton	H2
Homewood Suites by Hilton	HWS
LivSmart Studios by Hilton	EY
LXR Hotels & Resorts	OL
Motto by Hilton	UAB
Outset Collection by Hilton	ID
Spark by Hilton	PE
Tapestry by Hilton	UP
Tempo by Hilton	PO
Tru by Hilton	RU
Undergraduate by Hilton	UD

FRANCHISE AGREEMENT

[ENTER HOTEL NAME AND CITY/STATE HERE]

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[IF APPLICABLE EXHIBIT _ – SHARED FACILITIES ADDENDUM

[IF JURISDICTION APPLIES EXHIBIT _ [CA, HI, IL, MD, MN, ND, NY, PR, RI, VA, WA] – STATE/TERRITORY ADDENDUM

[ONLY IF NOT A RADIUS EXHIBIT _ RESTRICTED AREA MAP

[IF APPLICABLE EXHIBIT _ PROPERTY IMPROVEMENT PLAN

FRANCHISE AGREEMENT

This Franchise Agreement is entered between Hilton Franchise Holding LLC ("**we**," "**us**," "**our**" or "**Franchisor**") and the Franchisee set forth in the Addendum ("**you**," "**your**" or "**Franchisee**"), and is dated as of the Effective Date. We and you may collectively be referred to as the "**Parties**."

INTRODUCTION

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

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

1.0 DEFINITIONS

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

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

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

"**Anti-Corruption Laws**" means all applicable anti-corruption, anti-bribery, anti-money laundering, books and records, and internal controls laws.

"**Brand**" means the brand name set forth in the Addendum.

"**Chain Code**" means the code that we use to identify the Brand within our Reservation Service. We may modify, remove, or replace the Chain Code for the Brand at any time in our discretion.

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

"**Change of Ownership Transfer**" means any proposed Transfer that results in a change of Control of Franchisee, the Hotel, or the Hotel Site and is not otherwise permitted by this Agreement, all as set out in Subsection 12.2.2.

"**Competing Brand**" means a hotel **[INSERT FOR AQ:** , apartment hotel, or other rental property**]** brand or trade name that, in our sole business judgment, competes with the System, or any System Hotel or Network Hotel.

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

Competing Brand, or exercises, or has the right to exercise, Control over the business decisions of the Competing Brand.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

"**Hilton Worldwide**" means Hilton Worldwide Holdings Inc., a Delaware corporation (NYSE:HLT).

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

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

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

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

"Hotel's Average Monthly Royalty Fees" means: (a) if the Hotel has been operating for at least twenty-four (24) months, the quotient of all Monthly Royalty Fees **[INSERT FOR HFS:** and all Monthly Food and Beverage Fees**]** due under this Agreement for the twenty-four (24) month period immediately preceding the month of termination (the "**Measurement Period**") divided by twenty-four (24); and (b) if the Hotel has not been operating for at least twenty-four (24) months, the quotient of all Monthly Royalty Fees **[INSERT FOR HFS:** and all Monthly Food and Beverage Fees**]** due under this Agreement for the period between the Opening Date and the termination date divided by the number of months between the Opening Date and the termination date. Any temporary financial accommodations (including but not limited to any Monthly Fee discounts, fee ramps, or fee waivers) are excluded from the calculation of Hotel's Average Monthly Royalty Fees.

With respect to subsection (a) above, if a majority of the Guest Rooms were removed from service or regular Hotel operations were suspended during the Measurement Period for ninety (90) or more consecutive days (for any reason whatsoever, including Force Majeure) (a "**Business Interruption**"), the calendar month(s) in which the Business Interruption(s) occurred will be removed from the Measurement Period, and the Measurement Period will be extended earlier in time by one full calendar month for every whole or partial calendar month in which the Business Interruption(s) occurred. For the avoidance of doubt, if the application of this clause would lead to the Measurement Period being reduced to less than twenty-four (24) full calendar months, then the calculation in subsection (b) will apply.

"**Improper Payment**" means any transaction in violation of applicable Anti-Corruption Laws.

"**Indemnified Parties**" means us and our Affiliates, and our and their respective predecessors, successors, and assigns, and our and their respective officers, directors, members, managers, employees, and agents.

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

"**Interim Remedy**" has the meaning set forth in Subsection 13.3.

"**Laws**" means all public laws, statutes, ordinances, orders, rules, regulations, permits, licenses, certificates, authorizations, directions and requirements of all Governments and Government Entities having jurisdiction over the Hotel, Hotel Site or over Franchisee to operate the Hotel, which, now or hereafter, may apply to the construction, renovation, completion, equipping, opening and operation of the Hotel, including Title III of the Americans with Disabilities Act, 42 U.S.C. § 12181, et seq., and 28 C.F.R. Part 36.

"**License**" has the meaning set forth in Subsection 2.1.

[SELECT FOR ALL BRANDS EXCEPT OL: "**Liquidated Damages**" has the meaning set forth in Subsections 6.4.4 and 13.4. **[SELECT FOR OL:** "**Liquidated Damages**" has the meaning set forth in Subsection 6.4.4.

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

"Mandatory Guest Fee" means any separate fee that a patron or guest is charged for in addition to the base room rate for a guest room, including but not limited to resort fees, facility fees, destination fees, amenity fees, urban destination fees, or any other similar fee. Mandatory Guest Fees do not include employee gratuities, state or local mandatory taxes, and other tax-like fees and assessments that are levied on a stay, as determined by us, that are passed through to a third party (such as tourism public improvement district fees, tourism or improvement assessments, and convention center fees).

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

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

"**Monthly Fees**" means, collectively, **[INSERT FOR HFS:** the Monthly Food and Beverage Fee; the Monthly Program Fee and the Monthly Royalty Fee.

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

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

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

[INSERT FOR ANY MANAGED TO FRANCHISE CONVERSION: “**Mortgage Lender**” means any mortgagee or secured party pursuant to mortgage, deed of trust, trust deed, pledge or encumbrance of, or other security interest in, the Hotel or the Hotel Site.

“**Network**” means the elements, including know-how, that we or our Affiliates designate to distinguish the hotels, inns, conference centers, timeshare or residential properties and other hospitality-related businesses that Hilton Worldwide and/or its subsidiaries own, control, license, lease, operate or manage now or in the future.

“**Network Hotel**” means any hotel, inn, conference center, timeshare or residential property or other hospitality-related business within the Network.

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

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

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

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

[INSERT FOR EY, PE, RU: “**Package**” means any specific grouping or selection of furniture, furnishings, fixtures, equipment, amenities, services and/or other supplies that we designate, which must be acquired together as one package, installed and used at the Hotel.

“**Permitted Transfer**” means any Transfer by you or your Equity Owners that does not result in a change of Control of you, the Hotel, or the Hotel Site, as specified in Section 12.2 of this Agreement.

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

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

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

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

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

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

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

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

“**Publicly Traded Equity Interest**” means any Equity Interest that is traded on any securities exchange or is quoted in any publication or electronic reporting service maintained by the National Association of Securities Dealers, Inc., or any of its successors.

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

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

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

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

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

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

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

“**Sanctioned Person**” means any person, entity, or Government, including those with Control over such persons or entities, or acting on behalf of such persons or entity, who is subject to Trade Restrictions that prohibit or restrict the Parties’ performance of the Parties’ obligations under this Agreement.

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

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

“**Standards**” means all standards, specifications, requirements, criteria, and policies that have been and are in the future developed and compiled by us for use by you in connection with the design, construction, renovation, refurbishment, appearance, equipping, furnishing, supplying, opening, operating, maintaining, marketing, services, service levels, quality, and quality assurance of System Hotels, including the Hotel, and for hotel advertising and accounting, whether contained in the Manual or set out in this Agreement or other written communication. The Standards do not include any personnel policies or procedures that we may, at our option, make available to you. You may, in your sole judgment, determine to what extent, if any, any such personnel policies or procedures might apply to the Hotel or Hotel Site.

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

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

[INSERT FOR ALL BRANDS EXCEPT AQ: “**System Hotels**” means hotels operating under the System using the Brand name and the Standards.

[INSERT FOR AQ: “**System Hotels**” means apartment hotels operating under the System using the Brand name and the Standards.

[DELETE FOR GU, OL, PE, PO, UAB, EY: “**System’s Average Monthly Royalty Fees”** means the average Monthly Royalty Fees per Guest Room owed to us by all System Hotels in operation in the United States over the twelve (12) full calendar month period immediately preceding the month of termination (the “**System’s Average Measurement Period**”), multiplied by the number of approved Guest Rooms at the Hotel. Any temporary financial accommodations (including but not limited to any Monthly Fee discounts, fee ramps, or fee waivers) are excluded from the calculation of System’s Average Monthly Royalty Fees. For the avoidance of doubt, any System Hotel that has not been in operation for at least twelve (12) full calendar months immediately preceding the month of termination is not included in determining the System’s Average Monthly Royalty Fees.

In calculating the System’s Average Monthly Royalty Fees, if a Business Interruption occurred at any System Hotel(s) during the System’s Average Measurement Period, then for such System Hotel(s) the calendar month(s) in which the Business Interruption(s) occurred will be removed from the System’s Average Measurement Period, and the System’s Average Measurement Period for such System Hotel(s) will be extended earlier in time by one full calendar month for every whole or partial calendar month in which the Business Interruption(s) occurred. If the application of this provision would lead to the System’s Average Measurement Period for any System Hotel(s) being reduced to less than twelve (12) full calendar months, then the applicable System Hotel(s) will not be included in determining the System’s Average Monthly Royalty Fees.

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

[INSERT FOR OL: “**Termination Fee**” has the meaning set forth in Subsection 13.4**]**

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

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

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

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

"**Your Hotel Agreements**" means any other agreement between you, or any of your Affiliates, and us, or any of our Affiliates, related to this Agreement, the Hotel and/or the Hotel Site.

[INSERT FOR ID, OL, QQ, UP: "**Your Marks**" means any brand names, business names, copyrights, service marks, trademarks or trade names (whether registered or unregistered) developed or owned by you or your Affiliates, or licensed to you or your Affiliates by a third party other than us or our Affiliates, that are used as part of the Trade Name. **[OR OPTIONAL INSERT FOR ID, OL, QQ, UP TO IDENTIFY SPECIFIC OWNER MARK:** Your Marks includes **[____________].]**

2.0 GRANT OF LICENSE

2.1 Non-Exclusive License. We grant to you and you accept a limited, non-exclusive license to use the Marks and the System during the Term at, and in connection with, the operation of the Hotel in accordance with the terms of this Agreement (the "**License**"). You acknowledge and agree that your right to operate the Hotel under the Brand is subject to the other terms and conditions of this Agreement.

2.2 Reserved Rights.

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

2.2.2 We may also:

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

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

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

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

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

[INCLUDE ONLY IF RESTRICTED AREA PROVIDED:
2.3 Restricted Area Provision. The Restricted Area Provision is set forth in the Addendum.**]**

3.0 TERM

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

4.0 OUR RESPONSIBILITIES

We have the following responsibilities to you under this Agreement. We reserve the right to fulfill some or all of these responsibilities through one of our Affiliates or through unrelated third parties, in our sole business judgment. We may require you to make payment for any resulting services or products directly to the provider.

4.1 Training. We may specify certain required and optional training programs and provide these programs at various locations. We may charge you for required training services and materials and for optional training services and materials we provide to you. You are responsible for selecting the personnel to attend such training programs. You are also responsible for all travel, lodging and other expenses you or your employees (or your Management Company's personnel) incur in connection with attending these programs.

4.2 Reservation Service. We will furnish you with the Reservation Service. The Reservation Service will be furnished to you on the same basis as it is furnished to other System Hotels, subject to the provisions of Subsection 13 below. We are not required to furnish you with the Reservation Service for any reservations occurring after the termination or expiration of this Agreement.

4.3 Consultation. We may offer consultation services and advice in areas such as operations, facilities, and marketing, but you will always remain responsible for hiring your employees and the terms and conditions of their employment. We may establish fees in advance, or on a project-by-project basis, for any consultation service or advice you request.

4.4 Marketing.

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

4.4.2 We will use your Monthly Program Fee to pay for various programs to benefit the System and/or the Network, including:

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

4.4.2.2 developing and maintaining directories of and Internet sites for System Hotels and/or Network Hotels;

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

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

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

4.4.4 We may enter into arrangements for development, marketing, operations, administrative, technical and support functions, facilities, programs, and/or other services with any other entity, including any of our Affiliates or third parties.

4.4.5 You acknowledge that Monthly Program Fees are intended for the benefit of the System and the Network and will not simply be used to promote or benefit any one Network Hotel or market.

We will have no obligation in administering any activities paid for with the Monthly Program Fee to make expenditures for you that are equivalent or proportionate to your payments or to ensure that the Hotel benefits directly or proportionately from such expenditures.

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

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

4.5 Inspections/Compliance Assistance. We will administer a quality assurance program for the System that may include conducting pre-opening and periodic inspections of the Hotel and guest satisfaction surveys and audits to ensure compliance with the Standards. You will permit us to inspect the Hotel without prior notice to you to determine if the Hotel is in compliance with the Standards. You will cooperate with our representatives during these inspections. You will then take all steps necessary to correct any deficiencies within the times we establish. We may charge you quality assurance program fees and charges as set forth in the Standards. You will provide complimentary accommodations for the quality assurance auditor each time we conduct an on-site quality assurance inspection, evaluation, or re-evaluation, or to verify that deficiencies noted in a quality assurance evaluation report or PIP have been corrected or completed by the required dates. Audits conducted under our quality assurance program will not include review or approval of your (or your Management Company’s) personnel policies or procedures.

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

4.7 Equipment and Supplies. We will make available to you for use in the Hotel various purchase, lease, or other arrangements for exterior signs, operating equipment, operating supplies, **[INSERT FOR EY, PE, RU:** Packages**]** and furnishings, which we make available to other System Hotels.

5.0 YOUR RESPONSIBILITIES

5.1 Operational and Other Requirements. You must:

5.1.1 operate the Hotel twenty-four (24) hours a day after the Opening Date;

5.1.2 operate the Hotel using the System, in compliance with this Agreement and the Standards, and in such a manner to provide courteous, uniform, respectable and high quality lodging and other services and conveniences to the public. You acknowledge and agree that: (a) you have exclusive day-to-day control of the business and operation of the Hotel (including hiring your employees and the terms and conditions of their employment); (b) although we provide the Standards, we do not in any way possess or exercise day-to-day control of the business and operation of the Hotel; (c) we do not dictate nor control labor or employment matters for you or your employees; nor do we reserve any right or authority to do so; and (d) we are not responsible for the safety and security of your employees or guests;

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

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

5.1.5 comply with our Standards for the training of personnel involved in the operation of the Hotel, including completion by your (or your Management Company's) key personnel of the Hotel of a training program for operation of the Hotel under the System, at locations we designate. You will pay us all fees and charges, if any, we require for your personnel to attend these training programs. You are responsible for selecting the personnel to attend such training programs. You are also responsible for all travel, lodging and other expenses you or your employees (or your Management Company's personnel) incur in connection with attending these programs. You acknowledge and agree that when we provide training, we provide the training content that we deem necessary and appropriate for the business functions of the Hotel so that it may operate in accordance with our Standards; and we do not direct or supervise your personnel, or have, retain, or exercise any control over your (or your Management Company's) personnel or personnel policies or procedures in any manner;

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

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

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

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

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

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

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

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

5.1.14 treat as confidential the Standards, the Manual and all other Proprietary Information. You acknowledge and agree that you do not acquire any interest in the Proprietary Information other than the right to utilize the same in the development and operation of the Hotel under the terms of this Agreement. You agree that you will not use the Proprietary Information in any business or for any purpose other than in the development and operation of the Hotel under the System and will maintain the absolute confidentiality of the Proprietary Information during and after the Term. You will not make unauthorized copies of any portion of the Proprietary Information; and will adopt and implement all procedures we may periodically establish in our business judgment to prevent unauthorized use or disclosure of the Proprietary Information;

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

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

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

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

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

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

5.1.21 participate in and pay all charges related to other programs that we require pursuant to the Standards (in addition to programs covered by the Monthly Program Fee), and any optional programs that you opt into;

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

5.1.23 not share the business operations and Hotel facilities with any Other Hotel or other business or use them for any purpose other than operating a System Hotel;

5.1.24 provide to us information we reasonably request about any proposed lease or sublease of commercial space, or other concession arrangements, in the Hotel in the ordinary course of business, so that we may review and approve the nature of the proposed business, including the proposed brand and concept, in compliance with our then-current Standards for System Hotels;

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

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

5.1.27 not, and ensure that your Equity Owners with controlling Equity Interests, Affiliates, employees, and Management Company do not, engage in any conduct which we reasonably determine is likely to adversely reflect upon or affect in any manner the reputation, goodwill, or business of the Hotel, the System, us and/or any of our Affiliates;

5.1.28 obtain our approval to charge any Mandatory Guest Fees at the Hotel in accordance with the Standards and subject to our requirements for granting such approval; and

5.1.29 **[FOR AQ INSERT**: not become a Competitor or permit your Affiliate to become a Competitor.] **[FOR ALL OTHER BRANDS INSERT**: not become a Competitor, or permit your Affiliate to become a Competitor, in the **[INSERT FOR OL:** luxury **[INSERT FOR GU, PY, ES, HFS, QQ:** upper upscale **[INSERT FOR DT, HGI, HWS, ID, PO, UP:** upscale **[INSERT FOR HAM, HIS, H2, UAB, UD:** upper midscale **[INSERT FOR EY, RU:** midscale **] [INSERT FOR PE:** economy or midscale**]** hotel market segment, or any substantially equivalent market segment, as determined by STR, LLC and its affiliates (collectively "**STR**") (or, if STR is no longer in existence, STR's successor or other such industry resource that is as equally as reputable as STR). **[FOR AQ, ID, OL, QQ, UP, REPLACE "." WITH:** ; and **]**

5.1.30 **[INSERT FOR AQ, ID, OL, QQ, UP:** not, and ensure that your Affiliates do not, allow any Competitor to use Your Marks without our prior written approval.**]**

5.2 Room Rates and Pricing. Subject to Section 5.1, you are responsible for setting your own rates for Guest Rooms and prices for any other products or services offered at, from, or in connection with the Hotel. However, we may: (a) proscribe certain types of charges or billing practices; (b) establish maximum rates and prices for marketing and promotions as permitted by Laws; (c) require that the rates and prices you advertise through certain distribution channels be the same as or better than the rates and prices you advertise through other distribution channels; (d) require you to participate in certain revenue or inventory management programs that we provide; and/or (e) impose other pricing requirements as required or permitted by Laws. In addition, we may suggest room rates and pricing policies to the extent permitted by Laws but have no obligation to do so. We do not represent or warrant that any rates or pricing policies that we suggest will produce, increase, optimize, or otherwise affect your Hotel's revenue and we have no liability in connection with such suggestions.

6.0 HOTEL WORK

6.1 Necessary Consents.

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

6.1.2 Plans and Designs must be submitted to us in accordance with the schedule specified in the Addendum, or any PIP attached to this Agreement.

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

6.1.4 Before we approve your Plans, your architect or other certified professional must certify to us that the Plans comply with all Laws related to accessibility/accommodations/facilities for those with disabilities. You are solely responsible for ensuring that the Plans and Designs (including Plans and Designs for Hotel Work) comply with our then-current Standards, the Manual, **[INSERT FOR EY, PE, RU:** our Package requirements, and all Laws.

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

6.2 Initial Hotel Work. You will perform or cause the Hotel Work to be performed in accordance with this Agreement, the approved Plans and Designs, **[INSERT FOR EY, PE, RU:** the approved Package, the Manual, and any PIP attached to this Agreement. You will bear the entire cost of the Hotel Work, including the cost of the Plans and Designs, professional fees, licenses, permits, **[INSERT FOR EY, PE, RU:** Packages, equipment, furniture, furnishings and supplies. You are solely responsible for obtaining all necessary licenses, permits and zoning variances required for the Hotel Work, and for ensuring that all Hotel Work complies with the Standards, the Manual, any PIP, and all Laws.

6.3 Commencement and Completion of the Hotel Work.

6.3.1 You will commence the Hotel Work on or before the Construction Commencement Date or Renovation Commencement Date specified in the Addendum or any PIP. You must promptly provide to us evidence satisfactory to us that the Construction Work or Renovation Work has commenced. Once commenced, the Hotel Work will continue uninterrupted except to the extent continuation is prevented by events of Force Majeure. You must give written notice to us specifying the nature and duration of any event of Force Majeure promptly after becoming aware of the event of Force Majeure, and specifying that you have used, and continue to use, reasonable endeavours to mitigate the effects of such event of Force Majeure until such event of Force Majeure ceases to exist.

6.3.2 The Hotel Work must be completed, and the Hotel must be furnished, equipped, and otherwise made ready to open in accordance with the terms of this Agreement no later than the Construction Work Completion Date or Renovation Work Completion Date specified in the Addendum or any PIP, as the applicable date may be extended.

6.3.3 [SELECT FOR ND/CV AND PRE-OPENING COO]: Despite your obligation to commence and complete Hotel Work by the agreed deadlines, we agree that the Construction Commencement Date, Renovation Commencement Date, Construction Work Completion Date, or

Renovation Work Completion Date specified in the Addendum or any PIP will be automatically extended by thirty (30) days on a rolling basis, unless we provide at least sixty (60) days' notice to you that these automatic extensions of the applicable deadline no longer apply. You must obtain our approval for any further extension of the applicable deadline after receipt of our notice. We may, in our sole discretion, grant or deny approval, or condition our approval of your extension request on (a) your payment of our then-current extension fee; (b) your prompt submission of a written status of the project, including such information as we might reasonably request; and/or (c) any other conditions we consider appropriate under the circumstances. Notwithstanding the foregoing, if we authorize the opening of the Hotel before the Hotel Work is completed, then as of the Opening Date, such automatic extensions of the Construction Work Completion Date and Renovation Work Completion Date, as applicable, will no longer apply.**] [SELECT FOR POST-OPENING COO AND RL:** You may request an extension of the Renovation Commencement Date, or the Renovation Work Completion Date specified in the Addendum or any PIP by submitting a request for our approval before the applicable deadline, describing the status of the project and the reason for the requested extension, and paying our then-current extension fee. We may, in our sole discretion, grant or deny approval, or condition our approval of your extension request on (a) your payment of our then-current extension fee; (b) your prompt submission of a written status of the project, including such information as we might reasonably request; and/or (c) any other conditions we consider appropriate under the circumstances.**]**

6.4 Opening the Hotel.

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

6.4.2 You will give us at least fifteen (15) days advance notice that you have complied with all the terms and conditions of this Agreement and the Hotel is ready to open. We will use reasonable efforts within fifteen (15) days after we receive your notice to visit the Hotel and to conduct other investigations as we deem necessary to determine whether to authorize the opening of the Hotel, but we will not be liable for delays or loss occasioned by our inability to complete our investigation and to make this determination within the fifteen (15) day period. If you fail to pass our initial opening site visit, we may, in our sole business judgment, charge you reasonable fees associated with any additional visits.

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

6.4.3.1 your architect, general contractor or other certified professional provides us with a certificate stating that the as-built premises comply with all Laws relating to accessibility/accommodations/facilities for those with disabilities;

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

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

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

6.4.3.5 all fees and charges you owe to us or our Affiliates have been paid; and

6.4.3.6 any actual or alleged breach of, or dispute relating to the subject matter of, any representation, warranty or obligation under Section 16.12 of this Agreement has been resolved to our satisfaction.

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

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

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

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

6.6 Hotel Refurbishment and Room Addition.

6.6.1 We may periodically require you to modernize, rehabilitate and/or upgrade the Hotel's **[INSERT FOR EY, PE, RU:** Package, fixtures, equipment, furnishings, finishes, furniture, signs, computer hardware and software and related equipment, supplies and other items to meet the then-current Standards. You will make these changes at your sole cost and expense and in the time frame we require.

6.6.2 You may not make any significant changes (including major changes in structure, design or décor) in the Hotel. **[INSERT FOR EY, PE, RU:** As long as they do not change or affect Package requirements, **[**m/M**]**inor redecoration and minor structural changes that comply with our Standards will not be considered significant.

6.6.3 You may not make any change in the number of approved Guest Rooms in the Addendum without our prior consent. If you wish to add additional Guest Rooms to the Hotel after the Opening Date, you must submit an application to obtain our consent, pay our then-current Room Addition Fee, and execute an amendment to this Agreement in the form required by us. As a condition to our granting approval of your application, we may require you to modernize, rehabilitate or upgrade the Hotel in accordance with Subsection 6.6.1 of this Agreement, and to pay us our then-current PIP Fee to prepare a PIP to determine the renovation requirements for the Hotel.

7.0 MANAGEMENT OF THE HOTEL

7.1 You are solely responsible for the management of the Hotel's business, including (but not limited to) staffing the Hotel so that it can operate in accordance with the Standards. You will provide qualified and experienced management ("**Management Company**") **[IF APPLICABLE:** at least six (6) months before the Opening Date**]**. Your Management Company must be approved by us in writing. We have the right to communicate directly with the Management Company and managers at the Hotel regarding the Hotel's operations and compliance with the Standards and/or this Agreement. We may rely on the communications of such managers or Management Company as being on your behalf. Any Management Company and its employees must have the authority to perform all of your obligations under this Agreement. The engagement of a Management Company does not reduce your obligations under this Agreement. In the case of any conflict between this Agreement and any agreement with the Management Company, this Agreement prevails.

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

7.3 If your approved Management Company becomes a Competitor, resigns or is terminated by you, or otherwise becomes unsuitable or unqualified, in our sole business judgment, to manage the Hotel during the Term, you will have ninety (90) days to retain a substitute Management Company that is acceptable to us.

8.0 PAYMENT OF FEES

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

8.2 Calculation and Payment of Fees.

8.2.1 The Monthly Fees will be calculated in accordance with the accounting methods of the then-current Uniform System of Accounts for the Lodging Industry, or as specified by us in the Manual.

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

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

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

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

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

8.4 Taxes. If a Gross Receipts Tax is imposed on us or any of our Affiliates based on payments made by you related to this Agreement, then you must reimburse us or the affected Affiliates for such Gross Receipts Tax to ensure that the amount we or our Affiliates retain, after paying the Gross Receipts Tax, equals the net amount of the payments you are required to pay us or our Affiliates had such Gross Receipts Tax not been imposed. You are not required to pay income taxes payable by us or any of our Affiliates as a result of our net income relating to fees collected under this Agreement.

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

8.6 Guaranty. If we send you a written notice that you are in default of this Agreement for your failure to timely pay or fund all amounts due us or any of our Affiliates, then we may require, as an additional condition of curing the default, that you cause a third party that is acceptable to us to provide a guaranty covering all of your obligations under this Agreement in a form and substance that is acceptable to us.

8.7 Set-off. We may, without prior notice to you, set off any amounts due to us or any of our Affiliates by you or any of your Affiliates against any amounts that we or our Affiliates owe to you or your Affiliates, to the extent such amounts arise under this Agreement or any of Your Hotel Agreements, without waiving any other rights and remedies we or any of our Affiliates may have available under this Agreement or any of Your Hotel Agreements or otherwise.

9.0 PROPRIETARY RIGHTS

9.1 Our Proprietary Rights.

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

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

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

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

9.1.1.4 the validity or ownership of the Marks.

9.1.2 You acknowledge that these Marks have acquired a secondary meaning or distinctiveness which indicates that the Hotel, Brand and System are operated by or with our approval. All improvements and additions to, or associated with, the System, all Marks, and all goodwill arising from your use of the System and the Marks, will inure to our benefit and become our property (or that of our applicable Affiliates), even if you develop them. **[SELECT FOR AQ, EY, ID, UD**: You acknowledge that the following Marks owned by us (or which we have the right to use and sublicense) are still pending federal registration as of the Effective Date:

[SELECT FOR AQ:

Mark	Application Number	Registration Number	Registration Date
APARTMENT COLLECTION BY HILTON	99594599	Pending	Pending

[SELECT FOR EY:

Mark	Application Number	Registration Number	Registration Date
LIVSMART STUDIOS BY HILTON (word)	98109885	Pending	Pending
LIVSMART STUDIOS BY HILTON (with logo)	98347644	Pending	Pending
LIVSMART (design logo)	98547660	Pending	Pending

[SELECT FOR ID:

Mark	Application Number	Registration Number	Registration Date
OUTSET COLLECTION BY HILTON (word)	99334608	Pending	Pending

[SELECT FOR UD:

Mark	Application Number	Registration Number	Registration Date
UNDERGRADUATE BY HILTON (word)	99318181	Pending	Pending
UNDERGRADUATE BY HILTON (word)	99318187	Pending	Pending

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

9.2 Trade Name, Use of the Marks.

9.2.1 Trade Name.

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

9.2.1.2 You acknowledge and agree that you are not acquiring the right to use any business names, copyrights, designs, distinguishing characteristics, domain names, emblems, insignia, logos, slogans, service marks, symbols, trademarks, trade dress, trade names or any other marks or characteristics owned by us or licensed to us that we do not specifically designate to be used in the System.

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

9.3.1 your corporate, partnership, business or trade name;

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

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

9.4 Trademark Disputes.

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

9.4.2 You appoint us as your exclusive, true and lawful attorney-in-fact, to prosecute, defend and/or settle all disputes of this type at our sole option. You will sign any documents we or our applicable Affiliate believe are necessary to prosecute, defend or settle any dispute or obtain protection for the Marks and the System and will assign to us any claims you may have related to these matters. Our decisions as to the prosecution, defense or settlement of the dispute will be final. All recoveries made as a result of disputes regarding use of all or part of the System or the Marks will be for our account.

9.5 Web Sites.

9.5.1 You may not register, own, or maintain any Sites that relate to the Network, or the Hotel, or that include the Marks. The only domain names, Sites, or Site contractors that you may use relating to the Hotel or this Agreement are those we assign or otherwise approve in writing. You acknowledge that you may not, without a legal license or other legal right, post on your Sites any material in which any third party has any direct or indirect ownership interest. You must incorporate on your Sites any information we require in the manner we deem necessary to protect our Marks.

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

9.6 Covenant.

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

9.6.2 If you engage in such non-compliance or unauthorized and/or improper use of the System or the Marks during or after the Term, we and any of our applicable Affiliates, along with the successors and assigns of each, will be entitled to both temporary and permanent injunctive relief against you from any court of competent jurisdiction, in addition to all other remedies we or our Affiliates may have at law. You consent to the entry of such temporary and permanent injunctions. You must pay all costs and expenses, including reasonable attorneys' fees, expert fees, costs and other expenses of litigation that we and/or our Affiliates may incur in connection with your non-compliance with this covenant.

10.0 REPORTS, RECORDS, AUDITS, AND PRIVACY

10.1 Reports.

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

10.1.2 At our request, you will certify the Reports as accurate in the manner we require. You must permit us to inspect your books and records at all reasonable times.

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

10.3 Audit.

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

10.3.2 If any inspection or audit reveals that you understated or underpaid any payment due to us, you will promptly pay to us the deficiency, plus interest from the date each payment was due until paid at the interest rate set forth in Section 16.15 of this Agreement.

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

10.4 Ownership of Information. All information that we provide to you, including but not limited to Personal Information, for your use in connection with operating the Hotel during the Term is our property. You may not use any such information after the Term, except as expressly permitted by us in writing in the Standards or otherwise. All Information we obtain from you and all revenues we derive from such Information will be our property that we may use for any reason, including making a financial performance representation in our franchise disclosure documents. At your sole risk and responsibility, you may use Information that you acquire from third parties in connection with operating the Hotel, such as Personal Information (but not including any Personal Information obtained in connection with guest reservations or any loyalty or frequent guest program operated by us or our Affiliates), at any time during or after the Term, to the extent that your use is permitted by Law.

10.5 Privacy and Data Protection. You will:

10.5.1 comply with all applicable Privacy Laws;

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

10.5.3 refrain from any action or inaction that could cause us or our Affiliates to breach any Privacy Laws;

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

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

11.0 CONDEMNATION AND CASUALTY

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

11.2 Casualty.

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

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

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

12.0 TRANSFERS

12.1 Our Transfer.

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

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

12.2 Your Transfer. You understand and acknowledge that the rights and duties in this Agreement are personal to you and that we are entering into this Agreement in reliance on your business skill, financial capacity, and the personal character of you and your officers, directors, partners, members, shareholders or trustees. A Transfer by you (or by an Equity Owner as of the Effective Date, or by a transferee Equity Owner we later approve) of any Equity Interest, or this Agreement, or any rights or obligations under this Agreement, is prohibited other than as expressly permitted in this Agreement. In any Transfer by you or any Equity Owner under this Subsection 12.2, the proposed Transferee may not be a Sanctioned Person or a Competitor.

12.2.1 Permitted Transfers. We will permit you or any Equity Owner to engage in the Permitted Transfers set forth in this Subsection 12.2.1 if the Permitted Transfer meets the listed requirements. If a Permitted Transfer under Subsection 12.2.1.2 (requiring notice and our consent) otherwise qualifies as a Permitted Transfer under Subsection 12.2.1.1 (not requiring notice or our consent), the less restrictive provisions of Subsection 12.2.1.1 will control.

12.2.1.1 Permitted Transfers That Do Not Require Notice or Our Consent. We will permit you or any Equity Owner to engage in the following Permitted Transfers without giving notice or obtaining our consent if the Permitted Transfer meets the listed requirements.

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

12.2.1.1.2 Privately Held Equity Interests: Less than 50% Change. An Equity Interest that is not publicly traded may be Transferred if the transferee Equity Owner will own less than fifty percent (50%) of the Equity Interests, in total, immediately after the transaction(s) as a result of the transaction(s).

12.2.1.1.3 Institutional Investment Funds. [IF APPLICABLE You may Transfer Equity Interests within **[**Insert Fund Entities (collectively, the "**Fund Entities**") and Equity Interests in you to new fund entities or new managed accounts (collectively, "**Future Funds**") if **[**Insert Name of Asset Manager**]** ("**Asset Manager**") directly or indirectly, controls the Fund Entities or Future Funds.

12.2.1.2 Permitted Transfers That Require Notice and Our Consent. We will permit you or any Equity Owner to engage in the following Permitted Transfers if the Permitted Transfer meets the listed requirements. For Permitted Transfers under this Subsection, you must: (a) give us at least sixty (60) days' advance written notice of the proposed Permitted Transfer (including the identity and contact information for any proposed transferee); (b) pay to us on request our then-current nonrefundable processing fee; (c) follow our then-current procedure for processing Permitted Transfers, including providing any information we may require in order to review the proposed Transfer and completing our then-current compliance process; and (d) execute our then-current standard documents required for processing Permitted Transfers.

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

12.2.1.2.2 Transfers to a Family Member or Trust. If you or any Equity Owner as of the Effective Date are a natural person, you and such Equity Owner may Transfer an

Equity Interest or this Agreement to an immediate family member (i.e., spouse, children, parents, siblings) or to a trust for your benefit or the benefit of the Equity Owner or the Equity Owner's immediate family members.

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

12.2.2 Change of Ownership Transfer. A Change of Ownership Transfer is any Transfer that will result in a change of Control of you, the Hotel or the Hotel Site, or is not otherwise described in Subsection 12.2.1. We will have sixty (60) days from our receipt of the completed and signed franchise application to consent or withhold our consent to any proposed Change of Ownership Transfer. Our consent will not be unreasonably withheld. You consent to our communication with any third party we deem necessary about the Hotel in order for us to evaluate the proposed Change of Ownership Transfer. Our consent to the Change of Ownership Transfer is subject to the following conditions, all of which must be satisfied at or before the date of closing the Change of Ownership Transfer ("**Closing**"):

12.2.2.1 Transferee submits a completed and signed Change of Ownership Application, pays our then-current franchise application fee, executes our then-current form of franchise agreement, and all required ancillary documents. If all conditions to our consent are fulfilled, the date of Closing will be the termination date of this Agreement, and the effective date of Transferee's franchise agreement;

12.2.2.2 you are not in default of this Agreement or any other agreements with us or our Affiliates;

12.2.2.3 you or Transferee pay to us, on or before the date of Closing, the PIP Fee, and all amounts due to us and our Affiliates through the date of the Closing. We will estimate the amounts due to us through the date of Closing, which you and the Transferee may agree to escrow, to be disbursed to us at Closing to fulfill this obligation. You must agree to escrow the estimated amounts due to us if we agree to execute any documents pursuant to Standard Operating Procedure 50 10 5(I) (or any equivalent or successor) of the United States Small Business Administration in connection with a Closing. If our estimate of the amounts due to us exceeds the amount actually owed to us, we will refund the difference to you, generally within thirty (30) days after the date of Closing;

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

12.2.2.5 you, Transferee and/or Equity Owner(s) of Transferee, submit to us all information related to the Transfer that we require;

12.2.2.6 Transferee meets our then-current business requirements for new franchisees; and

12.2.2.7 Transferee agrees to indemnify, hold harmless, and defend us and our Affiliates against any inquiry, investigation, suit, action, or proceeding arising out of or in connection with any fees or costs charged to patrons or guests by you.

12.3 Public Offering or Private Placement.

12.3.1 Any offering by you of Securities requires our review if you use the Marks, or refer to us or this Agreement in your offering. All materials required by any Law for the offer or sale of those

Securities must be submitted to us for review at least sixty (60) days before the date you distribute those materials or file them with any governmental agency, including any materials to be used in any offering exempt from registration under any securities laws.

12.3.2 You must submit to us a non-refundable Five Thousand Dollar ($5,000) processing fee with the offering documents and pay any additional costs we may incur in reviewing your documents, including reasonable attorneys' fees.

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

12.3.4 You may not sell any Securities unless you clearly disclose to all purchasers and offerees that we, our Affiliates, and our or their respective officers, directors, agents or employees: (a) will not in any way be deemed an issuer or underwriter of the Securities, as those terms are defined in applicable securities laws; and (b) have not assumed and will not have any liability or responsibility for any financial statements, prospectuses or other financial information contained in any prospectus or similar written or oral communication. You may not state, represent, or imply that we, Hilton Worldwide, or any other of our Affiliates, participate in or endorse any Securities or any Securities offering in any manner whatsoever.

12.3.5 You must indemnify, defend and hold the Indemnified Parties free and harmless of and from any and all liabilities, costs, damages, claims or expenses arising out of or related to the sale or offer of any of your Securities to the same extent as provided in Subsection 14.1 of this Agreement.

12.4 Mortgages and Pledges to Lending Institutions.

12.4.1 You or an Equity Owner may mortgage or pledge the Hotel or an Equity Interest to a lender that finances the acquisition, development or operation of the Hotel, without notifying us or obtaining our consent.

12.4.2 You may request a "lender comfort letter" on behalf of your lender, which we will issue in a form satisfactory to us, subject to our right to charge our then-current non-refundable processing fee.

[FOR MANAGED TO FRANCHISE CONVERSIONS, REPLACE WITH:

12.4.1 You or an Equity Owner may mortgage or pledge the Hotel or an Equity Interest to a lender that finances the acquisition, development or operation of the Hotel, provided that any Mortgage Lender signs a "lender comfort letter" in the form required by us pursuant to Subsection 12.4.2.

12.4.2 You may request a "lender comfort letter" on behalf of your lender, which we will issue in a form satisfactory to us, subject to our right to charge our then-current non-refundable processing fee. Further, you must cause each Mortgage Lender to sign a "lender comfort letter" in the form required by us under which such Mortgage Lender agrees, among other things, (a) not to disturb or interfere with our rights under this Agreement notwithstanding any default under the related loan documents, and (b) to assume (or cause the transferee to assume) your obligations under this Agreement **[INCLUDE IF APPLICABLE:** (including the Development Incentive Note attached hereto, and all obligations with respect to the repayment of the development incentive and the payment of the Termination Fee)**]** if such Mortgage Lender or any other transferee acquires possession and/or ownership of the Hotel as a result of the exercise of remedies available to Mortgage Lender under its loan documents or otherwise.

13.0 TERMINATION

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

13.1.1 You fail to pay us any sums due and owing to us or our Affiliates under this Agreement or to pay or fund any amounts due under any of Your Hotel Agreements within the cure period set forth in the notice, which shall not be less than ten (10) days;

13.1.2 You fail to commence or complete the Hotel Work by the applicable deadline date, including any extensions, or fail to open the Hotel on the Opening Date, and do not cure that default within the cure period set forth in the notice, which shall not be less than ten (10) days;

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

13.1.4 You fail to comply with any other provision of this Agreement, the Manual or any Standard, or you breach a representation or warranty made in this Agreement, and you do not cure that default within the cure period set forth in the notice, which shall not be less than thirty (30) days unless expressly provided otherwise in this Agreement.

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

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

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

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

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

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

13.2.6 you fail to operate the Hotel for five (5) consecutive days, unless the failure to operate is due to an event of Force Majeure, provided that you have taken reasonable steps to minimize the impact of such events;

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

13.2.8 you or any Equity Owner with a controlling Equity Interest, or any of your Affiliates, employees, or Management Company, engage in conduct that we reasonably determine is likely to adversely reflect upon or affect in any manner the reputation, goodwill, or business of the Hotel, the System, us and/or any of our Affiliates;

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

13.2.10 any Transfer is not in compliance with Section 12 and its subparts;

13.2.11 you, your Affiliate or any Guarantor become a Sanctioned Person or are owned or controlled by a Sanctioned Person or fail to comply with the provisions of Subsection 16.13;

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

13.2.13 any Guarantor breaches its guaranty to us;

13.2.14 a threat or danger to public health or safety results from the construction, maintenance, or operation of the Hotel;

13.2.15 you, your Affiliate or a Guarantor become a Competitor, except as otherwise permitted by Subsection 5.1.29;

13.2.16 you breach any representation, warranty, or obligation in Section 16.12 of this Agreement; or

13.2.17 any of Your Hotel Agreements is terminated based on a breach or default by you or your Affiliates.

13.3 Interim Remedies. If we send you a written notice that you are in default of this Agreement, we may elect to impose an Interim Remedy, including the suspension of our obligations under this Agreement and/or our or our Affiliates' obligations under Your Hotel Agreements.

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

13.3.2 We may disable all or any part of the software provided to you under Your Hotel Agreements and/or may suspend any one or more of the information technology and/or network services that we provide or support under Your Hotel Agreements. We may charge you for costs related to suspending or disabling your right to use any software systems or technology we provided to you, together with intervention or administration fees as set forth in the Standards.

13.3.3 We may revoke any financial accommodations (including but not limited to any Monthly Fee discounts, fee ramps or fee waivers) that we have granted and charge you the then-current standard fee or charge that would have otherwise applied absent the temporary financial accommodation.

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

[SELECT THE APPROPRIATE SUBPARAGRAPH 13.4; DELETE ALL HIGHLIGHTED LANGUAGE AND UPDATE TABLE OF CONTENTS]

[SELECT FOR ALL BRANDS EXCEPT OL:

13.4 Liquidated Damages on Termination.

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

13.4.1.1 **[DELETE IF COO/RL** and insert: INTENTIONALLY DELETED**]** If termination occurs before you begin the Hotel Work, and you or any Guarantor (or your or any Guarantor's Affiliates) directly or indirectly, enter into a franchise, license, management, lease and/or other similar agreement for or begin construction or commence operation of a hotel, motel, inn, or similar facility at the Hotel Site within one (1) year after termination, then you will pay us Liquidated Damages in an amount equal to **[SELECT FOR DT, ES, H2, HAM, HFS, HGI, HWS, PY, RU, UP, QQ** the System's Average Monthly Royalty Fees multiplied by sixty (60).**]** **[SELECT FOR AQ, GU, ID, UD** $11,200 multiplied by the number of approved Guest Rooms at the Hotel.**]** **[SELECT FOR PO, UAB** $13,000 multiplied by the number of approved Guest Rooms at the Hotel.**]** **[SELECT FOR PE, EY** $10,000 multiplied by the number of approved Guest Rooms at the Hotel.**]**

13.4.1.2 **[DELETE IF COO/RL** and insert: INTENTIONALLY DELETED**]** If termination occurs after you begin the Hotel Work but before the Opening Date, unless your failure to complete the Hotel Work was the result of Force Majeure, you will pay us Liquidated Damages in an amount equal to **[SELECT FOR DT, ES, H2, HAM, HFS, HGI, HWS, PY, RU, UP, QQ** the System's Average Monthly Royalty Fees multiplied by sixty (60).**]** **[SELECT FOR AQ, GU, ID, UD** $11,200 multiplied by the number of approved Guest Rooms at the Hotel.**]** **[SELECT FOR PO, UAB** $13,000 multiplied by the number of approved Guest Rooms at the Hotel.**]** **[SELECT FOR PE, EY** $10,000 multiplied by the number of approved Guest Rooms at the Hotel.**]**

13.4.1.3 If termination occurs after the Opening Date but before the second anniversary of the Opening Date, you will pay us Liquidated Damages in an amount equal to **[SELECT FOR DT, ES, H2, HAM, HFS, HGI, HWS, PY, RU, UP, QQ** the greater of: (a) the Hotel's Average Monthly Royalty Fees multiplied by sixty (60); or (b) the System's Average Monthly Royalty Fees multiplied by sixty (60).**]** **[SELECT FOR PO, UAB** the greater of: (a) the Hotel's Average Monthly Royalty Fees multiplied by sixty (60); or (b) $13,000 multiplied by the number of approved Guest Rooms at the Hotel.**]** **[SELECT FOR PE, EY** the greater of: (a) the Hotel's Average Monthly Royalty Fees multiplied by sixty (60); or (b) $10,000 multiplied by the number of approved Guest Rooms at the Hotel.**]** **[SELECT FOR AQ, GU, ID, UD** the greater of: (a) the Hotel's Average Monthly Royalty Fees multiplied by sixty (60); or (b) $11,200 multiplied by the number of approved Guest Rooms at the Hotel.**]**

13.4.1.4 If termination occurs after the second anniversary of the Opening Date but before the final sixty (60) calendar months of the Term, you will pay us Liquidated Damages in an amount equal to the Hotel's Average Monthly Royalty Fees multiplied by sixty (60).

13.4.1.5 If there are fewer than sixty (60) months remaining in the Term on the date of termination, you will pay us Liquidated Damages in an amount equal to the Hotel's Average Monthly Royalty Fees multiplied by the number of months remaining in the Term.

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

[SELECT FOR OL:

13.4 Termination Fee on Termination

13.4.1 Termination Fee. You agree that if this Agreement is terminated by us under this Section 13, you will pay a termination fee (the "**Termination Fee**") equal to:

(a) $25,000 multiplied by the number of approved guest Rooms at the Hotel if termination occurs (i) before you begin the Hotel Work, and you or any Guarantor (or your or any Guarantor's Affiliates) directly or indirectly, enter into a franchise, license, management, lease and/or other similar agreement for or begin construction or commence construction operation of a hotel, motel, inn, or similar facility at the Hotel Site within one (1) year after termination, or (ii) after you begin the Hotel Work but before the Opening Date, unless your failure to complete the Hotel Work was the result of Force Majeure;

(b) The greater of: (i) the Hotel's Average Monthly Royalty Fees multiplied by sixty (60); or (ii) an amount equal to $25,000 multiplied by the number of approved Guest Rooms at the Hotel, if termination occurs on or after the Opening Date but before the second anniversary of the Opening Date; or

(c) The Hotel's Average Monthly Royalty Fees (i) multiplied by sixty (60) if termination occurs after the second anniversary of the Opening Date but before the final sixty (60) calendar months of the Term, or (ii) multiplied by the number of months remaining in the Term if there are fewer than sixty (60) months remaining in the Term on the date of termination.

You acknowledge and agree that this Termination Fee is an agreed fee and does not represent a penalty or liquidated damages. You further acknowledge and agree that this Termination Fee does not constitute or create, expressly or impliedly, any right or option for you to terminate this Agreement before the Expiration Date.

13.4.2. **Payment of Termination Fee**. You must pay the Termination Fee within (30) days after termination of this Agreement or on demand.**]**

13.5 Actual Damages Under Special Circumstances. [SELECT FOR ALL BRANDS EXCEPT OL: You acknowledge that the Liquidated Damages described in Subsection 13.4 may be inadequate to compensate us for additional harm we may suffer, by reason of greater difficulty in re-entering the market, competitive damage to the System or the Network, damage to goodwill of the Marks, and other similar harm, as we reserve the right to seek actual damages in lieu of Liquidated Damages under the following circumstances: **[SELECT FOR OL:** You agree that we may elect to seek actual damages in lieu of the Termination Fee under Section 13.4 above, in our sole and absolute discretion, under the following circumstances:

13.5.1 within twelve (12) months of each other, **[SELECT FOR AQ, DT, ES, GU, HFS, OL, PY, QQ:** two (2)**] [SELECT FOR EY, HGI, H2, HWS, ID, PO, UD, UP:** five (5)**] [SELECT FOR HAM, HIS, PE, RU, UAB:** seven (7)**]** or more franchise agreements for the Brand between yourself (or any of your Affiliates) and us (or any of our Affiliates) terminate before their expiration date as a result of a breach by you or your Affiliate; or

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

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

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

13.6.2 cease operating the Hotel as a System Hotel and cease using the System;

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

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

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

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

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

14.0 INDEMNITY

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

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

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

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

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

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

14.1.6 any business conducted by you or a third party in, on or about the Hotel or Hotel Site;

14.1.7 your failure to comply with Subsection 16.13, including a breach of the representations set forth therein;

14.1.8 any inquiry, investigation, suit, action, or proceeding arising out of or in connection with any fees or costs charged to patrons or guests by you, and if you acquired the Hotel in a Change of Ownership Transfer, by the previous owner (your transferor) before you acquired ownership of the Hotel; and

14.1.9 the Existing Agreement, and any breach of any representation, warranty, or obligation under Section 16.12.

14.2 You do not have to indemnify an Indemnified Party to the extent damages otherwise covered under this Section 14 are adjudged by a final, non-appealable judgment of a court of competent jurisdiction to have been solely the result of the gross negligence or willful misconduct of that Indemnified Party, and not any of the acts, errors, omissions, negligence or misconduct of you or anyone related to you or the Hotel. You may not rely on this exception to your indemnity obligation if the claims were asserted against us or any other Indemnified Party on the basis of theories of imputed or secondary liability, such as vicarious liability, agency, or apparent agency, or our failure to compel you to comply with the provisions of this Agreement, including compliance with Standards, Laws or other requirements.

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

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

14.5 Your obligations under this Section 14 will survive expiration or termination of this Agreement.

15.0 RELATIONSHIP OF THE PARTIES

15.1 No Agency Relationship. You are an independent contractor. Neither Party is the legal representative or agent of the other Party. Neither Party has the power to obligate the other Party for any purpose. You acknowledge that: (a) we do not direct, supervise, manage, dictate, or control (or have, retain, or exercise any right to control) labor or employment matters for you or your employees; (b) we do not set (or have, retain, or exercise any right to set) any terms or conditions of employment for your employees; (c) the training we require is for the purpose of enabling you to ensure that your Hotel operates in compliance with our Standards; and (d) you have exclusive control over your daily affairs. You expressly acknowledge that the Parties have a business relationship based entirely on, and defined by, the express provisions of this Agreement and that no partnership, joint venture, agency, fiduciary, employment, or joint-employment relationship is intended or created by reason of this Agreement.

By entering into this Agreement, we make no representations regarding, and do not intend to obtain, retain, or reserve control over, the essential terms and conditions of employment of you or your employees, or your Management Company or their employees (if applicable). Franchisees are independent contractors and independent employers and we do not and will not have, retain, or exercise any authority over your employment-related policies or procedures. You are solely responsible for overseeing any and all employment-related policies and procedures for your employees in the operation of your Hotel business.

15.2 Notices Concerning Your Independent Status. All contracts for the Hotel's operations and services at the Hotel will be in your name or in the name of your Management Company. You will not enter into or sign any contracts in our name or any of our Affiliates' names or use the Marks or any acronyms or variations of the Marks. You will disclose in all dealings with the public and your employees, agents, contractors, suppliers and other third parties that: (a) you are the Hotel's owner; (b) you are an independent entity; (c) you are the employer, principal, or contracting party (as applicable); and (d) we are not responsible for your liabilities or debts in any manner whatsoever.

16.0 MISCELLANEOUS

16.1 Severability and Interpretation.

16.1.1 If any provision of this Agreement is held to be unenforceable, void or voidable, that provision will be ineffective only to the extent of the prohibition, without in any way invalidating or affecting the remaining provisions of this Agreement, and all remaining provisions will continue in effect, unless the unenforceability of the provision frustrates the underlying purpose of this Agreement. If any provision of this Agreement is held to be unenforceable due to its scope, but may be made enforceable by limiting its scope, the provision will be considered amended to the minimum extent necessary to make it enforceable.

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

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

16.2 Governing Law, Jurisdiction and Venue.

16.2.1 The Parties agree that, except to the extent governed by the United States Trademark Act of 1946 (Lanham Act; 15 U.S.C. ¶ 1050 et seq.), as amended, this Agreement will be governed by the laws of the State of New York without recourse to New York choice of law or conflicts of law principles. Nothing in this Section is intended to invoke the application of any franchise, business opportunity, antitrust, "implied covenant," unfair competition, fiduciary or any other doctrine of law of the State of New York or any other state that would not otherwise apply absent this Subsection 16.2.1.

16.2.2 The Parties agree that any action brought pursuant to this Agreement or the relationship between them must be brought in the U.S. District Court for the Eastern District of Virginia, in Alexandria, Virginia, or if that court lacks subject matter jurisdiction, then in a court of competent jurisdiction whose jurisdiction includes either Fairfax County, Virginia or New York, New York, or in the county and state where the Hotel is located. You consent to personal jurisdiction and venue in each of these jurisdictions and waive, and agree not to assert, move or otherwise claim that the venue in any of these jurisdictions is for any reason improper, inconvenient, prejudicial or otherwise inappropriate.

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

16.4 Entire Agreement. This Agreement and all of its attachments, documents, schedules, exhibits, and any other information specifically incorporated into this Agreement by reference will be construed together as the entire agreement between you and us with respect to the Hotel and any other aspect of our relationship and will supersede and cancel any prior and/or contemporaneous discussions or writings between you and us. You acknowledge that you have entered into this Agreement as a result of your own independent investigation and not as a result of any representations about us made by our shareholders, officers, directors, employees, agents, representatives, developers, independent contractors, or franchisees that are contrary to the terms set forth in this Agreement, or in any disclosure document, prospectus, or other similar document required or permitted to be given to you pursuant to applicable law. However, nothing in this Section 16.4, this Agreement, or in any of Your Hotel Agreements is intended to disclaim the representations we made in any franchise disclosure document that we furnished to you.

16.5 Amendment and Waiver.

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

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

16.6 Consent; Business Judgment.

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

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

16.7 Notices. All notices under this Agreement must be in writing.

16.7.1 Principal Legal Correspondent ("PLC"). You must designate a single Person to be your duly authorized representative to issue and receive notices as described in Subsection 16.7.2. Your designee will be your PLC under this Agreement. You may have only one PLC. The notice address for your PLC may not be a P.O. Box, and the notice address for your PLC may not be the same as the Hotel address. The notice address for your PLC will be set forth initially on the Addendum to this Agreement. If you want to change the person designated as your PLC, or the address or email for notice to your PLC, you may do so at any time by sending a notice to us in accordance with Subsection 16.7.3 or as otherwise directed by us.

16.7.2 Notices of Default and Termination, or Threatened Litigation. Any notice from you or from us declaring default of a provision of this Agreement, or potential or final termination of this Agreement, must be delivered in person, or by prepaid overnight courier delivery service, or by prepaid overnight United States mail, or by prepaid certified United States mail, return-receipt requested, if overnight delivery is not available to the notice address. We will send notices under this Subsection only to your PLC. You must send notices to us under this Subsection as follows: Hilton Franchise Holding LLC, Attention: General Counsel, 7930 Jones Branch Drive, Suite 1100, McLean, VA 22102. Notice sent under this Subsection will be deemed effective on the earlier of: (a) receipt, or first refusal of delivery; (b) one (1) day after posting, if sent by overnight commercial delivery service or overnight United States Mail; or (c) three (3) days after placement in United States certified mail, return receipt requested.

16.7.3 Other Notices: If a Party wishes to send a notice to the other Party regarding any issue other than those issues specified in Subsection 16.7.2, the Party may send the notice by any method described in Subsection 16.7.2, or by email. You may send notices under this Subsection to us to: Legal.Development@hilton.com or such other email address as we may periodically designate by notice to you. You may periodically designate additional Persons to receive other types of notices from us by the methods we periodically specify. We may send notices to you under this Subsection to the email address designated for your PLC, or to the email address for other persons you designate for these notices.

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

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

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

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

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

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

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

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

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

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

16.11.7 you hereby indemnify and hold us harmless from any breach of these representations and warranties, which will survive the termination of this Agreement.

16.12 Existing Agreements. If the Hotel is subject to a franchise, license, affiliation, distribution, membership, lease, management, or similar agreement ("**Existing Agreement**") with another brand company that is not Affiliated with us ("**Existing Brand**"), you represent, warrant, covenant, and agree, on an ongoing basis, that:

16.12.1 such Existing Agreement either (i) expires in accordance with its terms, (ii) expressly gives you a right to terminate (other than for default), or (iii) is subject to a mutual written agreement between you and the Existing Brand to terminate, in each case before the initial Construction Work Completion Date or initial Renovation Work Completion Date set forth in the Addendum (as applicable), and in each case without such termination constituting a breach or default of your Existing Agreement (an expiration or termination based on any of the foregoing being a "**Permitted Termination Event**");

16.12.2 you will comply with the terms of the Existing Agreement, and you will not terminate or attempt to terminate the Existing Agreement in any manner that would constitute a breach or default of such Existing Agreement;

16.12.3 there is no provision in the Existing Agreement that would prohibit or conflict with your ability to enter into this Agreement and comply with its terms; and

16.12.4 you will not open the Hotel under the Brand until: (i) the Existing Agreement has terminated or expired as a result of a Permitted Termination Event; and (ii) we have authorized the opening of the Hotel under the Brand pursuant to Section 6.4 above.

You acknowledge and agree that any actual or alleged breach of, or dispute relating to the subject matter of, this Section 16.12 entitles us to withhold our authorization of the opening of the Hotel under the Brand under Section 6.4 of this Agreement.

16.13 Sanctioned Persons and Anti-bribery Representations and Warranties.

16.13.1 You represent, warrant and covenant to us and our Affiliates, on a continuing basis, that:

16.13.1.1 neither you, nor any Person having Control over you or the Hotel, is a Sanctioned Person;

16.13.1.2 you have not and will not obtain, receive, transfer or provide any funds, property, debt, equity, or other financing related to this Agreement and the Hotel or Hotel Site to/from a Sanctioned Person;

16.13.1.3 neither you, nor any Person having Control over you or the Hotel, has been convicted of, pleaded guilty to, or otherwise been adjudged liable for any violation of laws, ordinances, rules or regulations that pertain to bribery or corruption, money laundering, competition, securities or financial fraud, trade sanctions or export controls, human trafficking, sex trade, or forced labor;

16.13.1.4 any funds received or paid in connection with entry into or performance of this Agreement have not been and will not be derived from illegal sources or activities, or commingled with illegal funds, and that you are not engaging in this transaction in furtherance of a criminal act;

16.13.1.5 in preparation for and in entering into this Agreement, neither you, nor any Person having Control over you or the Hotel, has made any Improper Payment or engaged in any acts or transactions otherwise in violation of any applicable Anti-Corruption Laws, and, in connection with this Agreement or the performance of your obligations under this Agreement, neither you nor any Person having Control over you or the Hotel will directly or indirectly make, offer to make, or authorize any Improper Payment or engage in any acts or transactions otherwise in violation of any applicable Anti-Corruption Laws;

16.13.1.6 neither you, nor any Person having Control over you or the Hotel who may be considered a Government Entity or Government Official, improperly uses their status or position to influence official actions or decisions or to secure any improper advantages to or for the benefit of the Hotel or us; and

16.13.1.7 you will assure that your respective appointed agents (including any Management Company) in relation to this Agreement comply in all material respects with the representations, warranties, and covenants described in this Subsection 16.13.

16.13.2 You will notify us in writing immediately on the occurrence of any event which would render the foregoing representations and warranties of this Subsection 16.13 incorrect.

16.13.3 If we believe that you may not be in compliance with any of the covenants, representations and warranties set forth in this Subsection 16.13, we will advise you of our belief, and you must (a) cooperate with any and all reasonable information and documentation requests and inquiries, including requests for execution of certificates of compliance, and (b) permit, on reasonable prior notice, at all reasonable times, inspection of the books and records pertaining to the development, ownership, management, and use of the Hotel.

16.14 Counterparts. This Agreement may be signed in counterparts, each of which will be considered an original, and the Parties agree to conduct the transaction by electronic means.

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

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

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

16.18 Our Delegation of Rights and Responsibility. In addition to the rights granted to us in Section 4 and Subsection 12.1 of this Agreement, we reserve the right to delegate to one or more of our Affiliates at any time, any and all of our rights, obligations or requirements under this Agreement, and to require that you submit any relevant materials and documents otherwise requiring approval by us under this Agreement to such Affiliates, in which case approval by such Affiliates will be conclusively deemed to be approval by us. During the period of such delegation or designation, any act or direction by such Affiliates with respect to this Agreement will be deemed the act or direction of us. We may revoke any such delegation or designation at any time. You acknowledge and agree that such delegation may result in one or more of our Affiliates which operate, license, or otherwise support brands other than the Brand, exercising or performing on our behalf any or all rights, obligations or requirements under this Agreement or performing shared services on our behalf.

16.19 Confidentiality of Negotiated Terms. You agree that you will not disclose to any Person the content of any negotiated terms of this Agreement or Your Hotel Agreements without our prior consent except: (1) as required by Law; (2) as may be required in any legal proceedings; and (3) to those of your officers, directors, managers, members, shareholders, employees, attorneys, accountants, agents or lenders to the extent necessary for the operation or financing of the Hotel, and only if you inform such Persons of the confidentiality of the negotiated provisions. Any disclosure of negotiated terms by you, or by any such Persons, without our consent will be deemed a default under this Agreement. For clarity, you are not restricted from contacting or engaging with government authorities regarding this franchise.

17.0 WAIVER OF JURY TRIAL AND PUNITIVE DAMAGES

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

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

18.0 ACKNOWLEDGEMENT OF EXEMPTION

You represent and acknowledge that:

18.1 The franchise sale is for more than One Million Four Hundred Sixty-Nine Thousand Six Hundred Dollars ($1,469,600) - excluding the cost of unimproved land and any financing received from Franchisor or an Affiliate - and thus is exempted from the Federal Trade Commission’s Franchise Rule disclosure requirements, pursuant to 16 C.F.R. 436.8(a)(5)(i); and at least one person has invested One Million Four Hundred Sixty-Nine Thousand Six Hundred Dollars ($1,469,600) in the Hotel or the Hotel Site; or

18.2 You and/or your Affiliates have been in business for at least five (5) years and have a net worth of at least Seven Million Three Hundred Forty-Eight Thousand Dollars ($7,348,000) and this franchise sale is thus exempt from disclosure requirements within the meaning of 16 C.F.R. 436.8(a)(5)(ii); and

18.3 As a result, this franchise sale is exempt under federal and state franchise law.

19.0 [SELECT FOR ALL BRANDS EXCEPT HFS: NOTICE OF INTENT TO MARKET [SELECT FOR

HFS: RIGHT OF FIRST OFFER

[SELECT FOR ALL BRANDS EXCEPT HFS: Except in the case of a Transfer governed by Subsection 12.2.1 of this Agreement, if you or a Controlling Affiliate want to Transfer any Equity Interest, you must give us written notice, concurrently with beginning your marketing efforts.**]**

[SELECT FOR HFS

19.1 Except in the case of a Transfer governed by Subsection 12.2.1 of this Agreement, if you or a Controlling Affiliate wants to Transfer any Equity Interest, or you or a Controlling Affiliate receive an unsolicited bona fide offer from a third party to purchase or lease the Hotel or Hotel Site or an interest in it ("**Marketed Interest**"), you or the Controlling Affiliate shall notify us in writing of such offer ("**ROFO Notice**"). The ROFO Notice shall describe the Marketed Interest and state the intended sales or lease price and all terms and conditions of the proposed sale or lease. You or the Controlling Affiliate will provide us with all information and documentation relating to the Marketed Interest that we request.

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

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

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

19.5 If you do not accept Our Offer, or it is deemed rejected, or we waive our right to make an offer, for two hundred seventy (270) days (the "**270-day Period**"), you or a Controlling Affiliate may Transfer the Marketed Interest to a third party for a price greater than and/or on more favorable terms than the price and terms stated in Our Offer, but you or a Controlling Affiliate must comply with the Transfer provisions in Section 12.2.2 of this Agreement. If you or a Controlling Affiliate proposes to Transfer the Marketed Interest at a lesser price or on less favorable terms during the 270-day Period, then you must again give us notice of the proposed sale or lease and comply with the provisions of this Section 19.

[INCLUDE ONLY IF KEY MONEY GRANTED / DELETE OTHERWISE AND UPDATE TOC]
20.0 KEY MONEY/DEVELOPMENT INCENTIVE NOTE

You and any co-makers must execute the Development Incentive Note attached to this Agreement as Exhibit [_ contemporaneously with your execution of this Agreement. We will pay to you [________ Dollars ($__) as a development incentive within thirty (30) days after you open the Hotel under the Brand with our consent if: (a) there have been no material adverse changes in your business, finances, legal, litigation, or bankruptcy status since approval; (b) you have completed any PIP; and (c) you paid the franchise application fee.

In connection with this Agreement or the performance of its obligations under this Agreement, you will not use any portion of the development incentive to make, provide, offer to make, or authorize, directly or indirectly, an Improper Payment or engage in any acts or transactions otherwise violating any Anti-

Corruption Laws. If we have any basis for a reasonable belief that you have used the development incentive in violation of any Anti-Corruption Laws, we will advise you of this belief and you will cooperate with any and all reasonable information and document requests and inquiries, including requests for execution of certificates of compliance, and permit, on reasonable prior notice, at all reasonable times, inspection of the books and records pertaining to the development, ownership, management and use of the Hotel.

ADDENDUM TO FRANCHISE AGREEMENT

Effective Date:	**[**
Facility Number:	**[**
Franchisor Name:	**HILTON FRANCHISE HOLDING LLC,** **a Delaware limited liability company**
Brand:	**[SELECT:**

Apartment Collection by Hilton, as that name is used to identify the chain of apartment hotels operated under the same Chain Code and Standards. The Brand does not mean Hilton Worldwide, its Affiliates, or any other brands, product lines, or chains of hotels that include the words “Apartment” or “Collection” or “Hilton” as any part of their brand name.

Canopy, as that name is used to identify the chain of hotels operated under the same Chain Code and Standards. The Brand does not mean Hilton Worldwide, its Affiliates, or any other brands, product lines, or chains of hotels that include the words “Canopy” or “Hilton” as any part of their brand name.

Canopy by Hilton, as that name is used to identify the chain of hotels operated under the same Chain Code and Standards. The Brand does not mean Hilton Worldwide, its Affiliates, or any other brands, product lines, or chains of hotels that include the words “Canopy” or “Hilton” as any part of their brand name.

Curio Collection by Hilton, as that name is used to identify the chain of hotels operated under the same Chain Code and Standards. The Brand does not mean Hilton Worldwide, its Affiliates, or any other brands, product lines, or chains of hotels that include the words “Curio,” “Collection,” or “Hilton” as any part of their brand name.

DoubleTree by Hilton, as that name is used to identify the chain of hotels operated under the same Chain Code and Standards. The Brand does not mean Hilton Worldwide, its Affiliates, or any other brands, product lines, or chains of hotels that include the words “DoubleTree” or “Hilton” as any part of their brand name.

DoubleTree Suites by Hilton, as that name is used to identify the chain of hotels operated under the same Chain Code and Standards. The Brand does not mean Hilton Worldwide, its Affiliates, or any other brands, product lines, or chains of hotels that include the words “DoubleTree,” “Suites,” or “Hilton” as any part of their brand name.

Embassy Suites, as that name is used to identify the chain of hotels operated under the same Chain Code and Standards. The Brand does not mean Hilton Worldwide, its Affiliates, or any other brands, product lines, or chains of hotels that include the words “Embassy,” “Suites,” or “Hilton” as any part of their brand name.

Embassy Suites by Hilton, as that name is used to identify the chain of hotels operated under the same Chain Code and Standards. The Brand does not mean Hilton Worldwide, its Affiliates, or any other brands, product lines, or chains of hotels that include the words “Embassy,” “Suites,” or “Hilton” as any part of their brand name.

Graduate by Hilton, as that name is used to identify the chain of hotels operated under the same Chain Code and Standards. The Brand does not mean Hilton Worldwide, its Affiliates, or any other brands, product lines, or chains of hotels that include the words “Graduate” or "Hilton” as any part of their brand name.

Hampton Inn by Hilton, as that name is used to identify the chain of hotels operated under the same Chain Code and Standards. The Brand does not mean Hilton Worldwide, its Affiliates, or any other brands, product lines, or chains of hotels that include the words “Hampton” or “Hilton” as any part of their brand name.

Hampton Inn & Suites by Hilton, as that name is used to identify the chain of hotels operated under the same Chain Code and Standards. The Brand does not mean Hilton Worldwide, its Affiliates, or any other brands, product lines, or chains of hotels that include the words “Hampton,” “Suites,” or “Hilton” as any part of their brand name.

Hilton, as that name is used to identify the chain of hotels operated under the same Chain Code and Standards. The Brand does not mean Hilton Worldwide, its Affiliates, or any other brands, product lines, or chains of hotels that include the word “Hilton” as any part of their brand name.

Hilton Garden Inn, as that name is used to identify the chain of hotels operated under the same Chain Code and Standards. The Brand does not mean Hilton Worldwide, its Affiliates, or any other brands, product lines, or chains of hotels that include the word “Hilton” as any part of their brand name.

Home2 Suites by Hilton, as that name is used to identify the chain of hotels operated under the same Chain Code and Standards. The Brand does not mean Hilton Worldwide, its Affiliates, or any other brands, product lines, or chains of hotels that include the words “Home,” “Suites,” or “Hilton” as any part of their brand name.

Homewood Suites by Hilton, as that name is used to identify the chain of hotels operated under the same Chain Code and Standards. The Brand does not mean Hilton Worldwide, its Affiliates, or any other brands, product lines, or chains of hotels that include the words “Home,” “Suites,” or “Hilton” as any part of their brand name.

LivSmart Studios by Hilton, as that name is used to identify the chain of hotels operated under the same Chain Code and Standards. The Brand does not mean Hilton Worldwide, its Affiliates, or any other brands, product lines, or chains of hotels that include the words “LivSmart”, “Studios” or "Hilton” as any part of their brand name.

LXR, as that name is used to identify the chain of hotels operated under the same Chain Code and Standards. The Brand does not mean Hilton Worldwide, its Affiliates, or any other brands, product lines, or chains of hotels that include the initials or words “LXR” or “Hilton” as any part of their brand name.

Motto by Hilton, as that name is used to identify the chain of hotels operated under the same Chain Code and Standards. The Brand does not mean Hilton Worldwide, its Affiliates, or any other brands, product lines, or chains of hotels that include the words “Motto” or “Hilton” as any part of their brand name.

Outset Collection by Hilton as that name is used to identify the chain of hotels operated under the same Chain Code and Standards. The Brand does not mean Hilton Worldwide, its Affiliates, or any other brands, product lines, or chains of hotels that include the words “Outset,” “Collection,” or "Hilton” as any part of their brand name.

Spark by Hilton, as that name is used to identify the chain of hotels operated under the same Chain Code and Standards. The Brand does not mean Hilton Worldwide, its Affiliates, or any other brands, product lines, or chains of hotels that include the words “Spark” or "Hilton” as any part of their brand name.

Tapestry Collection by Hilton, as that name is used to identify the chain of hotels operated under the same Chain Code and Standards. The Brand does not mean Hilton Worldwide, its Affiliates, or any other brands, product lines, or chains of hotels that include the words “Tapestry,” “Collection,” or “Hilton” as any part of their brand name.

Tempo by Hilton, as that name is used to identify the chain of hotels operated under the same Chain Code and Standards. The Brand does not mean Hilton Worldwide, its Affiliates, or any other chains of hotels that include the word “Tempo” or “Hilton” as any part of their brand name.

Tru by Hilton, as that name is used to identify the chain of hotels operated under the same Chain Code and Standards. The Brand does not mean Hilton Worldwide, its Affiliates, or any other brands, product lines, or chains of hotels that include the words “Tru” or "Hilton” as any part of their brand name.

Undergraduate by Hilton, as that name is used to identify the chain of hotels operated under the same Chain Code and Standards. The Brand does not mean Hilton Worldwide, its Affiliates, or any other brands, product lines, or chains of hotels that include the words “Undergraduate” or "Hilton” as any part of their brand name.

Initial Approved Hotel Name (Trade Name):	
Principal Mark in Brand:	**[SELECT:** **Canopy** **Curio** **DoubleTree** **Embassy** **Graduate** **Hampton** **SELECT FOR AQ, HFS HGI: Hilton** **Home2** **Homewood** **LivSmart** **LXR** **Motto** **Outset** **Spark** **Tapestry** **Tempo** **Tru** **Undergraduate**
Franchisee Name and Address (Attn: Principal Legal Correspondent):	**[**
Address of Hotel:	**[**
Initial Number of Approved Guest Rooms:	**[**
Plans Submission Dates:	
Preliminary Plans:	**[Due four (4) months from the Effective Date]**
Design Development (50%) Plans and Specifications:	**[Due eight (8) months from the Effective Date]**
Final (100%) Plans and Specifications:	**[Due twelve (12) months from the Effective Date]**
Construction Commencement Date:	**[EY HAM HGI H2 HWS PO RU UAB UD: Due fifteen (15) months from the Effective Date** **[AQ DT ES GU HFS ID OL PY QQ UP: Due Sixteen (16) months from the Effective Date** **[If Adaptive Reuse, include:**

For the Hotel to be considered under construction, you must have: (a) submitted final plans to us, (b) received our approval of your final plans, (c) submitted to us a building permit for Hotel construction, and (d) substantially completed, to our satisfaction: (i) exterior demolition, if applicable, and (ii) interior demolition and construction of new permanent interior walls.

Construction Work Completion Date:

[EY HAM H2 RU UAB: Due twenty-seven (27) months from the Effective Date
[HGI HWS PO: Due thirty (30) months from the Effective Date
[AQ DT ES GU HFS ID OL PY QQ UD UP: Due thirty-six (36) months from the Effective Date

Renovation Commencement Date: **[**

Renovation Work Completion Date: **[**

[IF THERE ARE "PRE CONVERSION" PIP DEADLINES: [_________] with respect to all items in the PIP with a "Pre Conversion" due date; as set forth in the PIP with respect to all other items.]

[SELECT FOR COO/RL:][All due dates in the PIP that are a specified number of months or days shall mean the number of months or days from the Effective Date.]

[SELECT FOR CV:][All due dates in the PIP that are a specified number of months or days shall mean the number of months or days from the Opening Date.]

Expiration Date:

[SELECT:
New Construction – At midnight on the last day of the month [EY HAM HGI H2 HWS PO RU UAB UD: twenty-two (22) years from the [SELECT: Effective Date] [Opening Date] [AQ DT ES GU HFS ID OL PY QQ UP: twenty-three (23) years from the [SELECT: Effective Date] [Opening Date]

Conversion – At midnight on the last day of the month SELECT: ten (10) to twenty (20) years from the Opening Date

Change of Ownership – Remaining Term under the existing franchise agreement

Monthly Fees:

[DELETE UNLESS HFS: Monthly Food and Beverage Fee: **Three percent (3%) of the Hotel's Gross Food and Beverage Revenue for the preceding calendar month.**

Monthly Program Fee:	**[SELECT UAB: Three percent (3%) of the Hotel's Gross Rooms Revenue ("GRR") for the preceding calendar month.** **[SELECT FOR DT ES GU HAM HFS HGI ID OL PO PY QQ RU UD UP: Four percent (4%) of the Hotel's Gross Rooms Revenue ("GRR") for the preceding calendar month.** **[SELECT FOR EY, HWS: Two and one-half percent (2.5%) of the Hotel's Gross Rooms Revenue ("GRR") for the preceding calendar month.** **[SELECT FOR H2, PE: Three and one-half percent (3.5%) of the Hotel's Gross Rooms Revenue ("GRR") for the preceding calendar month.** **[SELECT FOR AQ: Two and one-half percent (2.5%) of the Hotel's Gross Rooms Revenue ("GRR") for the preceding calendar month.** **[SELECT ONLY IF EARLY RL AND PREVIOUS MONTHLY PROGRAM FEE WAS LOWER**: **From the Effective Date through [Expiration Date of prior FA, you will pay [____ percent (_%) ("Discounted Fee") of the Hotel's Gross Rooms Revenue ("GRR") for the preceding calendar month; then, from [Expiration Date of prior FA to the end of the Term, you will pay [____ percent (_%) of GRR. The Discounted Fee will not be used as a base for purposes of calculating any changes to the Monthly Program Fee during the Term.** **ALWAYS INCLUDE:** The Monthly Program Fee is subject to change by us. Any change may be established in the Standards, but the rate will not exceed the standard Monthly Program Fee as of the Effective Date plus one percent (1%) of the Hotel's GRR during the Term. **ALWAYS INCLUDE:** In addition to the above, the standard Monthly Program Fee is subject to change by us. Any change may be established in the Standards, but the rate will not exceed the standard Monthly Program Fee as of the Effective Date plus one percent (1%) of the Hotel's GRR during the Term.
Monthly Royalty Fee:	**[SELECT FOR AQ DT GU HFS ID OL PO PY QQ UAB UD UP:** **Five percent (5%) of the Hotel's GRR for the preceding calendar month.**
Monthly Royalty Fee:	**[SELECT FOR ES HGI HWS RU PE:** **Five and one-half percent (5.5%) of the Hotel's GRR for the preceding calendar month.**

	BUT IF ES HWS NEW DEVELOPMENT/CONVERSION, USE THE FOLLOWING:
Monthly Royalty Fee:	**Three and one-half percent (3.5%) of the Hotel's GRR for the preceding calendar month** for first twelve (12) full calendar months after the Opening Date (Year 1).
	Four and one-half percent (4.5%) of the Hotel's GRR for the preceding calendar month for second twelve (12) full calendar months after the Opening Date (Year 2).
	Five and one-half percent (5.5%) of the Hotel's GRR for the preceding calendar month for the remainder of the Term.
Monthly Royalty Fee:	**[SELECT FOR EY HAM H2: Six percent (6%) of the Hotel's GRR for the preceding calendar month.**

Additional Requirements/Special Provisions [Section #]:

[ADD ONLY IF APPLICABLE]
Restricted Area Provision

Notwithstanding the provisions of Section 2 of this Agreement, from the Effective Date until midnight on the day before the ____ anniversary of the **[SELECT: Effective Date] OR [Opening Date, but in no event later than ___________]** ("**Restrictive Period**"), neither we nor any of our Affiliates will open, or allow to open, a hotel or motel under the Brand, as such Brand name may be periodically changed by us, within a [**SELECT** ___ mile radius of the Hotel, the center point of which is the front door of the Hotel **("Restricted Area")**. **[SELECT** Restricted Area described as follows, and as set forth on Exhibit [__: **[INSERT DESCRIPTION.]**

This restriction does not apply to any hotel or motel that is currently open or under construction or has been approved for development or opening as a Brand hotel as of the Effective Date ("**Existing Hotel**"). The term Existing Hotel also includes any hotel located or to be located within the Restricted Area that replaces such Existing Hotel under the Brand. The restrictions also do not apply to any: (1) hotel(s) or motel(s) under brands other than the Brand; (2) hotel(s) or motel(s) that will not begin operating under the Brand until after the expiration of the Restrictive Period; (3) gaming-oriented hotels or facilities using the Brand; (4) shared ownership properties (commonly known as "vacation ownership" or "time share ownership" or similar real estate properties) under the Brand; and (5) hotel(s), motel(s), or inn(s) that are part of a chain or group of four (4) or more hotels, motels, or inns that we or our Affiliates, as a result of a single transaction or group of related transactions, own, operate, acquire, lease, manage, franchise, license, or join through a merger, acquisition or marketing agreement (or otherwise), whether under their existing name or the Brand name or any other name. **[INSERT FOR HFS:** You acknowledge and agree that this restriction does not apply to any "Signia Hilton" or "Signia by Hilton" brand hotel.

[IF HAM/HIS USE THIS RAB LANGUAGE INSTEAD

Notwithstanding the provisions of Section 2 of this Agreement, from the Effective Date until midnight on the day before the ____ anniversary of the **[SELECT: Effective Date] OR [Opening Date, but in no event later than ____________]** ("**Restrictive Period**"), neither we nor any of our Affiliates will open, or allow to open, a hotel or motel under the Hampton, Hampton Inn or Hampton Inn & Suites brands (collectively, **"Restricted Brands")**, as such Restricted Brands' names may be periodically changed by us, within a **[SELECT** ___ mile radius of the Hotel, the center point of which is the front door of the Hotel **("Restricted Area")**. **[SELECT** Restricted Area described as follows, and as set forth on Exhibit [__: **[INSERT DESCRIPTION.]**

This restriction does not apply to any hotel or motel that is currently open or under construction or has been approved for development or opening as a Restricted Brands hotel as of the Effective Date ("**Existing Hotel**"). The term Existing Hotel also includes any hotel located or to be located within the Restricted Area that replaces such Existing Hotel under the Restricted Brands. The restrictions also do not apply to any: (1) hotel(s) or motel(s) under brands other than the Restricted Brands; (2) hotel(s) or motel(s) that will not begin operating under the Restricted Brands until after the expiration of the Restrictive Period; (3) gaming-oriented hotels or facilities using the Restricted Brands; (4) shared ownership properties (commonly known as "vacation ownership" or "time share ownership" or similar real estate properties) under the Restricted Brands; and (5) hotel(s), motel(s), or inn(s) that are part of a chain or group of four (4) or more hotels, motels, or inns that we or our Affiliates, as a result of a single transaction or group of related transactions, own, operate, acquire, lease, manage, franchise, license, or join through a merger, acquisition or marketing agreement (or otherwise), whether under their existing name or the Restricted Brands name or any other name.

[IF AQ USE THIS RAB LANGUAGE INSTEAD
Notwithstanding the provisions of Section 2 of this Agreement, from the Effective Date until midnight on the day before the ____ anniversary of the **[SELECT: Effective Date] OR [Opening Date, but in no event later than ___________]** ("**Restrictive Period**"), neither we nor any of our Affiliates will open, or allow to open, an apartment hotel under the Brand, as such Brand name may be periodically changed by us, within a [**SELECT** ___ mile radius of the Hotel, the center point of which is the front door of the Hotel **("Restricted Area"). [SELECT** Restricted Area described as follows, and as set forth on Exhibit [__: **[INSERT DESCRIPTION.]**

This restriction does not apply to any property that is currently open or under construction or has been approved for development or opening as a Brand property as of the Effective Date ("**Existing Property**"). The term Existing Property also includes any property located or to be located within the Restricted Area that replaces such Existing Property under the Brand. The restrictions also do not apply to any: (1) properties under brands other than the Brand; (2) properties that will not begin operating under the Brand until after the expiration of the Restrictive Period; (3) gaming-oriented properties or facilities using the Brand; (4) shared ownership properties (commonly known as "vacation ownership" or "time share ownership" or similar real estate properties) under the Brand; and (5) properties that are part of a chain or group of four (4) or more properties that we or our Affiliates, as a result of a single transaction or group of related transactions, own, operate, acquire, lease, manage, franchise, license, or join through a merger, acquisition or marketing agreement (or otherwise), whether under their existing name or the Brand name or any other name.

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

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

[IF SITE CONTROL NOT CONFIRMED ON EFFECTIVE DATE: Site Control: Before commencement of Construction Work, but not later than the Construction Work Completion Date, you must submit to us evidence satisfactory to us showing your title to, or long-term possessory interest in, the real property on which the Hotel will be sited (i.e. a conformed copy of the deed, or ground lease submitted for recording, or like document) in accordance with Subsections 5.1.15 and 5.1.16 of the Agreement.

[IF TIC: Tenant-in-Common Ownership: You acknowledge and agree that: (1) each of you is jointly, severally, individually and collectively responsible for the Franchisee's obligations under this Agreement; (2) your obligations and liability to us is not limited by your tenant-in-common structure; (3) the transfer provisions of this Agreement apply to each of you; (4) [___________] is deemed to be your Controlling Affiliate; and (5) the Hotel has a single designated Principal Legal Correspondent, as named above, whom we will notify for all purposes under this Agreement.

Your Ownership Structure:

See Attached Schedule 1

[IF FRANCHISEE'S AFFILIATE IS THE FEE TITLE OWNER, LESSOR OR SUBLESSOR OF THE HOTEL OR THE HOTEL SITE**:**
Ownership Structure of Affiliate Fee Owner or Lessor/Sublessor of the Hotel or Hotel Site:

See Attached Schedule 2

[IF KEY MONEY **EXHIBIT _** – DEVELOPMENT INCENTIVE NOTE

[IF JURISDICTION APPLIES **EXHIBIT _** – STATE/TERRITORY ADDENDUM

[IF APPLICABLE EXHIBIT _ – SHARED FACILITIES ADDENDUM

[ONLY IF NOT A RADIUS **EXHIBIT _** – RESTRICTED AREA MAP

[IF APPLICABLE **EXHIBIT _** – PROPERTY IMPROVEMENT PLAN

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

FRANCHISEE:	**FRANCHISOR:**
[INSERT FRANCHISEE ENTITY], a [INSERT TYPE OF ENTITY]	HILTON FRANCHISE HOLDING LLC, a Delaware limited liability company
By: ______________________	By: ______________________
Name: ______________________	Name: ______________________
Title: ______________________	Title: Authorized Signatory
Executed on: ______________________	Executed on: ______________________

SCHEDULE 1

Your Ownership Structure:

Name (Shareholder, Partner, Member and Manager)	Nature of Ownership Interest	% Interest	% Interest	% Interest	% Interest

SCHEDULE 2

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

Name (Shareholder, Partner, Member and Manager)	Nature of Ownership Interest	% Interest	% Interest	% Interest	% Interest

EXHIBIT - __

SHARED FACILITIES ADDENDUM TO FRANCHISE AGREEMENT

You and we are parties to a franchise agreement dated **_____________** ("**Agreement**"), which provides, among other things, for the operation of the (proposed) **[**insert Hotel #1 name **______]** hotel located or to be located at **[**Insert Hotel #1 address ____ ("**Hotel**").

You (or your Affiliate) and we are also parties to a franchise agreement dated **____________]** ("**[**Insert Brand #2 **_____] Agreement**") for the operation of the (proposed) **[**Insert Hotel #2 name **______]** hotel located or to be located at **[**Insert Hotel #2 address ____ ("Insert Brand #2 **______ Hotel**").

You requested that the Hotel and the **[**Insert Hotel #2 **___]** Hotel (collectively, "**Sharing Hotels**"), which are **[**or, will be**] [Select:** part of the same building structure **or** located in buildings adjacent to one another,**]** be permitted to jointly utilize certain shared hotel facilities and offer to their guests the use of certain shared amenities ("**Shared Facilities**") in accordance with the terms of this Addendum ("**Shared Facilities Arrangement**").

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, you and we agree that the following provisions are incorporated into and made a part of the Agreement:

1) We give our consent for the Hotel and the **[**Hotel #2**]** Hotel to jointly utilize the Shared Facilities identified during our review and approval of the Plans and Designs for the Hotel and the **[**Hotel #2**]** Hotel.

2) Our consent is contingent upon you (or your Affiliate) executing a Shared Facilities Addendum to the **[**Hotel #2**]**Agreement on the same terms contained in this Addendum.

3) We expressly reserve the right to withdraw our consent and, on notice, require you to discontinue the Shared Facilities Arrangement if:

   a) we determine that such participation is detrimental to the operation of the Hotel, the guest experience, or the goodwill and reputation of the Brand and/or the Marks;

   b) any of the Shared Facilities fail to meet System Standards as set forth under the Agreement and/or the **[**Hotel #2**]** Agreement;

   c) either the Agreement or the **[**Hotel #2**]** Agreement is terminated for any reason;

   d) You Transfer a controlling Equity Interest in you, the Hotel Site, or the Agreement, without simultaneously selling, leasing, assigning, or Transferring a controlling Equity Interest in you (or your Affiliate controlling **[**Hotel #2**]** Hotel), the **[**Hotel #2**]** Hotel Site, or the **[**Hotel #2**]** Agreement, to the same transferee or a transferee under common control with such transferee. Any Transfers are subject to the Transfer provisions of the Agreement. Failure to comply with the Transfer provisions is a material breach of the Agreement.

   If we withdraw our consent pursuant to this paragraph, to the extent that the Shared Facilities are part of Standards, you shall immediately make arrangements to either procure the Shared Facilities, or to construct comparable facilities and amenities, for the exclusive use of the Hotel. Your failure to procure the Shared Facilities or construct comparable facilities and amenities to meet Standards is deemed to be a default that may result in the termination of the Agreement. If the Shared Facilities are no longer a part of the Hotel, you are responsible for immediately removing any Marks or distinctive System features associated with the Brand from any of the Shared Facilities that are accessible to or visible by Hotel guests, and removing all other indicia that the Hotel had joint possession or use of the Shared Facilities with the **[**Hotel #2**]** Hotel.

4) So long as the Shared Facilities Arrangement is in place, any new franchise agreement executed in connection with a Transfer, or any successor franchise agreement executed between you and us must contain the provisions set forth in this Addendum. You acknowledge and agree that your refusal to include these restrictions in a successor franchise agreement will constitute a valid and reasonable basis for us to refuse to grant such successor franchise agreement. You acknowledge and agree that a proposed transferee's refusal to include these restrictions in a new franchise agreement will constitute a valid and reasonable basis for us to deny our consent to such Change of Ownership Transfer.

5) You acknowledge and agree that any Default under the **[**Hotel #2**]** Agreement shall constitute a simultaneous Default of the Agreement, and termination of the **[**Hotel #2**]** Agreement pursuant to such Default shall constitute a valid basis for termination of the Agreement.

6) All questions with respect to the construction of this Addendum and the rights and liabilities of the parties under this Addendum shall be governed by the internal laws of the state designated in the Agreement. A breach of any provision of this Addendum is a breach of the Agreement. Any action or proceeding related to or arising out of this Addendum shall be submitted and resolved exclusively by a court of competent jurisdiction located in the forum designated in the Agreement.

7) All capitalized terms not expressly defined in this Addendum shall have the meanings set forth in the Agreement. Except as expressly modified by this Addendum, the Agreement remains unmodified and in full force and effect.

8) This Addendum may be executed in counterparts, and delivered by facsimile or other electronic transmission, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

FRANCHISEE:	**FRANCHISOR:**
[INSERT FRANCHISEE ENTITY], a **[INSERT TYPE OF ENTITY]**	HILTON FRANCHISE HOLDING LLC, a Delaware limited liability company
By: ______________________	By: ______________________
Name: ______________________	Name: ______________________
Title: ______________________	Title: Authorized Signatory
Executed on: ______________________	Executed on: ______________________

EXHIBIT D-1

EXHIBIT _

CALIFORNIA ADDENDUM TO FRANCHISE AGREEMENT

The California Department of Financial Protection and Oversight requires that certain provisions contained in franchise documents be amended to be consistent with California law, including the California Franchise Investment Law, CAL. CORPORATIONS CODE Section 31000 et seq., and the California Franchise Relations Act, CAL. BUS. & PROF. CODE Section 20000 et seq. To the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

1. California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning nonrenewal and termination of the Franchise Agreement. The Federal Bankruptcy Code also provides rights to you concerning termination of the Franchise Agreement upon certain bankruptcy-related events. To the extent the Franchise Agreement contains a provision that is inconsistent with these laws, these laws may control.

2. If Franchisee is required in the Franchise Agreement to execute a release of claims, such release may require us to exclude claims arising under the California Franchise Investment Law and the California Franchise Relations Act.

3. If the Franchise Agreement requires payment of liquidated damages that is inconsistent with California Civil Code Section 1671, the liquidated damage clause may be unenforceable.

4. If the Franchise Agreement contains a covenant not to compete which extends beyond the expiration or termination of the Franchise Agreement, the covenant may be unenforceable under California law.

5. If the Franchise Agreement requires litigation, arbitration or mediation to be conducted in a forum other than the State of California, the requirement may be unenforceable under California law.

6. If the Franchise Agreement requires that it be governed by a state's law, other than the State of California, such requirement may be unenforceable.

7. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you.

8. Section 16.11 is amended to delete subsections 16.11.1 and 16.11.2.

FRANCHISEE:	**FRANCHISOR:**
[INSERT FRANCHISEE ENTITY], a **[INSERT TYPE OF ENTITY]**	HILTON FRANCHISE HOLDING LLC, a Delaware limited liability company
By: ______________________	By: ______________________
Name: ______________________	Name: ______________________
Title: ______________________	Title: Authorized Signatory
Executed on: ______________________	

EXHIBIT _

HAWAII ADDENDUM TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the Franchise Disclosure Document or Franchise Agreement, the following provisions will supersede and apply to all franchises offered and sold under the laws of the State of Hawaii:

1. Section 16.11 is amended to delete subsections 16.11.1 and 16.11.2.

2. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FRANCHISEE:	**FRANCHISOR:**
[INSERT FRANCHISEE ENTITY], a **[INSERT TYPE OF ENTITY]**	HILTON FRANCHISE HOLDING LLC, a Delaware limited liability company
By: ______________________	By: ______________________
Name: ______________________	Name: ______________________
Title: ______________________	Title: Authorized Signatory
Executed on: ______________________	

EXHIBIT _

ILLINOIS ADDENDUM TO FRANCHISE AGREEMENT

1. The first sentence of Subsection 16.2.1 of the Franchise Agreement is amended to read as follows:

   "The Parties agree that, except to the extent governed by the United States Trademark Act of 1946 (Lanham Act; 15 U.S.C. ¶ 1050 et seq.), as amended, this Agreement will be governed by the laws of the State of New York, except as otherwise required by the Illinois Franchise Disclosure Act, without recourse to New York choice of law or conflicts of law principles."

2. Subsection 16.2.2 of the Franchise Agreement concerning jurisdiction and venue shall not constitute a waiver of any right conferred upon Franchisee by the Illinois Franchise Disclosure Act.

3. Section 16.11 is amended to delete subsections 16.11.1 and 16.11.2.

4. Subsection 17.1 of the Franchise Agreement, containing a waiver of jury trial, shall not constitute a waiver of any right conferred upon Franchisee by the Illinois Franchise Disclosure Act.

5. Section 41 of the Illinois Franchise Disclosure Act states that "any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void." The Illinois Franchise Disclosure Act will govern the Franchise Agreement with respect to Illinois franchisees and any other person under the jurisdiction of the Illinois Franchise Disclosure Act.

FRANCHISEE:

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

By: ______________________________

Name: ______________________________

Title: ______________________________

Executed on: ______________________

FRANCHISOR:

HILTON FRANCHISE HOLDING LLC,
a Delaware limited liability company

By: ______________________________

Name: ______________________________

Title: Authorized Signatory

EXHIBIT _

MARYLAND ADDENDUM TO FRANCHISE AGREEMENT

1. The general release language contained in Subsection 16.8 of the Franchise Agreement shall not relieve the Franchisor or any other person, directly or indirectly, from liability under the Maryland Franchise Registration and Disclosure Law.

2. The laws of the State of Maryland may supersede the Franchise Agreement, including Section 13, concerning termination and Section 3, concerning renewal of the License.

3. Subsection 16.2.2 is amended to provided that a 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 Laws must be brought within 3 years after the grant of the License.

4. Section 16.4 is deleted and replaced with the following:

   16.4 Entire Agreement. This Agreement and all of its attachments, documents, schedules, exhibits, and any other information specifically incorporated into this Agreement by reference will be construed together as the entire agreement between you and us with respect to the Hotel and any other aspect of our relationship and will supersede and cancel any prior and/or contemporaneous discussions or writings between you and us. However, nothing in this Section 16.4, this Agreement, or in any of Your Hotel Agreements is intended to disclaim the representations we made in any franchise disclosure document that we furnished to you.

5. Section 16.11 is amended to delete subsections 16.11.1 and 16.11.2.

6. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FRANCHISEE:	FRANCHISOR:
[INSERT FRANCHISEE ENTITY], a **[INSERT TYPE OF ENTITY]**	HILTON FRANCHISE HOLDING LLC, a Delaware limited liability company
By: ____________________	By: ____________________
Name: ____________________	Name: ____________________
Title: ____________________	Title: Authorized Signatory
Executed on: ____________________	

EXHIBIT _

MINNESOTA ADDENDUM TO FRANCHISE AGREEMENT

1. Section 3 and Section 13 are amended to provide that Minnesota law provides franchisees with certain termination and non-renewal rights. Minnesota Statutes, Section 80C.14, subdivisions 3, 4, and 5 require, except in certain specified cases, that franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreement.

2. Under Minnesota law, Franchisor must indemnify Franchisee against liability to third parties resulting from claims by third parties that Franchisee's use of Franchisor's trademarks infringes trademark rights of the third party. Under Subsection 9.4, Franchisor does not indemnify Franchisee against the consequences of Franchisee's use of Franchisor's trademarks except in accordance with the requirements of the Franchise Agreement, and, as a condition to indemnification, Franchisee must provide notice to Franchisor of any such claim and tender the defense of the claim to Franchisor within ten (10) days after the claim is asserted. If Franchisor accepts the tender of defense, Franchisor has 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.

3. In compliance with Minnesota Rule 2860.4400J, Subsection 9.6.2 of the Franchise Agreement is amended as follows:

   The first sentence is amended to read: "If you engage in such non-compliance or unauthorized and/or improper use of the System or the Marks during or after the Term, we and any of our applicable Affiliates, along with the successors and assigns of each, will be entitled to seek both temporary and permanent injunctive relief against you from any court of competent jurisdiction, in addition to all other remedies we and our Affiliates may have at law." The second sentence is deleted in its entirety.

4. The first sentence of Subsection 16.2.1 of the Franchise Agreement is amended to read as follows:

   "The Parties agree that, except to the extent governed by the United States Trademark Act of 1946 (Lanham Act; 15 U.S.C. ¶ 1050 et seq.), as amended, this Agreement will be governed by the laws of the State of New York without recourse to New York choice of law or conflicts of law principles, provided, however, that this Section shall not in any way abrogate or reduce any rights of Franchisee as provided for in Minnesota Statutes 1984, Chapter 80C, including the right to submit matters to the jurisdiction of the courts of Minnesota."

5. The following language will appear at the end of Subsection 16.2.2 of the Franchise Agreement:

   "Minnesota Statutes, Sections 80C.21 and Minnesota Rule 2860.4400J prohibit Franchisor from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Franchise Disclosure Document or Franchise Agreement can abrogate or reduce any of Franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or Franchisee's rights to any procedure, forum or remedies provided for by the laws of the jurisdiction."

6. Minnesota Statutes, Sections 80C.21 and Minnesota Rule 2860.4400J prohibit Franchisor from requiring Franchisee to consent to liquidated damages, termination penalties or judgment notes. Subsection 13.4 of the Franchise Agreement is hereby deleted in its entirety and replaced with the following:

   "Damages Upon Termination By Us. If we terminate the Agreement under Subsection 13.1 or 13.2 above, you acknowledge your default will cause substantial damage to us. You therefore agree that if we terminate this Agreement, the termination will not be our sole remedy, and you will also be liable to us for all damages and losses we have suffered arising from the early termination of this Agreement to the same extent as if you had improperly terminated the Agreement. You also agree that you will remain liable for all other obligations and claims under this Agreement, including obligations following termination under Subsections 13.6, 9.6, 10.3 and Section 14 and other damages suffered by us arising out of your breach or default."

7. The following language will appear at the end of Subsection 16.8 of the Franchise Agreement:

"Minnesota Rule 2860.4400D prohibits Franchisor from requiring a Franchisee to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota franchise law. This Subsection 16.8 does not require you to assent to any release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statutes 1973 Supplement, sections 08C.01 to 80C.22, as amended, which also provides that the voluntary settlement of disputes is not barred."

8. Section 16.11 is amended to delete subsections 16.11.1 and 16.11.2.

9. Minn. Rule 2860-4400J prohibits waiver of a jury trial. Subsection 17.1 of the Franchise Agreement is deleted in its entirety.

FRANCHISEE:	**FRANCHISOR:**
[INSERT FRANCHISEE ENTITY], a **[INSERT TYPE OF ENTITY]**	HILTON FRANCHISE HOLDING LLC, a Delaware limited liability company
By: ______________________	By: ______________________
Name: ______________________	Name: ______________________
Title: ______________________	Title: Authorized Signatory
Executed on: ______________________	

EXHIBIT _

NEW YORK ADDENDUM TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the Franchise Disclosure Document or Franchise Agreement, the following provisions will supersede and apply to all franchises offered and sold under the laws of the State of New York:

1. Subsection 9.6 of the Franchise Agreement requiring you to consent to the entry of an injunction is amended to provide that you consent to the seeking of such an injunction.

3. Subsection 16.8 is amended to provide that no release language set forth in the Franchise Agreement will relieve Franchisor or any other person, directly or indirectly, from liability imposed by the laws of the State of New York concerning franchising.

4. Section 16.11 is amended to delete subsections 16.11.1 and 16.11.2.

FRANCHISEE:	**FRANCHISOR:**
[INSERT FRANCHISEE ENTITY], a **[INSERT TYPE OF ENTITY]**	HILTON FRANCHISE HOLDING LLC, a Delaware limited liability company
By: ____________________	By: ____________________
Name: ____________________	Name: ____________________
Title: ____________________	Title: Authorized Signatory
Executed on: ____________________	

EXHIBIT _

NORTH DAKOTA ADDENDUM TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the Franchise Agreement, the following provisions shall supersede and apply to all franchises offered and sold in the State of North Dakota:

1. Subsection 16.2.1 is amended to provide that the laws of the State of North Dakota supersede any provisions of the Franchise Agreement, the other agreements or New York law if such provisions are in conflict with North Dakota law. The Franchise Agreement will be governed by North Dakota law.

2. Subsection 16.2.2 is amended to provide that any provision in the Franchise Agreement which designates jurisdiction or venue or requires the Franchisee to agree to jurisdiction or venue, in a forum outside of North Dakota, is deleted.

3. The Franchise Agreement is amended to reflect that all liquidated damages provisions in the Franchise Agreement are deleted in their entirety. Further, Subsection 13.4 of the Franchise Agreement is replaced by the following:

   Damages Upon Termination By Us. If we terminate the Agreement under Subsection 13.1 or 13.2 above, you acknowledge your default will cause substantial damage to us. You therefore agree that if we terminate this Agreement, the termination will not be our sole remedy, and you will also be liable to us for all damages and losses we have suffered arising from the early termination of this Agreement to the same extent as if you had improperly terminated the Agreement. You also agree that you will remain liable for all other obligations and claims under this Agreement, including obligations following termination under Subsections 9.6, 10.3, 13.6, and Section 14 and other damages suffered by us arising out of your breach or default.

4. Subsection 17.1, which requires you to waive your right to a trial by jury, is deleted in its entirety.

5. Subsection 17.2, which requires you to waive your right to exemplary and punitive damages, is deleted in its entirety.

6. Subsection 16.8 is amended to provide that no release language set forth in the Franchise Agreement will relieve Franchisor or any other person, directly or indirectly, from liability imposed by the laws of the State of North Dakota concerning franchising.

7. No statement, questionnaire, or acknowledgment signed or agreed to by a Franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any Franchisor, franchise seller, or other person acting on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FRANCHISEE:	**FRANCHISOR:**
[INSERT FRANCHISEE ENTITY], a **[INSERT TYPE OF ENTITY]**	HILTON FRANCHISE HOLDING LLC, a Delaware limited liability company
By: ______________________	By: ______________________
Name: ______________________	Name: ______________________
Title: ______________________	Title: Authorized Signatory
Executed on: ______________________	

EXHIBIT _

PUERTO RICO ADDENDUM TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the Franchise Agreement, the following provisions shall supersede and apply to all Franchise Agreements offered and sold in Puerto Rico:

1. Subsection 16.2 of the Franchise Agreement is hereby deleted in its entirety, and replaced by the following:

"**16.2 Governing Law, Jurisdiction and Venue**

16.2.1 The Parties agree that, except to the extent governed by the United States Trademark Act of 1946 (Lanham Act; 15 U.S.C. ¶ 1050 et seq.), as amended, and except as set forth in Subsection 16.2.2, this Agreement will be governed by the laws of the State of New York without recourse to New York choice of law or conflicts of law principles. Nothing in this Section is intended to invoke the application of any franchise, business opportunity, antitrust, "implied covenant," unfair competition, fiduciary or any other doctrine of law of the State of New York or any other state that would not otherwise apply absent this Subsection 16.2.1.

16.2.2 The Parties irrevocably agree that all disputes, controversies or claims arising out of in connection with this Agreement, or the breach, termination or invalidity of this Agreement will be finally settled by arbitration conducted by the American Arbitration Association, JAMS or similar arbitral body (at Franchisor's election) in accordance with the Federal Rules of Civil Procedure by one (1) or more arbitrators appointed in accordance with said rules. To the extent the Federal Rules of Civil Procedure do not govern certain procedures or requirements relating to the arbitration, the parties will look to the applicable rules of the applicable arbitral body. The venue of the arbitration will be Fairfax County, Virginia, and the seat of the arbitration will be New York, New York. Arbitration proceedings will be conducted in English. You consent to personal jurisdiction and venue this jurisdiction and waive, and agree not to assert, move or otherwise claim that the venue in this jurisdiction is for any reason improper, inconvenient, prejudicial or otherwise inappropriate. Notwithstanding the foregoing, the parties agree that actions initiated or maintained by us for temporary remedies, injunctive or other equitable relief may be brought in any competent court or other governmental agency or authority. Notwithstanding such election, the choice of substantive law made by the parties pursuant to this Subsection 16.2 shall continue to apply. Issues relating to the conduct of any arbitration and enforcement of any award shall be governed by the Federal Arbitration Act, 9 U.S.C. §§1-16. An award of arbitration may be confirmed in a court of competent jurisdiction."

FRANCHISEE:	**FRANCHISOR:**
[INSERT FRANCHISEE ENTITY], a **[INSERT TYPE OF ENTITY]**	HILTON FRANCHISE HOLDING LLC, a Delaware limited liability company
By: ______________________	By: ______________________
Name: ______________________	Name: ______________________
Title: ______________________	Title: ______________________
Executed on: ______________________	

EXHIBIT _

RHODE ISLAND ADDENDUM TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the Franchise Agreement, the following provisions shall supersede and apply to all Franchise Agreements offered and sold in the State of Rhode Island:

1. Subsection 16.2.1 is amended to provide that any provision in the Franchise Agreement which designates the governing law as that of any state other than the State of Rhode Island is deleted.

2. Subsection 16.2.2 is amended to provide that Section 19-28.1.-14 of the Rhode Island Franchise Investment Act, as amended by laws of 1993, 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."

FRANCHISEE:

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

By: ______________________________

Name: ______________________________

Title: ______________________________

Executed on: ______________________

FRANCHISOR:

HILTON FRANCHISE HOLDING LLC,
a Delaware limited liability company

By: ______________________________

Name: ______________________________

Title: Authorized Signatory

EXHIBIT _

VIRGINIA ADDENDUM TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the Franchise Disclosure Document or Franchise Agreement, the following provisions will supersede and apply to all franchises offered and sold under the laws of the State of Virginia:

1. Section 16.11 is amended to delete subsections 16.11.1 and 16.11.2.

FRANCHISEE:	**FRANCHISOR:**
[INSERT FRANCHISEE ENTITY], a **[INSERT TYPE OF ENTITY]**	HILTON FRANCHISE HOLDING LLC, a Delaware limited liability company
By: ______________________	By: ______________________
Name: ______________________	Name: ______________________
Title: ______________________	Title: Authorized Signatory
Executed on: ______________________	

EXHIBIT _
WASHINGTON ADDENDUM TO FRANCHISE AGREEMENT

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, AND ALL RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the Franchise Agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the Franchise Agreement or related agreements concerning your relationship with the Franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the Franchise Agreement or related agreements concerning your relationship with the Franchisor. Franchise Agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation.** 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. **General Release.** A release or waiver of rights in the Franchise Agreement or related agreements purporting to bind the Franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the Franchise Agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

7. **Termination by Franchisee.** The Franchisee may terminate the Franchise Agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions.** Provisions in Franchise Agreements or related agreements that permit the Franchisor to repurchase the Franchisee's business for any reason during the term of the Franchise Agreement without the Franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing.** Any provision in the Franchise Agreement or related agreements that requires the Franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits Franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the Franchise Agreement or elsewhere requiring Franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement.** Provisions in the Franchise Agreement or related agreements stating that the Franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification.** Any provision in the Franchise Agreement or related agreements requiring the Franchisee to indemnify, reimburse, defend, or hold harmless the Franchisor or other parties is hereby modified such that the Franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the Franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees.** If the Franchise Agreement or related agreements require a Franchisee to reimburse the Franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the Franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants.** 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 provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements.** 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.

16. **Questionnaires and Acknowledgments.** No statement, questionnaire, or acknowledgment signed or agreed to by a Franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any Franchisor, franchise seller, or other person acting on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

17. **Prohibitions on Communicating with Regulators.** Any provision in the Franchise Agreement or related agreements that prohibits the Franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the Franchisor and is paid a fee for referring prospects to the Franchisor and/or selling the franchise. If a Franchisee is working with a franchise broker, Franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

The undersigned parties do hereby acknowledge receipt of this Addendum.

FRANCHISEE:	**FRANCHISOR:**
[INSERT FRANCHISEE ENTITY], a **[INSERT TYPE OF ENTITY]**	HILTON FRANCHISE HOLDING LLC, a Delaware limited liability company
By: ______________________	By: ______________________
Name: ______________________	Name: ______________________
Title: ______________________	Title: Authorized Signatory
Executed on: ______________________	

EXHIBIT D-2

EXHIBIT - ____

DEVELOPMENT INCENTIVE NOTE

McLean, Virginia

$[INSERT AMOUNT] **Date: [INSERT DATE]**

FOR VALUE RECEIVED, **[INSERT NAME** (whether one or more, jointly and severally, "**Maker**") promises to pay to the order of HILTON FRANCHISE HOLDING LLC, a Delaware limited liability company ("**Holder**"), the principal sum of **[INSERT AMOUNT IN WORDS]** ($**[INSERT NUMERICAL AMOUNT]**) which amount shall bear no interest unless Maker defaults or this Development Incentive Note (this "**Note**") is accelerated.

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

The principal amount of this Note will be disbursed by Holder to Maker, and Maker will become subject to the obligation to repay or discharge this Note, when and if (a): Maker opens the Hotel with our consent; (b) there have been no material adverse changes in the business, legal, litigation, bankruptcy status or finances of the Maker, any guarantors, or the project since approval; (c) Maker has completed any PIP; and (d) Maker has paid the Franchise Application Fee. If the Franchise Agreement terminates before the Hotel opens and Holder has not disbursed the principal amount of this Note to Maker, then this Note will be deemed discharged and neither party will have any further obligation to the other under this Note. On each anniversary of the Hotel's Opening Date, one-twentieth (1/20th) **[UPDATE IF FA TERM IS NOT 20 YEARS]** of the original principal amount will be forgiven without payment. Maker's obligation to repay the principal of this Note will cease and this Note will automatically be canceled and discharged when and if the principal is completely forgiven or repaid in accordance with these terms. For the purposes of calculating the portion of the principal amount of this Note that is forgiven each year, Holder will be deemed to have disbursed the full principal amount regardless of whether or not Holder has set off any amounts from such principal amount pursuant to the Franchise Agreement prior to disbursement to Maker.

If a termination of the Franchise Agreement occurs for any reason; or a Transfer occurs, and the transferee does not assume Maker's obligation under this Note and cause a replacement co-maker acceptable to Holder to assume the obligations of any co-maker under this Note in a writing acceptable to Holder before the closing of such Transfer before the principal is forgiven or repaid, then the outstanding, unamortized principal balance of this Note shall be immediately due and payable without further notice, demand or presentment. If this Note is accelerated under this paragraph, and is not paid within ten (10) days after it is due, the outstanding principal balance shall bear simple interest from its due date until paid at a rate equal to the lesser of eighteen percent (18%) per annum or the highest rate allowed by applicable law. The outstanding principal balance of this Note shall be payable in lawful money of the United States of America at 7930 Jones Branch Dr., Suite 1100, McLean, VA 22102, Attention: General Counsel, or at such other place as Holder may periodically direct by written notice to Maker. Any payments shall be first applied to collection costs and expenses, if any, incurred by the Holder, second to any accrued but unpaid interest and last to principal. Maker has the right to prepay this Note, in whole or in part, at any time, without premium or penalty but amounts paid or prepaid may not be re-disbursed. Prepayments of principal will be applied without notation on this Note. Maker's obligation to pay this Note shall be absolute and unconditional, and all payments shall be made without setoff, deduction, offset, recoupment or counterclaim.

If this Note is collected by or through an attorney at law, the Holder shall be entitled to collect reasonable attorney's fees and all costs of collection, which, shall be due and payable on demand or, at the Holder's election, may be added to the amount due and payable to Holder under this Note. This Note is issued in and shall be governed and construed according to the laws of the State of New York (without the application of conflict of laws principles). Each maker, co-maker, endorser, guarantor or accommodation party liable for this Note waives presentment, demand, notice of demand, protest, notice of non-payment, notice of protest, notice of dishonor and diligence in collection. Holder reserves the right to modify the terms of this Note, grant extensions, renewals, releases, discharges, compositions and compromises with any party liable on this Note, with or without notice to or the consent of, and without discharging or affecting the obligations of any other party liable under this Note.

The terms "Holder" and "Maker" shall be deemed to include their respective heirs, successors, legal representatives and assigns, whether by voluntary action of the parties or by operation of law; *provided that,* Maker shall not assign or delegate any of its obligations or agreements hereunder without the Holder's prior written consent and any assignment or delegation without such prior written consent shall be null and void. All references to "Maker" shall mean and include the named Maker and all co-makers, guarantors, sureties and accommodation parties signing or endorsing this Note, and all such parties signing or endorsing this Note shall be jointly and severally liable with the named Maker for all of Maker's obligations and liabilities under this Note.

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

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

By: ______________________________

Name: ______________________________

Title: ______________________________

Executed on: ________________________

[REQUIRED IF PRINCIPAL OF NOTE IS $1,000,000 OR MORE:
Co-Maker
[INSERT ENTITY],
a **[INSERT TYPE OF ENTITY]**

By: ______________________________

Name: ______________________________

Title: ______________________________

Executed on: ________________________

EXHIBIT D-3

EFOREA SPA AMENDMENT TO FRANCHISE AGREEMENT

THIS EFOREA SPA AMENDMENT TO FRANCHISE AGREEMENT ("**Amendment**") is made and entered into by and between HILTON FRANCHISE HOLDING LLC, a Delaware limited liability company ("**we**," "**us**," or "**our**") and the franchisee entity ("**you**," or "**your**") set forth in the Addendum attached to the franchise agreement dated [INSERT DATE] ("**Franchise Agreement**") as of [INSERT DATE] ("**Effective Date**").

WHEREAS, the Franchise Agreement permits you to operate the Hotel as a [INSERT] Brand hotel ("**Hotel**"); you have applied to operate an eforea spa ("**eforea spa**") in connection with the operation of the Hotel; we are willing to accept such application and grant a license to you to use the Brand in the operation of an eforea spa at the Hotel Site pursuant to the Franchise Agreement as amended by this Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are acknowledged, we and you agree as follows:

1. Terms. Capitalized terms in this Amendment have the meaning set forth in the Franchise Agreement, unless amended pursuant to Section 2 below.

2. Changes to Certain Defined Terms. Section 1 of the Franchise Agreement is amended as follows:

(a) The following defined terms in Section 1 of the Franchise Agreement are deleted and replaced with the following:

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

"**Brand**" means with respect to the Hotel, the brand name set forth in the Addendum, and the brand name "eforea" with respect to the spa to be operated hereunder.

"**Term**" means the period from the Effective Date through the expiration of this Agreement on the date set forth in the Addendum, unless terminated earlier under the terms of this Agreement. The Term for the operation of your eforea spa shall expire on the earlier of: (i) the termination of the eforea spa Amendment to this Agreement or (ii) the expiration or termination of this Agreement.

"**Opening Date**" means the day on which we authorize you to make available the facilities, guestrooms or services of the Hotel to the general public under the Brand. However, the "Opening Date" as it relates to the eforea spa, shall mean the day on which we authorize you to make available the spa's services to the general public.

"**Trade Name**" means the name of the Hotel set forth in the Addendum, and with respect to the operation of the spa in connection with the Hotel, the name "eforea."

(b) The definition of "**Manual**" is amended to include the eforea Spa Operating Standards Manual.

(c) The definition of "**Standards**" is amended to include application to eforea spas licensed by us.

(d) The definition of "**System**" is amended to include the elements that we designate to distinguish spas operating under the "eforea" name, including know-how.

(e) The following term is added to the defined terms in Section 1:

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

3. Grant of Non-Exclusive License. We and you acknowledge that in executing this Amendment, and modifying certain of the defined terms in the Franchise Agreement during the term of this Amendment, we are granting to you and you are accepting a limited, non-exclusive license to operate a spa on the Hotel Site using the eforea name and other indicia of an eforea spa during the Term applicable to the eforea spa, and you are agreeing to comply with all Standards that have been and are in the future developed by us for use in connection with the design, construction, renovation, refurbishment, appearance, equipment, furnishing, supplying, opening, operating, maintaining, marketing, services, service levels, quality, and quality assurance of eforea spas.

4. Our Responsibilities. Subsection 4.4 of the Franchise Agreement is amended by the addition of the following new Subsection:

4.4.8 Spa. We will provide you with (i) a sample layout for the interior of a typical eforea spa, and specifications we have approved related to the design and construction of the spa, (ii) a collateral suite to support the operation of your Spa, and (iii) a periodic list of ay approved suppliers and specifications for any required operating equipment, products, supplies and furnishings in the spa. As and when we determine, we may provide the services of a Spa Performance Director to periodically provide you with suggestions for the improvement of your spa's operations.

5. Trade Name, Use of the Marks. Subsection 9.2.1 of the Franchise Agreement is amended by the addition of the following sentence after the first sentence:

The spa operated at the Hotel Site as a part of the Hotel will be known by the Trade Name "eforea," unless otherwise approved, or changed by us.

6. Additional Operational and Other Requirements.

(a) Subsection 5.1.1 of the Franchise Agreement is deleted and replaced with the following:

5.1.1 after the Opening Date, operate the Hotel twenty-four (24) hours a day; provided, however, you will operate the eforea spa for those days of the week and hours of the day that we may periodically establish;

(b) Subsection 5.1.27 of the Franchise Agreement is amended by deleting the word "and" after the semicolon,

(c) Subsection 5.1.28 of the Franchise Agreement is amended by changing the period to a semicolon and adding the following subparagraphs:

5.1.29 the Opening Date for the eforea spa must be within twelve (12) months of the Effective Date of the eforea Amendment;

5.1.30 after the Opening Date, operate the eforea spa for those days of the week and hours of the day as we may establish;

5.1.31 you must display all material, including brochures and promotional materials we provide for eforea spas, and allow advertising and promotion of eforea spas on your spa's premises, unless we specifically direct you to include advertising or promotion of Other Hotels or other non-eforea spas; and

5.1.32 comply with System Standards for the training of persons involved in the operation of the eforea spa, including completion by each member of the spa's staff of the training program for operation of the spa under the System, at a site we designate. You will pay us all fees and charges, if any, we require for your personnel to attend these training programs. You will also be responsible for the wages, room, board and travel expenses of your personnel.

7. Fees. In addition to the fees set forth in the Franchise Agreement, you will pay us the following additional fees in connection with your eforea spa:

(a) Initial Fee. An initial fee of Twenty Five Thousand Dollars ($25,000), due and payable on execution of this Amendment ("**Initial Fee**") as consideration for our grant to you of the right to operate an eforea spa as specified by this Amendment. The Initial Fee shall be deemed to have been earned by us at the time of execution of this Amendment by you, and shall not be refundable.

(b) Spa Royalty. An amount equal to two percent (2%) of your Gross Spa Revenue. This fee shall be added to your Monthly Royalty Fee but shall only be payable on Gross Spa Revenue. For the avoidance of any doubt, this fee (i) will be due and we will have all rights related to this fee as set forth in the Franchise Agreement related to the Monthly Royalty Fee, and (ii) is paid in addition to any other fees set forth in the Franchise Agreement.

8. Lease; Competition; Transfer. Notwithstanding anything set forth in the Franchise Agreement to the contrary, you understand and acknowledge that: (i) you may not lease or sublease commercial space in your eforea spa, or enter into concession arrangements for operations in connection with your eforea spa; (ii) neither you nor any affiliate may operate, have operated on your behalf or on behalf of an affiliate, or allow the operation of, another spa in, adjacent to or that is associated in any way with, the Hotel; (iii) you may not enter into a Change of Ownership Transfer for your Hotel unless you are also transferring your eforea spa in the same transaction and you may not enter into a Change of Ownership Transfer for your eforea spa unless you are also transferring your Hotel in the same transaction; and (iv) any Restricted Area granted by Franchisor shall not apply to Franchisee with respect to its eforea spa. Further, in any transaction referred to in clause (ii) above, the Transferee for your Hotel and the spa operated as part of your Hotel must be the same entity.

9. Termination. You acknowledge and agree: (i) the expiration or termination of the Franchise Agreement will terminate all of your rights to operate an eforea spa; and (ii) this Amendment can be terminated for any of the grounds set forth in the termination provisions of the Franchise Agreement, whether or not the Franchise Agreement is also terminated, following which you will have no further right to use the name "eforea" in connection with the operation of a spa at the Hotel Site.

10. Your Obligations On Termination or Expiration. In the event of a termination or expiration with respect to your right to operate the spa as an eforea spa, in addition to, and not in lieu of, any of your obligations that arise on termination or expiration of the Franchise Agreement, you will immediately:

(a) cease using the eforea name, and any other names, marks, trade dress, systems, insignia, symbols, and other rights, procedures and methods licensed to you under this eforea Amendment with respect to the operation of a spa, and any confusingly similar names, marks, trade dress, systems, insignia, symbols, procedures and methods;

(b) deliver all goods and materials containing that portion of the Marks related to the operation of an eforea spa to us and we will have the sole and exclusive use of any items containing those Marks;

(c) make any specified changes to the Hotel and the Hotel Site as we may reasonably require for the purpose of de-identifying your spa, which will include removal of the signs, custom decorations and promotional materials related to the operation of an eforea spa;

(d) cease representing yourself or the Hotel as then or formerly operating a spa as an eforea spa;

(e) return all copies of the eforea Spa Operations Standards Manual to us; and

(f) cancel all assumed name or equivalent registrations relating to your use of the eforea name in connection with the operation of a spa at the Hotel, and irrevocably assign and transfer to us (or to our designees) all of your right, title and interest in any domain name listings and registrations that contain any reference to the eforea name, all to the same extent as would be required under Subparagraphs 13.6.6 and 13.6.7 of the Franchise Agreement on termination of that agreement.

11. Representations and Warranties. Subsection 16.11.1 of the Franchise Agreement is deleted in its entirety and replaced with the following:

> 16.11.1 you have independently investigated the risks of operating the Hotel and a spa under the Brand, including current and potential market conditions and competitive factors and risks, and have made an independent evaluation of all such matters and reviewed our Franchise Disclosure Document, if applicable.

12. Original Document. This Amendment may be executed in any number of counterparts, and delivered by facsimile or other electronic transmission, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

13. Authority. Franchisee represents and warrants that the individual signing this Amendment on its behalf has the necessary authority and legal capacity to execute this instrument and represent Franchisee.

14. Effect. The terms of this Amendment are expressly made subject to and are governed by the Franchise Agreement. Except as specifically amended by this Amendment, the Franchise Agreement shall continue in full force and effect. In the event of a conflict between the terms of the Franchise Agreement and this Amendment, this Amendment shall control.

IN WITNESS WHEREOF the parties have executed this Amendment as indicated below to take effect as of the Effective Date.

FRANCHISEE:	**FRANCHISOR:**
[INSERT FRANCHISEE ENTITY], a [INSERT TYPE OF ENTITY]	HILTON FRANCHISE HOLDING LLC, a Delaware limited liability company
By: ____________________	By: ____________________
Name: ____________________	Name: ____________________
Title: ____________________	Title: ____________________
Executed: ____________________	Executed: ____________________

EXHIBIT D-4

RESTAURANT BRAND AMENDMENT TO FRANCHISE AGREEMENT

[INSERT BRAND AND HOTEL NAME]
[CITY, STATE/PROVINCE]

THIS RESTAURANT BRAND AMENDMENT TO FRANCHISE AGREEMENT ("**Amendment**" or "**Restaurant Brand Amendment**") is made and entered into by and between HILTON FRANCHISE HOLDING LLC, a Delaware limited liability company ("**we**," "**us**," or "**our**") and [INSERT FRANCHISEE ENTITY NAME], a[n] [Insert State of Formation] [Insert Type of Entity] ("**Franchisee**", "**you**," or "**your**") as of **______________________** ("**Effective Date**"). We and you may collectively be referred to as the "**Parties**" and individually as a "**Party**".

WHEREAS, we and you are parties to a franchise agreement dated as of [Insert Effective Date] (collectively, with all applicable amendments, addenda, riders, supplemental agreements and assignments, the "**Franchise Agreement**") with respect to the [Insert Brand and Hotel Name] located at [Insert Address of the Hotel] ("**Hotel**"); and

WHEREAS, the Franchise Agreement permits you to operate the Hotel as a [INSERT] Brand hotel; you have applied to operate the restaurant or other dining brand concept known as [INSERT RESTAURANT BRAND] (the "**Restaurant Brand**") in connection with the operation of the Hotel; we are willing to accept such application and grant a license to you to use the Restaurant Brand in the operation of a restaurant and/or bar located at the Hotel Site pursuant to the Franchise Agreement, as amended by this Restaurant Brand Amendment; and the Parties desire to modify the Franchise Agreement to reflect such arrangement and otherwise to enter into the agreements as provided in this Restaurant Brand Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are acknowledged, we and you agree as follows:

1. **Capitalized Terms**. Capitalized terms in this Restaurant Brand Amendment have the meaning set forth in the Franchise Agreement, unless amended or defined in this Restaurant Brand Amendment.

2. **Changes to Certain Defined Terms**. Section 1 of the Franchise Agreement is amended as follows:

   (a) The following defined terms in Section 1 of the Franchise Agreement are deleted and replaced with the following:

   "**Brand**" means with respect to the Hotel, the brand name set forth in the Addendum, and with respect to the Restaurant, the Restaurant Brand.

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

   "**Marks**" means (i) with respect to the Hotel, the Brand and all other business names, copyrights, designs, distinguishing characteristics, domain names, emblems, insignia, logos, slogans, service marks, symbols, trademarks, trade dress and trade names (whether registered or unregistered) used in the System; and (ii) with respect to the Restaurant, the Restaurant Brand Marks.

   "**Opening Date**" means the day on which we authorize you to make available the facilities, guestrooms or services of the Hotel to the general public under the Brand. However, the

“Opening Date” as it relates to the Restaurant shall mean the day on which we authorize you to make available the Restaurant’s services to the general public.

“**Term**” means, (i) with respect to the Hotel, the period from the Effective Date through the expiration of this Agreement on the date set forth in the Addendum, unless terminated earlier under the terms of this Agreement, and (ii) with respect to the license of the Restaurant Brand, the Restaurant Brand Term, unless terminated earlier under the terms of this Agreement.

“**Trade Name**” means the name of the Hotel set forth in the Addendum, and with respect to the operation of the Restaurant, the Restaurant Trade Name.

(b) The definition of “**Manual**” is amended to include the Restaurant Brand Guidelines.

(c) The definition of “**Standards**” is amended to include application to Restaurant Brands licensed by us and food and beverage outlets operating under such Restaurant Brands, including the Restaurant located at the Hotel.

(d) The definition of “**System**” is amended to include the elements that we designate to distinguish restaurants and/or bars operating under the Restaurant Brand name, including know-how.

(e) With respect to the Restaurant, “**Construction Work**” means the portion of the Construction Work for the Restaurant at the Hotel.

(f) With respect to the Restaurant, “**Renovation Work**” means the portion of the Renovation Work for the Restaurant at the Hotel, as set out in any PIP applicable to the Hotel or as otherwise set out in this Restaurant Brand Amendment.

(g) With respect to the Restaurant, “**Construction Commencement Date**” and “**Construction Work Completion Date**” mean the applicable date set out in this Restaurant Brand Amendment, if applicable, by which you must commence and complete, respectively, the Restaurant at the Hotel.

(h) With respect to the Restaurant, “**Renovation Commencement Date**” and “**Renovation Work Completion Date**” mean the applicable date set out in this Restaurant Brand Amendment, if applicable, by which you must commence and complete, respectively, the Restaurant at the Hotel.

(i) The following definitions are added to Section 1 of the Franchise Agreement:

“**Development Services**” means Restaurant Brand concept implementation materials and design process support, together with consultation and guidance on: (a) branding implementation; (b) menu and recipe implementation; (c) uniforms, operating supplies and equipment; (d) sourcing and procurement; and (e) any other general pre-opening services, guidance, and support that we offer to support the development and opening of food and beverage outlets under the Restaurant Brand.

“**Restaurant Brand**” means [INSERT RESTAURANT BRAND], as that name is used to identify the chain of restaurants and bars operated under the same Restaurant Brand Standards. The Restaurant Brand does not mean Hilton Worldwide, its Affiliates, or any other brands, product lines, or chains of hotels that include the words “[INSERT RESTAURANT BRAND]” or “Hilton” as any part of their brand name.

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

"**Restaurant Brand Guidelines**" means standards, specifications, requirements, criteria, and policies that have been and are in the future developed and compiled by us for use by you in connection with the design, construction, renovation, refurbishment, appearance, equipment, furnishing, supplying, opening, operating, maintaining, marketing, services, service levels, quality, and quality assurance of Restaurant Brand food and beverage outlets including the Restaurant at the Hotel, whether contained in the Manual or set out in this Restaurant Brand Amendment or other written communication. The Restaurant Brand Guidelines do not include any personnel policies or procedures that we may, at our option, make available to you. You may, in your sole judgment, determine to what extent, if any, any such personnel policies or procedures might apply to the Restaurant at the Hotel.

"**Restaurant Brand System**" means the elements, including the know-how, that we designate to distinguish restaurants, bars, or other food and beverage outlets operating under the Restaurant Brand. The Restaurant Brand System currently includes: the Restaurant Brand; the Restaurant Brand Marks; the Restaurant Trade Name; the Restaurant Brand Standards; access to advertising, publicity and other marketing programs and materials; training programs and materials; and programs for our inspection of the Restaurant and consulting with you.

"**Restaurant Brand Term**" means the period commencing on the Effective Date of the Restaurant Brand Amendment and expiring on the earlier of: (i) the termination of the Restaurant Brand Amendment to this Agreement; or (ii) the expiration or termination of this Agreement **[ADD CLAUSE (III) IF THE RESTAURANT BRAND TERM RUNS FOR LESS THAN THE FULL TERM OF THE FA** ; or (iii) the [________ (___)] anniversary of the Effective Date of the Restaurant Brand Amendment**]**.

"**Restaurant**" means the restaurant, bar, or other food and beverage outlet at the Hotel Site that is operated or to be operated under the Restaurant Brand as part of the Hotel.

"**Restaurant Trade Name**" means "[INSERT]", unless otherwise approved or changed by us.

3. **<u>Grant of Non-Exclusive License</u>**. We and you acknowledge that in executing this Restaurant Brand Amendment, and modifying certain of the defined terms in the Franchise Agreement during the term of this Restaurant Brand Amendment, we are granting to you and you are accepting a limited, non-exclusive license to use the Restaurant Brand Marks and the Restaurant Brand System during the Restaurant Brand Term at, and in connection with, the operation of the Restaurant in accordance with the terms of the Franchise Agreement (as amended).

4. **<u>Our Responsibilities</u>**. Subsection 4.8 of the Franchise Agreement is amended by the addition of the following new Subsection:

4.8 Restaurant Brand.

4.8.1 We will provide you with a package of support materials that may include signage guidelines, menu templates, design and visual identity guides, staff uniform guidelines, and/or other supporting collateral for the Restaurant Brand concept as we deem applicable. We do not mandate entire menus (specifying every food and beverage item that you must offer), but we may require you to offer certain menu items that we deem to be signature elements of the Restaurant Brand. In addition, we may specify the types and quality level of the menu items that you may offer in the Restaurant and the minimum service or meal periods (such as, for example, breakfast, lunch, dinner, snack occasions, evening drinks and cocktail service, etc.).

4.8.2 We will consult with you on the design and build-out of your Restaurant Brand; provided, however, that you will always remain responsible for the design, construction, renovation, refurbishment, appearance, equipment, furnishing, supplying, opening, operating, maintaining, marketing, services, service levels, quality, and quality assurance of the Restaurant at your Hotel Site. You are solely responsible for the compliance of the Restaurant with all Laws, and you must rely solely on your own outside consultants for all architectural, engineering, or similar professional services. Any advice, assistance, recommendation, or other consulting service we provide is not intended to be and will not constitute any representation, warranty, agreement, covenant, promise or guaranty of any kind or nature whatsoever.

5. **Trade Name, Use of the Marks**. Subsection 9.2.1 of the Franchise Agreement is amended by the addition of the following sentence after the first sentence:

The Restaurant operated at the Hotel Site as a part of the Hotel under the Restaurant Brand will be known by the Restaurant Trade Name unless otherwise approved, or changed by us.

6. **Additional Operational and Other Requirements**.

(a) Subsection 5.1.1 of the Franchise Agreement is deleted and replaced with the following:

5.1.1 after the Opening Date, operate the Hotel twenty-four (24) hours a day; provided, however, you will operate the Restaurant for all required days, time periods, and meal periods that we may specify;

(b) Subsection 5.1.3 of the Franchise Agreement is deleted and replaced with the following:

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

(c) Subsection 5.1.[28][29] of the Franchise Agreement is amended by deleting the word "and" after the semicolon.

(d) Subsection 5.1.[29][30] of the Franchise Agreement is amended by changing the period to a semicolon and adding the following subparagraphs:

5.1.[30][31] cause the Opening Date for the Restaurant to occur within twelve (12) months of the Effective Date of the Restaurant Brand Amendment;

5.1.[31][32] after the Opening Date, operate the Restaurant for all required days of the week and meal periods during the hours we specify or approve, including up to any and all days and hours that the Hotel is required to be in operation (for the avoidance of doubt, for purposes of Hotel room service, catering services, and/or other services, the Restaurant kitchen operating hours may be different than dining room hours);

5.1.[32][33] display all material, including brochures and promotional materials we provide for the Restaurant Brand, and allow advertising and promotion of Restaurant

Brand food and beverage outlets on your Hotel premises (including the Restaurant's premises); and

5.1.[33][34] comply with the Standards and the Restaurant Brand Guidelines for the training of persons involved in the operation of the Restaurant, including completion by each member of the restaurant's and/or bar's staff of any training program for operation of the restaurant and/or bar under the System, at a site we designate. You will pay us all fees and charges, if any, we require for your attendees to attend these training programs. You will also be responsible for the travel, lodging, and other expenses your attendees incur in connection with attending these programs. You acknowledge and agree that when we provide training, we provide the training content that we deem necessary and appropriate for the business functions of the Restaurant so that it may operate in accordance with our Standards and the Restaurant Brand Guidelines; and we do not direct or supervise your personnel, or have, retain, or exercise any control over your (or your Management Company's) personnel or personnel policies or procedures in any manner..

7. **<u>Hotel Work for the Restaurant</u>**.

(a) The terms and conditions of Section 6.0 (Hotel Work) of the Franchise Agreement shall apply with respect to the Hotel Work for the Restaurant.

(b) The dates by which you must commence and complete the Hotel Work with respect to the Restaurant are as follows:

[Construction Commencement Date:] [______________________]

[Construction Work Completion Date:] [______________________]

[Renovation Commencement Date:] [______________________]

[Renovation Work Completion Date:] [______________________]

(c) You may request an extension of the Construction Commencement Date, Construction Work Completion Date, Renovation Commencement Date, or the Renovation Work Completion Date specified above by submitting a request for our approval before the applicable deadline, describing the status of the project and the reason for the requested extension, and paying our then-current extension fee. We may, in our sole discretion, grant or deny approval, or condition our approval of your extension request on (i) your payment of our then-current extension fee; (ii) your prompt submission of a written status of the project, including such information as we might reasonably request; and/or (iii) any other conditions we consider appropriate under the circumstances. If the Franchise Agreement contains provisions for automatic extensions of any such dates, such automatic extensions will not apply to the Hotel Work for the Restaurant unless the Hotel Work for the Restaurant is undertaken simultaneously with the Hotel Work for the entire Hotel and an automatic extension applies with respect to such deadlines for the entire Hotel.

8. **<u>Development Services Fee</u>**. In addition to the fees set forth in the Franchise Agreement, you will pay us an amount equal to Seventy-Five Thousand Dollars ($75,000) ("**Development Services Fee**") as consideration for our grant to you of the right to use the Restaurant Brand as specified by this Restaurant Brand Amendment and for the initial Development Services we provide before the Opening Date. One-half of the Development Services Fee is due and payable concurrently upon execution of this Restaurant Brand Amendment, and one-half of the Development Services Fee is due and payable upon the opening of the Restaurant. The Development Services Fee will be paid

to us at the place and in the manner we designate. This fee will be deemed to have been earned by us at the time of execution of this Restaurant Brand Amendment by you and is not refundable.

9. **Lease; Competition; Transfer**. Notwithstanding anything set forth in the Franchise Agreement to the contrary, you understand and acknowledge that: (i) you may not lease or sublease commercial space in your Restaurant, or enter into concession arrangements for operations in connection with your Restaurant; (ii) any Restricted Area granted by Franchisor shall not apply to Franchisee with respect to the Restaurant Brand or its Restaurant; (iii) you may not enter into a Change of Ownership Transfer for your Restaurant unless you are also transferring your Hotel in the same transaction; (iv) any Change of Ownership Transfer for your Hotel must also include a transfer of your Restaurant in the same transaction, unless we approve a termination of this Restaurant Brand Amendment; and (v) if you enter into a Change of Ownership Transfer for your Hotel, we have the right to terminate this Restaurant Brand Amendment and have no obligation to grant a license to your Transferee to use the Restaurant Brand in the operation of a restaurant and/or bar located at the Hotel Site. Further, in any transaction referred to in clauses (iii) or (iv) above, the Transferee for your Hotel and the Restaurant operated as part of your Hotel must be the same entity.

10. **Termination**. You acknowledge and agree: (i) the expiration or termination of the Franchise Agreement will terminate all of your rights to use the Restaurant Brand; and (ii) this Restaurant Brand Amendment can be terminated for any of the grounds set forth in the termination provisions of the Franchise Agreement, whether or not the Franchise Agreement is also terminated, following which you will have no further right to use the Restaurant Brand in connection with the operation of a restaurant or bar at the Hotel Site.

11. **Your Obligations on Termination or Expiration**. In the event of a termination or expiration with respect to your right to use the Restaurant Brand, in addition to, and not in lieu of, any of your obligations that arise on termination or expiration of the Franchise Agreement, you will immediately:

(a) cease operating the Restaurant as a Restaurant Brand Restaurant and cease using the Restaurant Brand System;

(b) cease using the Restaurant Trade Name, the Restaurant Brand Marks, and any other names, marks, trade dress, systems, insignia, symbols, and other rights, procedures and methods licensed to you under this Restaurant Brand Amendment and any confusingly similar names, marks, trade dress, systems, insignia, symbols, procedures and methods;

(c) deliver all goods and materials containing that portion of the Marks related to the Restaurant Brand to us and we will have the sole and exclusive use of any items containing those Marks;

(d) make any specified changes to the Hotel and the Hotel Site as we may reasonably require for the purpose of de-identifying your restaurant and/or bar, which will include removal of the signs, custom decorations and promotional materials related to the operation of a Restaurant Brand food and beverage outlet;

(e) cease representing yourself or the Hotel as then or formerly operating a food and beverage outlet under the Restaurant Brand or affiliated with the Restaurant Brand or the Restaurant System;

(f) return all copies of the Restaurant Brand Guidelines to us; and

(g) cancel all assumed name or equivalent registrations relating to your use of the Restaurant Brand name in connection with the operation of the Restaurant at the Hotel, and irrevocably assign and transfer to us (or to our designees) all of your right, title and interest in any domain name listings and registrations that contain any reference to the Restaurant Brand name, all to the same extent as would be required under Subsections [13.6.6] and [13.6.7] of the Franchise Agreement on termination of that agreement.

12. **Representations and Warranties**. Subsection [16.11.1] of the Franchise Agreement is deleted in its entirety and replaced with the following:

> [**16.11.1**] you have independently investigated the risks of operating the Hotel and a restaurant and/or bar under the Brand, including current and potential market conditions and competitive factors and risks, and have made an independent evaluation of all such matters and reviewed our Franchise Disclosure Document, if applicable.

13. **Counterparts**. This Restaurant Brand Amendment may be executed in any number of counterparts, and delivered by facsimile or other electronic transmission, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

14. **Authority**. Franchisee represents and warrants that the individual signing this Restaurant Brand Amendment on its behalf has the necessary authority and legal capacity to execute this instrument and represent Franchisee.

15. **Full Force and Effect**. Except as specifically amended by this Restaurant Brand Amendment, the terms of the Franchise Agreement will remain unmodified in full force and effect. In the event of a conflict between the terms of the Franchise Agreement and the terms of this Restaurant Brand Amendment, the terms of this Restaurant Brand Amendment shall control.

IN WITNESS WHEREOF the parties have executed this Restaurant Brand Amendment as indicated below to take effect as of the Effective Date.

FRANCHISEE:	**FRANCHISOR:**
[INSERT FRANCHISEE ENTITY], a [INSERT TYPE OF ENTITY]	HILTON FRANCHISE HOLDING LLC, a Delaware limited liability company
By: ____________________________	By: ____________________________
Name: ____________________________	Name: ____________________________
Title: ____________________________	Title: ____________________________
Executed: ________________________	Executed: ________________________

EXHIBIT E

U.S. GUARANTY OF FRANCHISE AGREEMENT

Insert Hotel Name

[THE BRACKETED LANGUAGE IS INSERTED FOR A SITE RELATED GUARANTY WITH TENANT-IN-COMMON (TIC) OWNERSHIP]

THIS U.S. GUARANTY OF FRANCHISE AGREEMENT ("**Guaranty**") is executed as of [Date] ("**Effective Date**") by ___________________________, a _________________________[jointly, severally, individually and collectively] ("**Guarantor**"), in favor of HILTON FRANCHISE HOLDING LLC, a Delaware limited liability company ("**Franchisor**") confirm Franchisor entity, as consideration of and as an inducement to Franchisor to execute the franchise agreement with an Effective Date of [Date] (referred to in this Guaranty collectively, along with all applicable amendments, addenda, riders, supplemental agreements and assignments, as the "**Franchise Agreement**") between Franchisor and ______________________________, a ____________________________ ("**Franchisee**"). Capitalized terms not otherwise defined in this Guaranty shall have the same meaning as in the Franchise Agreement. Guarantor agrees as follows:

[WHEREAS, Guarantor has represented that it owns a tenant-in-common interest in the real property and improvements comprising (or that will comprise) the Hotel (the "**Property**");]

1. Guaranty. Guarantor hereby unconditionally and irrevocably [jointly, severally, individually and collectively,] guaranties to Franchisor: (a) the full and prompt payment of all sums owed by Franchisee to Franchisor and to Franchisor's Affiliates under the Franchise Agreement, any related agreements, and otherwise relating to the Hotel, including, but not limited to, all fees and charges, interest, default interest, and other costs and fees (including, without limitation, attorneys' fees in connection with enforcement of the Franchise Agreement; and (b) the performance of all other obligations of Franchisee arising under the Franchise Agreement and any related agreements (collectively, the "**Obligations**"). On default by Franchisee and notice from Franchisor to Guarantor, Guarantor will immediately make payment in full of all past due amounts owing to Franchisor or Franchisor's Affiliates, and perform each Obligation of Franchisee.

2. Waivers of Certain Rights and Defenses. Each Guarantor waives: (a) any right Guarantor may have to require that an action be brought against Franchisee or any other person as a condition of Guarantor's liability under this Guaranty; (b) all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Franchisee arising as a result of Guarantor's execution of and performance under this Guaranty; (c) any law or statute which requires that Franchisor or its Affiliates make demand on, assert claims against or collect from Franchisee or any others, foreclose any security interest, sell collateral, exhaust any remedies or take any other action against Franchisee or any others before making any demand on, collecting from or taking any action against Guarantor under or with respect to this Guaranty; and (d) any and all other notices and legal or equitable defenses to which Guarantor may be entitled.

4. Information Requests. Guarantor must deliver to Franchisor: (a) complete and current financial information about Guarantor as Franchisor may reasonably request; and (b) any other information about Guarantor that Franchisor reasonably requests.

5. Additional Provisions.

(a) Each Guarantor jointly and severally holds harmless, and agrees to defend, protect, and indemnify Franchisor from any actions, causes of action, liabilities, damages, losses, and fees (including attorneys' fees) and all other claims of every nature which may arise as a result of any dispute between or among any of Guarantors and any other persons or entities.

[INSERT FOR TIC AND DELETE THE ABOVE 5(a) - Guarantor, jointly, severally, individually and collectively, agrees to defend, protect, indemnify and hold harmless, Franchisor from any actions, causes of action, liabilities, damages, losses, and fees (including attorneys' fees) and all other claims of every nature which may arise as a result of any dispute between or among any of Guarantors and any other persons or entities.]

(b) Franchisor may assign this Guaranty without in any way affecting Guarantor's liability. This Guaranty will inure to the benefit of Franchisor and its Affiliates and their successors and assigns and will bind Guarantor and Guarantor's heirs, executors, administrators, successors, and assigns.

(c) Notices must be in writing and must be delivered in person, by prepaid overnight commercial delivery service, or by prepaid United States Mail, overnight, registered or certified, with return-receipt requested, to the following addresses:

If to Franchisor: Hilton Franchise Holding, LLC
Attention: General Counsel
7930 Jones Branch Drive, Suite 1100
McLean, VA 22102

If to Guarantor: INSERT Name and Address

If Guarantor wants to change the notice address set forth above, Guarantor shall notify Franchisor in writing in accordance with the delivery procedure set forth in this Subsection [4]5(c). A Notice will be deemed effective on the earlier of: (i) receipt or first refusal of delivery; (ii) one (1) day after posting if sent by overnight commercial delivery service or overnight United States Mail; or (iii) three (3) days after placement in the United States Mail if overnight delivery is not available to the Notice address.

(d) Guarantor represents, warrants and covenants to Franchisor that Guarantor, including its directors, officers, senior management, shareholders and other persons having a controlling interest in Guarantor: (i) is not, and, to your actual or constructive knowledge, is not owned or controlled by, or acting on behalf of, Sanctioned Persons or, to Guarantor's actual knowledge, otherwise the target of Trade Restrictions; (ii) have not and will not obtain, receive, transfer or provide any funds, property, debt, equity or other financing related to the Franchise Agreement and the Hotel or Hotel Site to/from any entity that qualifies as a Sanctioned Person or, to your actual or constructive knowledge, is otherwise the target of any applicable Trade Restrictions' (iii) Guarantor is familiar with the provisions of applicable Anti-Corruption Laws and shall comply with applicable Anti-Corruption Laws in performance of its obligations under or in connection with this Guaranty and the Franchise Agreement and any related agreements; (iv) any funds received or paid in connection with entry into or performance of this Guaranty have not been and will not be derived from or commingled with the proceeds of any activities that are proscribed and punishable under the criminal laws of the United States, and that Guarantor is not engaging in this transaction in furtherance of a criminal act, including acts in violation of applicable Anti-Corruption Laws; (v) in preparation for and in entering into this Guaranty, Guarantor has not made any Improper Payment or engaged in any acts or transactions otherwise in violation of any applicable Anti-Corruption Laws, and, in connection with this Guaranty or the performance of Guarantor's obligations under this Guaranty, you will not directly or indirectly make, offer to make, or authorize any Improper Payment or engage in any acts or transactions otherwise in violation of any applicable Anti-Corruption Laws; (vi) except as otherwise disclosed in writing to Franchisor, neither Guarantor, nor, to your actual or constructive knowledge, any of its direct or indirect shareholders (including legal or beneficial shareholders), officers, directors, employees, agents or other persons designated by you to act on your own behalf or receive any benefit under this Guaranty, is a Government Official; (vii) any statements, oral, written, electronic or otherwise, that Guarantor submits to Franchisor, Franchisor Affiliate, or any third party in connection with the representations, warranties, and covenants described in this Subsection are truthful and accurate and do not contain any materially false or inaccurate statements; (viii) Guarantor will make reasonable efforts to assure that its respective appointed agents in relation to this Guaranty comply in all material respects with the representations, warranties, and covenants described in this Subsection; and (ix) will notify Franchisor in writing immediately on it actual or constructive knowledge, the occurrence of any event which would render the foregoing representations and warranties of this Subsection incorrect.

(e) Each Guarantor warrants and represents to Franchisor that Guarantor has the requisite power to execute, deliver and perform the terms and provision of this Guaranty, and that this Guaranty is a valid, binding and legally enforceable obligation of each Guarantor in accordance with its terms.

(f) If there is more than one Guarantor named in this Guaranty, any reference to Guarantor will mean any one or all Guarantors. Each Guarantor agrees that all obligations of each Guarantor are joint and several.

[**INSERT NEW PARAGRAPH (g) FOR TIC AND UPDATE LETTERING BELOW:** (g) Notwithstanding anything to the contrary contained in Section 12.0 of the Franchise Agreement, Guarantor may not transfer its tenant-in-common interest in the Property without prior written notice by Franchisee to Franchisor, and prior written consent of Franchisor to Franchisee, subject to and in accordance with the applicable Transfer provisions of the Franchise Agreement.]

(g) No failure or delay on Franchisor's part in exercising any power or privilege under this Guaranty will impair any such power, right or privilege or be construed as a waiver of its rights under this Guaranty.

(h) If any provision of this Guaranty is determined by a court of competent jurisdiction to be unenforceable, all of the other provisions will remain effective.

(i) This Guaranty embodies the entire agreement between Franchisor and Guarantor with respect to the matters set forth in this Guaranty and supersedes all prior agreements with respect to the matters set forth in this Guaranty.

6. Governing Law. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act; 15 U.S.C. ¶ 1050 et seq.), as amended, this Guaranty and any and all disputes relating to this Guaranty will be governed by the laws of the State of New York without recourse to New York choice of law or conflicts of law principles; provided, however, that nothing in this Section is intended to invoke the application of any franchise, business opportunity, antitrust, "implied covenant," unfair competition, fiduciary or any other doctrine of law of the State of New York or any other state that would not otherwise apply absent this Section [5 or 6].

7. Jurisdiction and Venue. The parties agree that any action related to this Guaranty shall be brought in the U.S. District Court for the Eastern District of Virginia, in Alexandria, Virginia or, if that court lacks subject matter jurisdiction, then in a court of competent jurisdiction whose jurisdiction includes either Fairfax County, Virginia or New York, New York, or in the county or state where the Hotel is located. Guarantor consents to personal jurisdiction and venue in each of these jurisdictions and waives and agrees not to assert, move or otherwise claim that the venue in any of these jurisdictions is for any reason improper, inconvenient, prejudicial or otherwise inappropriate.

8. WAIVER OF JURY TRIAL. GUARANTOR HEREBY WAIVES ITS RIGHT TO A TRIAL BY JURY WITH RESPECT TO THE ENFORCEMENT OF THIS GUARANTY.

[INSERT THIS CLAUSE FOR EACH SITE-RELATED GUARANTY (TIC OR OTHERWISE):]

9. [Possible Termination of Guaranty. Franchisor will offer Guarantor its then-current standard form termination of guaranty agreement releasing Guarantor from future Obligations under this Guaranty if the following conditions are met: (a) Franchisor receives a copy of the deed evidencing that Franchisee owns fee simple title to the real property on which the Hotel is or will be sited or a copy of a ground lease to which Franchisee is a party with an unrelated third-party ground lessor for a term at least equal to the term of the Franchise Agreement; (b) Guarantor sends a written request to Franchisor to terminate the Guaranty; and (c) at the time of Guarantor's request, Franchisee is in good standing under the Franchise Agreement and has not been in default under the Franchise Agreement at any time during the twenty-four (24) month period before Guarantor's request.**]**

GUARANTOR ACKNOWLEDGES THAT GUARANTOR WAS AFFORDED THE OPPORTUNITY TO READ THIS GUARANTY AND TO REVIEW IT WITH AN ATTORNEY OF GUARANTOR'S CHOICE BEFORE SIGNING.

IN WITNESS WHEREOF, [each**]** Guarantor has executed this Guaranty as of the Effective Date.

GUARANTOR:

By: ______________________________

Name: ______________________________

Title: ______________________________

EXHIBIT F

This application is to be completed online via the Hilton Application Tracker (HAT) internet portal. The online version may appear in a different format. As an alternative, we may provide a paper application. We may update or modify this application at any time.

HILTON FRANCHISE APPLICATION

This franchise application ("Application") includes the following:

- Instructions for Submitting an Application
- Part 1 - Application Checklist
- Part 2 - Application Letter
- Part 3 - Application Form

Instructions for Submitting an Application:

1. Have a required signer for the Applicant access the current Franchise Disclosure Document ("**Disclosure Document**") for the applicable brand through the E-Disclosure procedure and complete the procedure by clicking "Submit" on the Electronic Receipt page. If Applicant received a paper version of the Disclosure Document, have a required signer for the Applicant sign and date the "Receipt" page at the end of the Disclosure Document and return it immediately by mail to your development representative.

2. All information must be legible and in English. Please type or print the information. For your convenience, the Application may be filled out electronically, saved and printed.

3. Attach supporting documents/information indicated in the Application Checklist. If the Application is not completed and/or supporting documentation is not attached, you must include an explanation of why the Application is not completed or the supporting documentation is not attached.

4. Applicant must be a natural person or an existing legal entity. You must provide a complete organizational chart up to the ultimate owning entity/entities and the ultimate individual owners of the Applicant.

5. Applicant must pay the franchise application fee ("**Franchise Application Fee**") by check or wire transfer when the Application is submitted or promptly after expiration of the waiting period specified below. Please confirm the amount of your franchise application fee with your Developer.

NOTE: APPLICANT SHOULD NOT SUBMIT PAYMENT OF THE FRANCHISE APPLICATION FEE UNTIL AT LEAST THE DAY AFTER THE 14TH FULL CALENDAR DAY FOLLOWING THE DATE APPLICANT RECEIVED THE DISCLOSURE DOCUMENT IN PAPER FORM OR THROUGH THE E-DISCLOSURE PROCEDURE.

NOTE: Applicant must also pay the applicable Property Improvement Plan ("**PIP**") fee if the Application is for a Conversion, Relicensing, or Change of Ownership.

Required Signatures:

The Application Letter must be signed and dated by the Applicant, or on behalf of the Applicant, by a person or persons with the capacity and authority to do so. The signatures required for valid execution of the Application Letter may vary depending on the laws under which the Applicant is established or resident. These laws must be complied with. Our minimum requirements for signatures are as follows:

Applicant	**Signers**
Individual(s)	Each Individual
Corporate Entity	President, Vice President or other authorized officer
General Partnership	Each General Partner
Limited Partnership	Any General Partner
Limited Liability Company	Managing Member(s) or other authorized Member(s)
Trust	Trustee(s)
Estate	Executor or Administrator

Part 1: Application Checklist

The following items must be included for the Application to be complete. We reserve the right to request additional information as we consider appropriate:

- ☐ Disclosure Document Receipt **signed and dated** or **submitted electronically** by Applicant (see page 1), if applicable.
- ☐ Application Letter **signed and dated** by Applicant, with completed Application pages.
- ☐ Franchise Application Fee dated and/or received no earlier than the day after the **14th full calendar day** after the date the Applicant received the Disclosure Document. Example: If you receive the Disclosure Document on January 1st, then the **earliest** you may pay the Franchise Application Fee will be 15 days after that date, on January 16th.
- ☐ A certification of formation or similar document evidencing the Applicant Entity's status in the jurisdiction of formation.
- ☐ Complete Ownership Structure Form for Applicant and its underlying ownership entities.
- ☐ Complete Ownership Structure Form for fee title holder or lessor/sublessor of Hotel/Hotel Site if related to Applicant.
- ☐ Market or feasibility study, if available, or on request.
- ☐ Site Control Document and all amendments (e.g., recorded deed, recorded ground lease, recorded purchase option, binding letter of intent, binding purchase agreement) in the name of Applicant or its affiliate.
- ☐ Site Plan, Aerial and Location Map with site identified (consult your Developer for site plan requirements).
- ☐ List of hotels owned or managed by Applicant.

CONVERSION PROJECTS - In addition to the above, include the following items:

- ☐ Conversion Indemnity Letter (if applicable)
- ☐ 3 Years' Hotel Operating Statistics (Summary Statement)

Part 2: Application Letter

Name of Applicant:	(“Applicant”)
Location:	(“Location”)

Brand (check one):

☐	Apartment Collection by Hilton	☐	Hampton Inn & Suites by Hilton	☐	Outset Collection by Hilton
☐	Canopy by Hilton	☐	Hilton	☐	Signia by Hilton
☐	Conrad	☐	Hilton Garden Inn	☐	Spark by Hilton
☐	Curio Collection by Hilton	☐	Home2 Suites by Hilton	☐	Tapestry Collection by Hilton
☐	DoubleTree by Hilton	☐	Homewood Suites by Hilton	☐	Tempo by Hilton
☐	DoubleTree Suites by Hilton	☐	LivSmart Studios by Hilton	☐	Tru by Hilton
☐	Embassy Suites	☐	LXR	☐	Undergraduate by Hilton
☐	Graduate by Hilton	☐	Motto by Hilton	☐	Waldorf Astoria
☐	Hampton Inn by Hilton				

This franchise application letter (“**Application Letter**”) is provided to Hilton Franchise Holding LLC (“**Franchisor**”), a subsidiary of Hilton Worldwide Holdings Inc. (“**Hilton Worldwide**”), authorized to consider and process an application for a franchise to operate a hotel under the Brand at the Location in the United States (“**Hotel**”). The present or future subsidiaries and affiliates of Hilton Worldwide are collectively referred to as “entities” (“**Entities**”). Applicant understands that Franchisor is relying on the information provided in this application and all documents submitted by Applicant and co-owners and their agents, advisers and representatives in connection with or in support of the application, including, but not limited to, this Application Letter (together, the “**Application**”). Applicant agrees to supply such additional information, statements or data as may be requested by Franchisor. Applicant represents, warrants, and undertakes to Franchisor and the Entities, that:

1. All information contained in the Application is true, correct and complete as of the date of this Application Letter. Applicant will promptly inform Franchisor of any change in any of the information provided in the Application.

2. Both Applicant and the undersigned have the authority to make the Application and to enter into a franchise agreement (“**Franchise Agreement**”) for the proposed Hotel at the Location. Neither the making of this Application nor the execution of a Franchise Agreement will conflict with nor put Applicant in breach of the terms of any agreements to which Applicant, its affiliates or the undersigned are a party or by which Applicant or its affiliates are bound. Neither Applicant nor its affiliates have been induced by Hilton Worldwide to terminate or breach any agreement with respect to the Location.

3. Certain information concerning Franchisor’s system for the Brand, including the Disclosure Document (if required under applicable law), the manual and the Franchise Agreement (together, the “**Franchise Information**”), has been made available to Applicant. Applicant is generally familiar with the Franchise Information and its requirements and is applying for the form of Franchise Agreement provided. Applicant undertakes to treat the manual which it may receive from Franchisor as confidential. Applicant acknowledges and agrees that the Franchise Information is the property of Hilton Worldwide and/or the Entities, and that Applicant obtains no right, title or interest in or to any of the Franchise Information. Applicant agrees not to use the Franchise Information unless and until a Franchise Agreement is entered into and then in accordance with the terms and conditions of the Franchise Agreement.

4. Applicant acknowledges that Hilton Worldwide and the Entities do not enter into oral agreements or understandings with respect to the Franchise Agreement, and as that of the date of this Application Letter there are no oral agreements or understandings between Applicant and Hilton Worldwide or the Entities with respect to the proposed Franchise Agreement.

5. Applicant acknowledges that the Franchise Application Fee must be enclosed with the Application if the mandatory waiting period specified in Paragraph 5 of the Instructions has expired, or must be paid promptly after expiration of the mandatory waiting period. If the Application is not approved or if Applicant withdraws the Application before it is approved, the Franchise Application Fee will be fully refunded, without interest, less $7,500 for time and expenses incurred by Franchisor in processing the Application.

If the Application is approved, the Franchise Application Fee will not be returned or refunded under any circumstances (even if approval is conditioned on Applicant providing additional information). For a Change of Ownership Application, if Franchisor approves the Application, and the approved change of ownership does not occur, then Franchisor will refund the Franchise Application Fee without interest, less $7,500. Franchisor reserves the sole right to approve or disapprove the Application for any reason. If the Application is approved, Applicant must provide any additional information requested, meet any additional requirements and sign the Franchise Agreement within the time period Franchisor specifies, and all other ancillary documents within the time period designated by Franchisor, failing which Franchisor may terminate the proposed hotel project and retain the Franchise Application Fee. The Franchise Application Fee may be invested, combined with other funds or otherwise used as Hilton Worldwide deems appropriate.

6. Applicant authorizes credit agencies/bureaus, financial institutions, companies and individuals to disclose to Hilton Worldwide any and all information for the purpose of Hilton Worldwide and the Entities completing any necessary credit and/or background investigations in connection with this Application and execution of any Franchise Agreement.

7. Applicant, jointly and severally if applicable, agrees to indemnify and defend Hilton Worldwide and the Entities and their respective officers, directors, employees, agents, representatives, and assignees (collectively, the "**Hilton Worldwide Indemnitees**") against, and to hold them harmless from, all losses in connection with the Application and the Location, including breach of any representations, warranties or undertakings contained herein and all claims, demands, suits, causes of action, liabilities, losses or otherwise, directly or indirectly incurred (including legal and accounting fees and expenses), and including claims as a result of Franchisor processing the Application and/or approving a Franchise Agreement. Each Hilton Worldwide Indemnitee shall have the right independently to take any action it may deem necessary in its sole discretion to protect and defend itself against any threatened action subject to Applicant's indemnification, without regard to the expense, forum or other parties that may be involved. Each Hilton Worldwide Indemnitee shall have sole and exclusive control over the defense of any such action (including the right to be represented by counsel of its choosing) and over the settlement, compromise or other disposition thereof. Hilton Worldwide may rely on any information, statement or notice from the Applicant pertaining to the Location or Franchise Agreement without having to investigate or ascertain the accuracy of any fact or allegation in the information, statement or notice.

8. This Application Letter may be executed in counterparts, each of which shall be deemed an original. This Application Letter must be signed by an authorized signatory for the Applicant (see Guidelines for Submitting a Franchise Application for required signatories).

9. This Application shall be governed by and construed in accordance with the substantive laws of the State of New York, without regard to its choice of law principles.

Signature: ______________________________ Date: ______________

Individual's Name: ______________________________

Entity Name, if any: ______________________________ Position: ______________

Part 3: Application Form

HILTON FRANCHISE APPLICATION

APPLICANT

NAME OF APPLICANT (entity name may not include any of our marks or any variations/initials):

State in which Applicant's principal business address (or if Applicant is an individual, permanent residence) is located:

Type: [ ] Corporation [ ] Limited Partnership [ ] General Partnership [ ] Limited Liability Company
[ ] Individual [ ] Trust [ ] Other (specify) [ ] Limited Liability Partnership

Birth or Formation Information:	Date: (Month/Day/Year) ___/___/___	State/Province, Country: __________	U.S. Social Security Number (last 4 digits only)/EIN/ Canada SIN/Government Identification Number: __________

PRINCIPAL CORRESPONDENT

FOR LEGAL NOTICES*

Name:	
Street Address:	
City	
State/Province	
Zip/Postal Code	
Telephone #:	
Fax #:	
Email:	

*Note: This is your official contact information for our records. Do not include your attorney or advisors here. Your address may not be the Hotel or a P.O. Box.

MANAGEMENT INFORMATION

THE PROPOSED HOTEL WILL BE MANAGED BY:

[ ] A General Manager who will be employed by the Applicant
The General Manager will be: ____________________

[ ] A Management Group under a Management Agreement with the Applicant
Company Name and Contact: ____________________
Address: ________________
Telephone: __________ Fax: __________ Email: __________

Approval of this Application does not mean that your proposed management is approved.
You must obtain Franchisor's separate written approval of the proposed management of the Hotel.

LIST ALL HOTELS OWNED AND/OR OPERATED BY APPLICANT AND ITS EQUITY OWNERS

(Attach additional pages if necessary)

Owner/Operator Name	Brand/Property Name, City/State	Description of Interest	% Equity

OWNERSHIP STRUCTURE OF APPLICANT ENTITY

INSTRUCTIONS: Please provide a complete breakdown of the owners of the Applicant Entity and any related entity that holds/will hold fee title to the Hotel. For complex structures, please attach a detailed organizational chart (see next page). If these owners are other legal entities, please include a breakdown of their underlying ownership. That means you should provide the name and description/percentage of ownership interest of all individuals who own and/or control these entities. Copy this form as needed to provide multiple structures.

Example:

Entity/Person's Name	**SSN (last 4 digits), EIN, Canada SIN or Gov't ID#**	**Description of Interest**	**% Interest**	**Business Address & Telephone**
XYZ Corp. - John Doe, President 50% - Jane Doe, Shareholder 50%	12-3456789 1234 5678	General Partner	1%	XYZ Corp. Address/Phone John Doe Address/Phone Jane Doe Address/Phone
ABC, L.L.C. - BDC, Inc., its managing member 25% - Bill Davis, President 100% - Bill Davis Family Trust, member 25% - Bill Davis, Trustee - Bill Davis, Jr., Beneficiary 100% - Bill Davis, member 50%	23-4567891 34-5678912 9012 45-6789123 2345 6789 same as above	Limited Partner	99%	ABC, L.L.C. Address/Phone BDC, Inc. Address/Phone Trust Contact Address/Phone Bill Davis Address/Phone

ENTITY NAME: ____

OWNERSHIP STRUCTURE

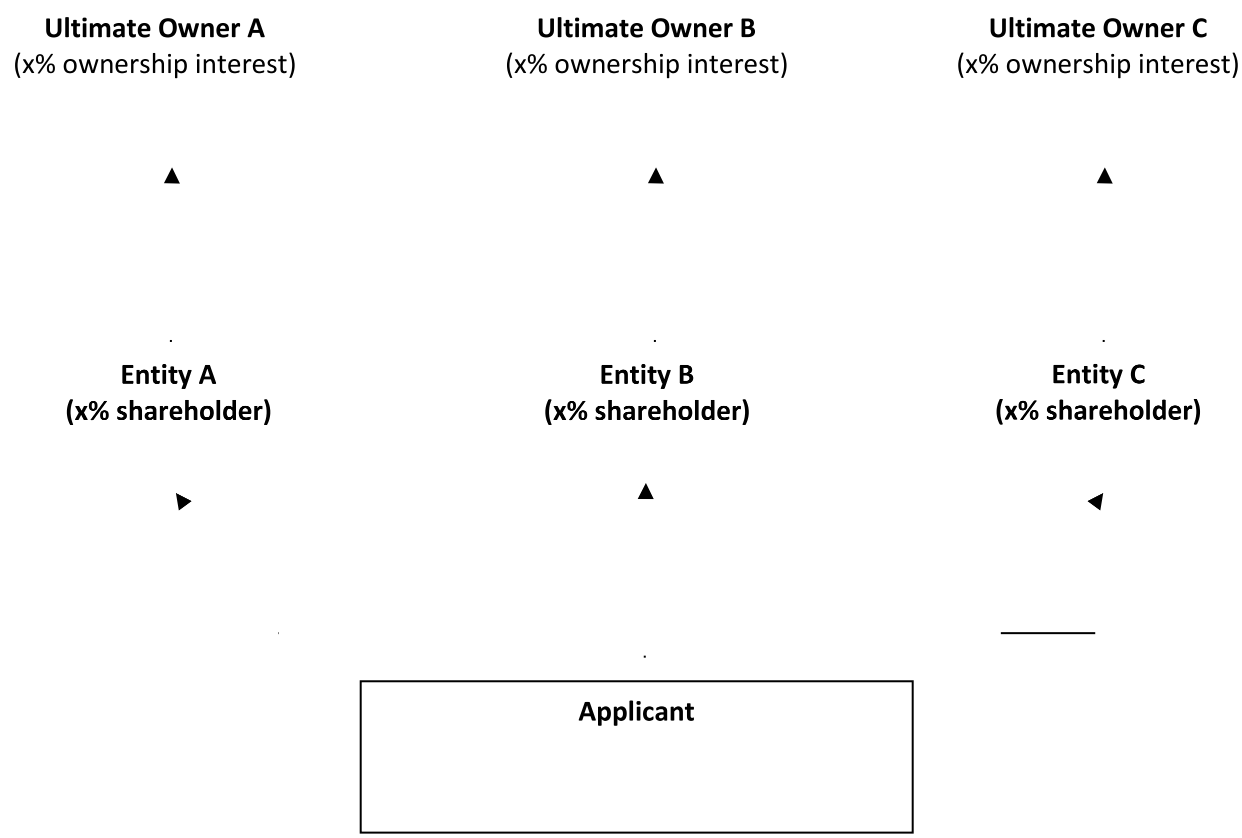
(provide additional pages if necessary)

Entity/Person's Name	**SSN (last 4 digits), EIN, Canada SIN or Gov't ID#**	**Description of Interest**	**% Interest**	**Business Address & Telephone**

ORGANIZATIONAL CHART

INSTRUCTIONS: Please attach a full organizational chart for the Applicant entity (and Applicant's affiliate that will lease or sublease the Hotel or the Hotel Site to Applicant, if applicable) showing all direct and indirect equity owners up to the ultimate individual owners (but excluding public shareholders or passive investors in an institutional investment fund). For each equity owner, please describe the type of interest held in the entity (e.g., shareholder, general partner, limited partner, manager, member, trustee, etc.) and show the percentage of ownership of each equity owner.

For example:



HOTEL/SITE/SITE CONTROL INFORMATION

Location of Hotel/Hotel site:

Street Address/Coordinates:	
City, State/Province:	
Zip/Postal Code:	
Country:	

Brand:

- ☐ Apartment Collection by Hilton
- ☐ Canopy by Hilton
- ☐ Conrad
- ☐ Curio Collection by Hilton
- ☐ DoubleTree by Hilton
- ☐ DoubleTree Suites by Hilton
- ☐ Embassy Suites
- ☐ Graduate by Hilton
- ☐ Hampton Inn by Hilton
- ☐ Hampton Inn & Suites by Hilton
- ☐ Hilton
- ☐ Hilton Garden Inn
- ☐ Home2 Suites by Hilton
- ☐ Homewood Suites by Hilton
- ☐ LivSmart Studios by Hilton
- ☐ LXR
- ☐ Motto by Hilton
- ☐ Outset Collection by Hilton
- ☐ Signia by Hilton
- ☐ Spark by Hilton
- ☐ Tapestry Collection by Hilton
- ☐ Tempo by Hilton
- ☐ Tru by Hilton
- ☐ Undergraduate by Hilton
- ☐ Waldorf Astoria

Development Type:

☐ New Development* (*new build/adaptive reuse) ☐ Conversion ☐ Change of Ownership ☐ Relicensing

Hotel Affiliation (for New Development/Conversion applications only):

Has there ever been a franchise, branded management, affiliation, or similar agreement pertaining to the proposed hotel or site?

☐ No ☐ Yes/Describe: ______________________________

Is the hotel currently under contract with another hotel chain?

☐ No ☐ Yes/Specify hotel chain: ______________________________

Hotel Facilities (existing and/or proposed):

Total Guest Units:		# of Standard Rooms:		# of Suites:		# of Stories:		
Year Built (open hotel)		Meeting Space?		No		Yes: sq. ft	# of Mtg Rms:	
Ballroom?		No		Yes/Description/square footage:				
Fitness Center?		No		Yes/Description:				
Spa?		No		Yes/Description:				
Swimming Pool?		Hot Tub/Jacuzzi?						
Food & Beverage Facilities (outlets, capacity, meals served, operated/leased, current/planned brand names):								
Other Retail Outlets (type, operated/ leased, current/planned brand names):								
Other Amenities (specify):								
Shared Facilities?		No		Yes/Description:				
Condo Residences?		No		Yes/(#):				
Hotel Rental Program?		No		Yes/Description:				

Hotel Site /Building Information:

Total sq footage of site: ________________ Zoned for hotel development? ☐ No ☐ Yes

Max height allowed by zoning: ________ Ft. Stories ________________________________

Site/Development Restrictions? ☐ No ☐ Yes/Describe: ______________________________

Please describe Applicant's current form of site control for the Hotel or Hotel Site:

☐ Owned by Applicant (attach copy of recorded deed)

☐ Ground lease (attach copy of recorded ground lease) Expiration Date:____________

☐ Binding option agreement (attach copy of recorded agreement) Exercise Deadline:__________

☐ Binding purchase agreement (attach copy of executed agreement) Closing Deadline:__________

☐ Other/Describe:____

If Hotel or Hotel Site is currently owned by someone else other than Applicant, please indicate:

Hotel/Hotel Site owner name:	
Street Address:	
State/Province:	
Zip/Postal Code:	
Country:	
Telephone:	
Fax:	
Email:	
Related to Applicant? ☐ No ☐ Yes/Describe:	

If Hotel or Hotel Site will, upon close of purchase, be owned by someone other than Applicant, please indicate:

Fee owner/Lessor name:	
Street Address:	
City, State/Province:	
Zip/Postal Code:	
Country:	
Telephone:	
Fax:	
Email:	
Related to Applicant? ☐ No ☐ Yes/Describe and provide ownership structure of fee owner.	

FINANCIAL INFORMATION/PROJECT TIMELINE

Estimated Project Costs - New Development Project:

Costs	Overall	Per Key
Land:	US$	US$
Construction:	US$	US$
FF&E:	US$	US$
Other:	US$	US$
Total Project Costs:	US$	US$

Estimated Project Costs – Conversion or Change of Ownership (existing hotel):

Costs	Aggregate	Per Key
Purchase Price/Current Market Value:	US$	US$
Renovations/Upgrades:	US$	US$
Other:	US$	US$
Total Project Costs:	US$	US$

Estimated Project Timeline:

Forecasted Construction/Renovation Start Date:	
Forecasted Construction/Renovation Completion Date:	

Operating Projections:

Assumptions	Year 1	Year 2	Year 3	Year 4	Year 5
% Occupancy					
Avg Daily Rate (US$)					

Financing/Refinancing Information:

Do you have a loan or loan commitment for this project? ☐ No ☐ Yes (continue)

Name of Lender(s): ____________________

Loan Amount: ____________________ Percentage Equity: ____________

Description: ____________________

☐ New? ☐ Existing?____________________

Is the loan (or will the loan be) cross-collateralized by other hotels/real estate assets or cross-defaulted to any other loan(s)?

☐ No ☐ Yes/Describe: ____________________

Deadlines associated with Project or Application:

Are there any critical deadlines we should know about in processing your application, such as purchase closings or financing commitment deadlines?

☐ No ☐ Yes/Describe: ____________________

EXHIBIT G

INFORMATION TECHNOLOGY SYSTEM AGREEMENT

THIS INFORMATION TECHNOLOGY SYSTEM AGREEMENT ("Agreement") is entered into as of %HotelApprovedDate% (the "Effective Date") by and between Hilton Systems Solutions, LLC ("HSS") and %LegalEntity% ("Customer"), each of which is a "Party" and both of which are, collectively, the "Parties". This Agreement includes all of its attachments, exhibits, schedules and Order Documents as well as all other documents expressly incorporated into it by reference.

RECITALS

Customer is a party to a management agreement and/or franchise agreement with an affiliate of HSS for the %BrandCodeDesc% hotel located at %PropertyAddressLine%, (the "Hotel"). Customer is entering into this Agreement in order to obtain and use certain information technology ("IT") products, services and systems for and at the Hotel.

ARTICLE 1.
DEFINITIONS AND ORDER DOCUMENTS

1.1 Use of Relationship Agreement. The provisions of this Agreement will be deemed to include all of the terms, requirements, covenants and conditions contained in either (i) the Customer's Franchise Agreement; or (ii) the Customer's Management Agreement, (the "Relationship Agreement"), with such modifications as are necessary to make them applicable to this Agreement and the Parties as if set out in full in this Agreement. In the event that both a Customer's Franchise Agreement and Customer's Management Agreement exist, without prejudice to Article 7 (Precedence and Interpretation) then only the terms, requirements, covenants and conditions contained in the Customer's Franchise Agreement will be deemed to be incorporated into this Agreement.

1.2 Definitions. Unless otherwise defined in the body of this Agreement or in *Annex 1 – Definitions*, all of the defined words and expressions used in this Agreement have the meanings set out in the Relationship Agreement.

1.3 Ordering Software, Services and Authorized Equipment. Customer may order Software, Services and Authorized Equipment by submitting an HSS-approved form of order document ("Order Document") to HSS. Once accepted by HSS the Order Document becomes part of this Agreement.

ARTICLE 2.
SOFTWARE, FEES AND MASTER AGREEMENTS

2.1 License to Software. HSS licenses to Customer the Proprietary Software and sublicenses to Customer the Certified Third Party Software set forth in the Order Document on the terms and conditions set forth in this Agreement.

2.1.1 Customer may be required to execute a separate license agreement directly with one or more third party software providers in connection with Certified Third Party Software not licensed from HSS and such Certified Third Party Software will be licensed on the terms and conditions set out in such separate license agreement.

2.1.2 The Proprietary Software and Certified Third Party Software for which there is no separate license agreement are licensed or sublicensed to Customer under this Agreement on the following terms and conditions:

a) The license is personal, non-exclusive and non-transferable.

b) The Software may be used by Customer solely on the Authorized Equipment and solely for the operation of the Hotel.

c) Except for a single copy of Certified Third Party Software which may be maintained by Customer for archival back-up purposes, Customer will not reproduce or reuse, in whole or in part, any Software, documentation or materials comprising any portion of the Information System in any manner (whether directly or in creating a new use or otherwise) without the prior written consent of HSS. Customer will not cause or permit any reverse engineering, disassembly or de-compilation of any of the Software or any review of Software data structures.

d) Customer will accept all patches, bug fixes, updates, version upgrades, maintenance and service packs (collectively, "Patches") from HSS or the relevant Preferred Provider that are deemed necessary by HSS for the proper function and security of the Software. HSS is not responsible for performance or security issues that result from Customer's failure to accept the application of Patches.

e) Customer recognizes the confidential and proprietary nature of the Software and agrees to maintain the Software in confidence in accordance with Article 6 (Confidentiality). Customer will not permit the Software and related documentation to be used or accessed by anyone other than Customer's employees or contractors pursuant to Section 2.1.2 (b) who are bound by obligations of confidentiality no less stringent than those set forth herein.

2.1.3 Customer will not remove or obscure any copyright, trademark, other mark or confidentiality notices affixed to any Software and will not modify it or combine it with or into any other program, data or device.

2.1.4 No legal or equitable title to or ownership of any of the Software or any proprietary rights therein are transferred to Customer under this Agreement other than the limited software license specified herein.

2.1.5 Customer acknowledges and agrees that the Software is owned by HSS, HSS' Affiliates and/or their respective licensors and that everything in the Software, including all intellectual property, is proprietary to HSS, HSS's Affiliates and/or their licensors, respectively. Customer also acknowledges and agrees that HSS may, at its discretion, make changes in, and substitutions of, the Software. Any new or additional Software made available to Customer by HSS is licensed to Customer under the terms of this Agreement.

2.2 Fees and Payment. All Fees are subject to change by HSS and/or the relevant third party as applicable. Customer will make all payments under or required by this Agreement in United States Dollars and within thirty (30) days of receipt of the invoice therefore.

2.3 Master Agreements with Third Parties. HSS or its designee may, without warranty or representation of any kind, negotiate with any third-party vendor a master services, software or equipment purchase or lease agreement (collectively, the "Master Agreements") and permit Customer to purchase or lease Authorized Equipment, license software and purchase services from those third-party vendors (each a "Preferred Provider") pursuant to the terms of the applicable Master Agreements. The Preferred Providers may require Customer to execute a joinder or participation agreement for the applicable Master Agreement, in substantially the forms contained in schedules to the relevant Order Document (collectively, the "Joinder Agreements"). Customer will be bound by the terms of that Master Agreement as specified in the relevant Joinder Agreement(s) and will be directly and solely responsible for Customer's compliance with and performance under the Joinder Agreement.

2.4 Customer Cooperation. Customer will provide HSS and its Affiliates and its and their respective third-party providers with such cooperation relating to HSS's performance of its obligations under this Agreement as HSS may reasonably request from time to time. Customer agrees to comply with the Information System's regulations, rules and policies as HSS may determine from time to time. Customer also agrees to comply with the Brand Standards.

ARTICLE 3.
AUDITS

Customer will maintain records sufficient to permit verification of Customer's compliance with this Agreement. Upon forty-five (45) days written notice (or such shorter period of time as may be required under any applicable Master Agreement), HSS or its designee may perform examinations, tests, audits, inspections and reviews of Customer's compliance with this Agreement, including by using the services of one or more third parties. Customer will cooperate with HSS's audit activities and provide reasonable assistance and access to information when requested, including to all of the following: (a) any part of any facility, including the Hotel, at which any Services and products provided pursuant to this Agreement are performed, provided or used; (b) the employees and contractors Customer uses in connection with its operation of the Hotel; and (c) data and records. No such audit will unreasonably interfere with Customer's normal business operations. Customer agrees that HSS will not be responsible for any of Customer's costs incurred in cooperating with any audit.

ARTICLE 4.
TERMINATION

4.1 Termination. HSS may terminate this Agreement by written notice to Customer on any of the following grounds:

4.1.1 Customer fails to pay any sums due and payable under this Agreement and fails to cure such failure within the cure period set forth in the notice, which will not be less than ten (10) days;

4.1.2 Customer breaches its obligations under Article 6 (Confidentiality);

4.1.3 Customer fails to refresh the Authorized Equipment at the Hotel as required by HSS; and

4.1.4 Customer breaches any other provision of this Agreement and does not cure that breach within the cure period set forth in the notice, which will not be less than thirty (30) days.

This Agreement will automatically terminate upon the termination or expiration of the Relationship Agreement.

4.2 Customer's Obligations upon Termination or Expiration. Upon any such termination the licenses granted to Customer under this Agreement, and the obligations of HSS to provide any Agreement Products and Services will immediately terminate. Customer will immediately cease using all Agreement Products and Services and promptly at HSS's discretion return any and all Agreement Products to HSS other than Authorized Equipment Customer owns, or destroy the same; provided, however, that Customer must return to HSS all Software contained in such Authorized Equipment. All of Customer's covenants and obligations under this Agreement will survive termination and expiration.

4.3 Termination Fees. Upon termination of this Agreement Customer will pay: (a) all unpaid Fees related to the Agreement Products and Services, Software and Authorized Equipment incurred by Customer; (b) all costs to HSS of all the Agreement Products and Services, Software and Authorized Equipment that exceeds what the Customer paid for same; (c) all termination, penalty or administrative fees that would not be payable but for the termination for cause; (d) all costs related to disabling the Agreement Products and Services, together with related intervention or administration fees; (e) all costs and fees for any Authorized Equipment, Authorized Equipment maintenance Services, Software, Software maintenance Services, network and other Services HSS and its Affiliates, in their sole discretion, provide to Customer at Customer's request after the termination effective date; and (f) all termination fees identified in the Customer's Order Document.

4.4 Suspension of Service. If Customer fails to comply with the Information System use regulations, rules or policies, or is otherwise in default under this Agreement HSS may, in its sole discretion: (a) disable Customer's access to or use of all or any part of the Information System and suspend any part of the Services provided or supported under this Agreement and (b) suspend and withhold performance of HSS's obligations under this Agreement. Customer will not be entitled to any compensation, refund or reduction in charges as a result of such action. Customer agrees that any such disabled access and suspension from the Information System will not constitute or result in actual or constructive termination or abandonment of this Agreement, or a waiver or release of any right to terminate. HSS may charge Customer for the cost relating to such disabling and suspending and, if Customer's defaults are cured as required, re-enabling such access and resuming such obligations, if any, together with related intervention or administration fees.

4.5 Limitation on Access. If HSS determines in its sole discretion that it is necessary or advisable in order to protect in any way and for any reason the Information System, HSS may bar Customer's access to the Information System and may temporarily or permanently remove any or all data or other files. Such reasons include, without limitation, HSS or third party provider's determination that: (a) Customer's network connection, software, equipment or files may infect the Information System with Malicious Code, (b) internet access by the Customer or Customer's access to or use of the Information System is in violation of the applicable acceptable use policy governing use of the provider's services or any law or (c) Customer's network connection, software, equipment or files may cause harm to or disrupt the Information System. Neither HSS nor any such third-party provider will be liable for any inconvenience or disruption to the Customer or any consequences thereof caused by such measures.

ARTICLE 5.
DISCLAIMERS

HSS makes no representations or warranties as to any Certified Third Party Software, any Authorized Equipment or any Services provided by any Preferred Provider and will have no liability whatsoever for the terms and conditions thereof, performance of any obligations or other agreements therewith, any equipment purchased, leased, or installed, any Services performed, any use of any software, or any software licensed or sublicensed by any Preferred Provider. The sole warranties provided to Customer, if any, with respect to the Certified Third Party Software, Authorized Equipment or Services provided by the Preferred Providers are provided by the applicable third party vendor pursuant to a written warranty, if any, provided to Customer by such third party vendor. In the event Customer notifies HSS of any condition which Customer believes constitutes a breach of any warranty provided by a Preferred Provider, HSS will, upon Customer's request, provide reasonable cooperation and assistance in notifying such third party vendor of such condition and in urging such third party vendor to correct such condition. HSS reserves the right to make changes and substitutions in the components of the Information System.

Except as specifically provided in this Article 5 (Disclaimers), HSS disclaims all express or implied warranties with respect to the Software, Authorized Equipment, Services and Information System, including without limitation, any implied warranties of merchantability, fitness for a particular purpose, title, non-infringement, design, accuracy, capability, sufficiency, suitability, capacity, completeness, availability, compatibility, or those that may arise from course of dealing or course of performance or that any Software, Services or Authorized Equipment provided hereunder will not violate the intellectual property rights of and person or entity. HSS does not guarantee, warrant, or make any representations to the effect that any of the Software, Authorized Equipment, Services or Information System provided or made available to Customer under this Agreement (a) will be continuously available, uninterrupted or defect- free, delay-free, or error-free, (b) will have its defects or errors corrected, (c) will operate in combination with any Customer or third party software, system, service, data or equipment not made available by HSS, (d) will be free of Malicious Code or other harmful components, or (e) will be accurate or complete. HSS does not guarantee, warrant or make any representations regarding the use of, or the results of, any of the Software, Authorized Equipment, Services or Information System in terms of its respective correctness, accuracy, reliability, or otherwise.

HSS will not be liable for, and makes no warranty or guarantee of, the confidentiality or privacy of any data or other files transmitted to, on, from or through the Agreement Products and Services and/or the Information System and is not responsible for any delays, delivery failures, or other damage resulting from such problems arising in connection therewith. HSS is not responsible for any issues related to the performance, operation or security of the Services that arise from Customer content, Customer applications or third party content. HSS is not responsible for incorrect or inaccurate entry information, or destroyed, impaired or lost data, whether caused by Customer or by any of the equipment or programming associated with or utilized in the Information System or by any technical or human error which may occur in the processing of any information related to the Information System.

HSS will have no liability to third parties for any claims, losses or damages of any type whatsoever arising out of or in any way related to the access to or any use of any of the Agreement Products and Services or any part of the Information System. Customer will be responsible for, and Customer will indemnify HSS and its Affiliates and hold them harmless from and against any and all allegations, losses, demands, claims (including taxes), liabilities, damages (including punitive and exemplary), fines, penalties and interest, and all related costs and expenses of whatever nature (including reasonable attorneys' fees and disbursements and costs of investigation, litigation, experts, settlement, judgment, interest and penalties) from any individual or entity which arise out of Customer's (a) access to or any use of any of the Agreement Products and Services or any portion of the Information System, and (b) acts and omissions under this Agreement, including without limitation infringement of any intellectual property rights.

HSS reserves the right for any reason, including, but not limited to, Customer's failure to comply with the Information System's use regulations, rules and policies, to temporarily bar access of Customer to the Information System and/or to temporarily or permanently remove any or all data or other files if HSS or the third party provider hereunder determines or receives notice that Customer's network connection, software, equipment or files may infect the Information System with a virus, that internet access by the Customer or Customer's access to or use of the information system is in violation of the applicable acceptable use policy governing use of the internet service provider's services ("AUP") or any governmental law or regulation or that Customer's network connection, software, equipment or files may cause harm to or disrupt the Information System. HSS and the third party provider will not be liable for any inconvenience or disruption to the Customer caused by such measures.

HSS may inform governmental authorities or interested third parties if HSS suspects, believes or receives notice that Customer's data or other files contain legally prohibited information or are being used for illegal purposes. Customer acknowledges that HSS or the third party provider may monitor and review stored data and other files without restriction and Customer hereby acknowledges and consents to such monitoring. Customer also acknowledges that HSS or the third party provider may need to release Customer's data or other files when HSS or the third party provider believes it must do so in order to comply with a law, subpoena, warrant, order or regulation arising from litigants, law enforcement, courts and other governmental agencies. Neither HSS nor the third party provider will be responsible or liable to Customer for any such actions taken by HSS or the third party provider

The remedies provided in this Agreement constitute Customer's sole and exclusive remedies. In no event will HSS be liable for any special, incidental, consequential or exemplary damages, including without limitation damages for loss of use, lost profits or loss of data or information of any kind, arising out of or in connection with this Agreement, whether or not HSS has been advised of the possibility of such loss or damage. In no event will HSS's liability to Customer arising out of or in connection with this Agreement, whether in contract, tort or otherwise, exceed the amounts actually paid by Customer to HSS under this Agreement during the six (6) month period immediately preceding the time that the cause of action giving rise to such liability first accrues.

To the extent not prohibited by law, the warranties contained in this Article 5 (Disclaimers) are exclusive and there are no other express or implied warranties or conditions.

ARTICLE 6.
CONFIDENTIALITY

Customer will maintain the confidential and proprietary nature of the Proprietary Software, Certified Third Party Software, Information System, Services and any and all information, documentation and materials of HSS and HSS Affiliates which are disclosed under or provided or made available to Customer under or in connection with this Agreement. The foregoing includes without limitation proprietary ideas, patentable ideas, copyrights, trade secrets, existing and contemplated products and services, software, schematics, research and development, discoveries, inventions, methods, processes, materials, algorithms, formulas, specifications, designs, data, strategies, plans, and know-how, whether tangible or intangible (collectively, the "Confidential Information"). Customer will maintain such Confidential Information in confidence and agrees not to disclose or otherwise make available the Confidential Information to any person or entity other than Customer's employees at the Hotel who are bound by obligations of confidentiality no less stringent than those set forth herein, without prior written consent of HSS. Customer further agrees to take all reasonable steps and precautions necessary to protect the Confidential Information from unauthorized use or disclosure.

ARTICLE 7.
PRECEDENCE AND INTERPRETATION

The terms and conditions of Customer's use of the Agreement Products and Services and the Information System will be governed exclusively by this Agreement and any applicable Joinder Agreements notwithstanding any different terms submitted by Customer to HSS. In the event of any conflict between this Agreement and any Order Document, the Order Document will control. Terms in the Relationship Agreement addressing the same issue as terms in this Agreement will be deemed to be additional and complimentary to this Agreement's terms except to the extent that such Relationship Agreement terms specifically conflict with the terms of this Agreement in which case the terms of this Agreement will control.

IN WITNESS WHEREOF, by the signature of its respective authorized representative, each of the Parties agrees to be bound by all of the terms of this Agreement.

HSS **Hilton Systems Solutions, LLC**		**CUSTOMER:** %LegalEntity%	
By:	%HiltonApproverSignature%	By:	%HotelApproverSignature%
Name:	%AMERCountersigner%	Name:	%HotelApproverName%
Title:	%AMERCountersignerTitle%	Title:	%HotelApproverTitle%
Date:	%HiltonApprovedDate%	Date:	%HotelApprovedDate%

ANNEX 1
DEFINITIONS

As used in this Agreement, the following terms have the meanings given to them below.

1. "Agreement Products and Services" means, collectively, the Software, Authorized Equipment, Services, subscriptions, Information System, documentation and all other materials identified herein that is or may be made available to Customer pursuant to this Agreement.

2. "Authorized Equipment" means equipment that has met HSS standards for operating as part of the Information System and which is made available for purchase or lease under this Agreement or a Joinder Agreement.

3. "Certified Third Party Software" means software licensed by third parties to Customer or sublicensed by HSS to Customer and listed in the applicable Order Document.

4. "Fees" means, collectively, all of the fees, charges and expenses chargeable to or due from Customer under this Agreement, including any Order Document.

5. "Information System" means, collectively, the software, equipment and IT systems made available by HSS and its Affiliates for Customer's access, use or benefit, including without limitation PEP and the OnQ technology.

6. "Malicious Code" means any virus, worm, trojan horse, spyware, adware, rootkit, ransomware, scareware, rogueware, backdoor, trap door, logic bomb or similar item intended to cause or capable of causing undesired effects, security breaches and/or damage to a system or a system's contents.

7. "Proprietary Software" means software owned by HSS or its Affiliates.

8. "Services" means the services provided under this Agreement.

9. "Software" means the Certified Third-Party Software and Proprietary Software`

ORDER DOCUMENT

Customer Name:	%LegalEntity%	**Customer Contact:**	%GMName%
Customer Address:	%PrimaryContactName% %PrimaryContactAddressBlock%		%PropertyName% %PropertyAddressBlock%
Property Name:	%PropertyName%	**Issue Date:**	%CreationDate%

This Order Document is issued under and is a part of the *Information Technology System Agreement* ("Agreement") between Hilton Systems Solutions, LLC ("HSS") and %LegalEntity% ("Customer") and includes all of its schedules, attachments, and exhibits as well as all other documents expressly incorporated into it by reference. It becomes effective on the date identified by HSS under the signature blocks below ("Order Effective Date") and when signed by both parties is automatically incorporated into and becomes part of the Agreement. All licenses and sublicenses of software, all subscriptions, all Services and all equipment provided herein or obtained hereunder are subject to the terms and conditions of the Agreement and to the terms of this Order Document. Unless otherwise specified the defined terms in this Order Document have the meanings given them in the Agreement.

The pricing provided here for goods and services provided by HSS is valid for a period of ninety (90) days following the date of issue of this Order Document to Customer ("Issue Date"). Should this Order Document not be signed by the Customer within those (90) days, Customer must obtain written confirmation from HSS that the pricing requested by Customer remains in effect.

Except as otherwise noted herein or in the applicable invoice all payments required by this Order Document must be made in United States Dollars within thirty (30) days of receipt of the invoice therefore. Customer acknowledges and agrees that HSS or its Affiliates may derive revenues and/or other material consideration on all or a portion of the fees paid by Customer and that HSS may use third parties to perform the Services. All fees indicated are exclusive of applicable taxes, shipping, insurance, rigging, duties and other related fees and expenses, all of which are payable by Customer. Provision of the Authorized Equipment, Software and Services is made in consideration of the Customer's promise herein to pay the fees therefor and is subject to Customer's timely payment of such fees. HSS may delegate certain of its operational responsibilities hereunder to third parties but remains responsible therefore.

EXECUTION INSTRUCTIONS: **Please sign this Order Document, each of the documents in *Schedule C* and any other Schedules indicated as needing your signature.**

IN WITNESS WHEREOF, by the signature of its respective authorized representative, each of the parties agrees to be bound by all of the terms of this Order Document.

	HSS **Hilton Systems Solutions, LLC**		**CUSTOMER:** %LegalEntity%
By:	%HiltonApproverSignature%	By:	%HotelApproverSignature%
Name:	%AMERCountersigner%	Name:	%HotelApproverName%
Title:	%AMERCountersignerTitle%	Title:	%HotelApproverTitle%
Date:	%HiltonApprovedDate%	Date:	%HotelApprovedDate%

The Order Effective Date for this Order Document is the date it is signed by HSS.

1. Software, Systems and Related Services.

1.1 Software, Systems and Interfaces. HSS licenses to Customer use of the Hilton Property Engagement Platform ("PEP") and the following Proprietary Software and sublicenses to Customer use of the Certified Third Party Software included in PEP under the terms specified in the Agreement.

A. Interfaces (Proprietary Software unless otherwise noted)**:**

	Interfaces	Those Being Licensed to Customer are Noted with "X"
1.	Call Accounting interface	%CallAccounting%
2.	PBX interface	%PBX%
3.	Voice Messaging interface	%VoiceMail%
4.	Point Of Sale interface	%POS%
5.	Movie Only Billing interface	%MovieSystem%
6.	TV Services (Express Checkout, Movies, etc.) interface	%VideoCheckOut%
7.	Mini-Bar Posting interface	%MiniBarPosting%
8.	Credit Card Authorization & Settlement interface	%CreditCard%
9.	Guest Internet Access interface	%INetCallAccounting%
10.	Combined HSIA & PayTV interface	%TVandHSIA%
11.	PPIC interface	%PPIC%
12.	Electronic Key interface	%ElectronicKey%
13.	Energy Management interface	%EnergyMgmt%
14.	Police interface	%Police%
15.	Back Office interface	%BackOffice%
16.	Guest Call Center interface	%CallCenter%
17.	Parking interface	%Parking%
18.	Spa interface	%SPA%
19.	Convention and Event interface	%CONFEVENT%
20.	Digital Compendium	%Intelity%
21.	Housekeeping / Engineering / Rapid Response	%HOTSOS%

B. Additional Software. HSS may require that Customer use additional Proprietary Software and Certified Third Party Software for the proper operation of the Agreement Products and Services. Such Software made available to Customer by HSS is licensed to Customer under the terms of this Agreement.

1.2 Reserved.

1.3 Training and Training Materials.

There are a number of training modules applicable for each job role regarding PEP's and the Proprietary Software's function. The Hotel is responsible for ensuring that all employees who have responsibilities related to the use of PEP and the Proprietary Software complete the applicable training modules prior to the implementation of PEP, the Proprietary Software and Certified Third Party Software above at the Hotel, or within ten (10) days of employment, as agreed to with HSS. All such Hotel staff must successfully complete the training as a prerequisite to receiving permission from HSS's installation team to complete the implementation of PEP, the Proprietary Software and Certified Third Party Software. The Training Matrix, part of the Required Training Documents ("RTD") provided by HSS, must be completed and verified by the HSS Implementation Specialists.

1.4 Cost of Certain Installation, Implementation and Training Services. The cost of certain installation, implementation, and training services (including the HSS implementation specialists) and materials are set forth below. These costs and travel expenses will be billed to Customer by HSS or the Preferred Provider following installation of the Information System. Additional costs for training replacement General Managers or other Hotel personnel will be billed to Customer prior to such training dates at the then current rate charged by HSS for such training.

1.5 Site Surveys. HSS will determine if an onsite, remote or combined Site Survey is required. Customer and HSS will mutually determine the scope, schedule and timing of a site survey that may be required for the preparation, installation and/or implementation of PEP (the "Site Survey"). HSS and Customer will identify the responsible parties for each aspect of the Site Survey. In preparation for any Site Survey, Customer will provide information and documentation relative to the Hotel as requested by HSS, including, but not limited to, hotel drawings, room locations and wiring diagrams. If HSS performs on-site services during the Site Survey, the Customer is responsible for providing timely access to the Hotel property, as well as complimentary room nights with confirmed reservations at the Hotel, as needed in the course of performing the Site Survey. A Hotel representative will be appointed by Customer to provide escort and access to guest rooms for the room inspection portion of the Site Survey. The fees and costs for any work performed by HSS relative to the Site Survey, including any fees for creation and validation of the wireless network design, any travel expenses, per diem fees and other out-of-pocket related costs, will be billed separately by HSS to the Customer. Any additional costs incurred due to delays in performing the Site Survey caused by the Customer's Hotel will also be billed to Customer.

1.6 Implementation Services. HSS may, in its sole discretion, provide remote, on-site or combined implementation services for Customer's Authorized Equipment and related Certified Third Party Software. Some are described below but more exact requirements may be set forth in the applicable Brand Standards and are subject to change by HSS or HDOC or their affiliates or subsidiaries from time to time. HSS will provide the services using Systems Implementation consultants. The number of consultants and number of days they will be used will be determined by HSS based upon the size and type of the Hotel and the Hotel's IT requirements. These consultants may:

(a) work with the Hotel, which is responsible for the cost of building the Hotel's database, including the verification of the proper functioning of the Software, installation, conversion, implementation, data conversion or recovery;

(b) provide procedural support for the property management system to the Hotel's management;

(c) work with the Hotel's management to adapt their use of the Information System to meet the Hotel's requirements;

(d) support the Hotel's staff in their use of the Information System through the Hotel's management;

(e) work with the Hotel's management to assure that the Hotel has all necessary tools for the implementation of the Information System (i.e., Authorized Equipment, Certified Third Party Software, documentation, etc.);

(f) install or approve the installation of equipment to meet the requirements of the Hotel, HSS and the manufacturer of the Authorized Equipment;

(g) work with third party vendors to meet the technical criteria for interface communications (i.e., central reservations, call accounting, energy management, door lock, guest internet access, etc.);

(h) verify that all front desk staff and Hotel's management have successfully completed the Information System Training;

(i) identify and address operational problems that involve the Information System; and

(j) formulate and present recommendations that maximize efficient use of the Information System.

1.7 Authorized Equipment Installation. Whether Customer elects to purchase or lease Authorized Equipment from a Preferred Provider through one of the Master Agreements HSS will coordinate the installation of such Authorized Equipment at the Hotel.

A. Customer or HSS, in HSS's discretion, will obtain and maintain throughout the term hereof, at Customer's cost, the necessary communication vehicles and services for direct communication between HSS and the Hotel as is reasonably necessary for the operation of, and for the diagnosing of issues involving, the Agreement Products and Services, including without limitation, network access and wide area network connections to the Central Reservation System and Internet.
B. Customer will make available, at its own expense, prior to the agreed upon installation date a location that, in HSS's opinion, is suitable for installation of such Authorized Equipment. Customer will furnish any electrical connections and dedicated phone lines which may be required by HSS and will perform and pay for all work, including alterations, which in the sole discretion of HSS is necessary to prepare the Hotel for the installation and proper operation of the Authorized Equipment.

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

D. If Customer elects to purchase such Authorized Equipment from another retailer, it will be installed at the Hotel on a date mutually agreed to by HSS and Customer following HSS's determination that it conforms to HSS's specifications and testing procedures and can be configured with the Software.

1.8. Software Installation.

A. Unless specifically stated as being implemented by HSS, it is Customer's obligation to install the Software on the Authorized Equipment and any related hardware at such time as HSS designates in writing to Customer. The Software may be installed in phases such that one or more Software modules may be installed and/or be operational prior to other Software modules. Customer will be responsible for all fees and costs incurred in the installation of Software and any related Software.

B. If Customer purchases the Authorized Equipment from HSS or a Preferred Provider, the Preferred Provider or HSS will install the Software and any related software as described in this Agreement on the Authorized Equipment and HSS will complete the installation at the Hotel, as applicable, on the agreed upon installation date. If Customer does not purchase the Authorized Equipment from the Preferred Provider, HSS will install the Software and any related software at such time as HSS designates in writing to Customer. The Software may be installed in phases such that one or more Software modules may be installed and/or operational prior to other Software modules. The Software modules to be installed will be as set out above and in this Agreement, and Customer hereby agrees to permit the Preferred Provider or HSS to install any and all other Software modules on the Authorized Equipment in or at the Hotel, as provided for herein.

C. If Customer purchases Authorized Equipment from a retailer other than the Preferred Provider, Customer will pay for configuring the Authorized Equipment purchased from such retailer, with the Software. Customer will also be responsible for shipping and shipping related costs to and from HSS for such configuration.

1.9 Third Party Interface Testing and Connectivity. If Customer requires the implementation of any interface Proprietary Software for connectivity to third party systems, Customer will be responsible for any fees assessed by the third party vendors to test and implement the necessary connectivity. In addition, Customer will be required to make arrangements with any such third party vendor to provide the necessary assistance required to test and to implement the interface connectivity. This assistance requires the vendor to be on-site at the time of testing and implementation, unless the third party vendor can perform all necessary tasks (as defined by HSS) through a remote connection to the Customer's third party system. The cost incurred by any third party vendors for testing and implementing connectivity to third party systems will be billed to Customer by HSS, or such vendors for the license of each copy of the Proprietary Software and the Certified Third Party Software licensed to Customer by HSS

1.10 Certain Costs and Payment Terms.
A. Software License Fees. Customer will pay HSS, Preferred Provider or another retailer approved by HSS, a fee for the license of each copy of the Proprietary Software and the Certified Third Party Software, licensed or sublicensed to Customer by third parties or installed on the Authorized Equipment at the Hotel (the "License Fees"). The License Fee to be paid for PEP, which is a one-time fee, is based on the number of guest rooms in Customer's Hotel

Number of Guest Rooms (Tiers)	**Current License Fees***
1 to 300 Guest Rooms	$ 8,000.00
301 to 500 Guest Rooms	$ 9,500.00
501 or more Guest Rooms	$12,500.00

*These fees are subject to change.

If, after paying the original License Fee, the number of guest rooms in Customer's Hotel is increased to a new tier, Customer will pay the difference between the original License Fee and the License Fee payable under the new tier. As an example, if the Hotel had 280 guest rooms and Customer paid the $8,000 License Fee, and then Customer expanded the Hotel to 350 guest rooms, Customer would pay HSS an additional $1,500 (the difference between the License Fee for the 1 to 300 guest room tier and the License Fee for the 301 to 500 guest room tier).

PEP License Fee	$%SystemTwentyOneSWFee%
OnQ® Virus and CAL Licenses	$%SystemTwentyOneVirusSW%

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

Authorized Equipment and Certified Third Party Software	$%SystemTwentyOneHWFee%
Standard Upgrade Fee	$%StandardUpgradeFee%
Standard Plus Software License Fees	$%StandardPlusSoftwareFee%

C. Cost of Training and Training Materials. The cost of the training is shown below. This cost will be invoiced to Customer by HSS or the third party provider HSS may use at the same time as it renders its invoice to Customer for the License Fees. Additional costs for training replacement general managers or other hotel personnel will be invoiced to Customer prior to such training dates.
Customer will be responsible for charges incurred for use of Virtual Private Network ("VPN") to access the training hotel. These costs include fees from HSS's current VPN access provider, for up to 5,000 minutes of network access as well as HSS internal costs for configuration services. VPN access will be terminated for each property at the time of hotel opening or live utilization of the Information System.

Training System Access Fee	$%TrainSysAccessFee%

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

Information System Planning Workshop	$%SystemTwentyOnePlanningWS%

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

$%SalesTrainingFee%

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

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

Preferred Provider Fee: (Configuration fees and Training Room Network Installation, as applicable) (Includes travel expenses)	$%ServicesPreferred%
Project Management, Contracting and Sales fee ("PMCS Fee")	$%ServicesPMCS%
Site Survey (travel expenses are additional)	$%HHCSiteSurvey%
Installation Support Fee	$%InstallSupport%
Implementation services: (travel expenses to be billed at actual per guidelines below for others)	$%ImplementationFee%
Delphi Project Management Fee	$%DELPHIPM%
Delphi Implementation Fee	$%DELPHIIMP%
Executive Briefing and Change Management	$%DevRecovery%
Email Setup Fee:	$%Email%
Hi Tech Fee:	$%HiTechFeeOne%
Firewall Equipment and Configuration and/or Converged Network Install	$%Firewall%
IT Opening Project Manager	$%INTLITOPENPM%
Digital Floor Plan Billing Management	$%DigitalFloorSetup%
Hilton Hotel Openings & Transition Tool	$%SALESFORCE%
GRO Setup Fee	$%GROSETUP%

Promptly following HSS's providing of the Services, an invoice will be submitted to Customer for HSS's representatives' out-of-pocket expenses, any additional per diem charges for its representatives (as described in the Notes below), any re-scheduling fee, and any additional travel expenses as set forth above, which invoice will be payable within fifteen days of Customer's receipt of same.

TOTAL PRICE	**$%TotalPrice%**

***TOTAL PRICE EXCLUDES TAXES, SHIPPING & ANY MONTHLY FEE ITEMS NOTED HEREIN**

Notes:

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

(ii) Customer will pay according to the terms of any invoice(s) submitted to Customer, including any provision for late charges, the fee for the installation of any telephone line(s) or wide area network connection(s) necessary for connection of the Authorized Equipment

(iii) The cost to configure equipment obtained by Customer from a non-preferred retailer, to be included here, when applicable.

E. Other. If Customer attaches or uses third party equipment, software, and/or interfaces with any of the Agreement Products and Services, the Central Reservation System or the internet which have not been certified or approved by HSS as meeting HSS's specifications and/or does not conform to the standards provided by the HSS or if Customer installs other third party non-HSS proprietary software which has not been certified or approved by HSS as meeting HSS's specifications, the Agreement Products and Services or such third party equipment, software, and/or interfaces may need to be reconfigured and the entire cost of such reconfiguration will be borne by Customer. Where HSS specifications cannot be met with such third party equipment, software, and/or interfaces, such third party equipment, software and/or interfaces will, at Customer's sole cost, be removed and/or replaced as directed by HSS.

1.11 HSS Representatives on-Site at Hotel: Customer must have its representative(s) on-site at the Hotel for the implementation of the Agreement Products and Services. Once HSS's representatives are on-site, any delays will result in additional expense to Customer. If a delay in implementation of any of the Agreement Products and Services caused solely by Customer necessitates the departure and re-scheduling of HSS's representatives, then, in addition to the other fees set forth in this Order Document, Customer will be required to pay a fee consisting of charges for such representatives' work days and travel days (currently U$700.00 per representative per day), change fees, and additional travel expenses. The re-scheduled date will be determined based on the needs of the Hotel as well as the availability of HSS's representatives.

2. Proprietary Software and PEP Maintenance.

2.1 Proprietary Software and PEP Maintenance.

A. HSS will provide Customer with Proprietary Software and PEP maintenance and support services (the "Proprietary Software Maintenance") for a term of one (1) year (with annual renewals thereafter at the option of HSS) commencing on the Order Effective Date. The annual fee, payable in monthly installments, is as follows:

%SoftwareMaintTable%

B. The first monthly payment will be invoiced in advance of the shipment date to the Hotel (the date of shipment being the "Start Date") of the Authorized Equipment purchased which will operate Proprietary Software to be maintained. For the avoidance of doubt, HSS has no obligation to provide Customer with maintenance, support or Help Desk services for any Certified Third Party Software; maintenance support and services for Certified Third Party Software is to be provided by the applicable Preferred Provider pursuant to the applicable Master Agreement. The Proprietary Software and PEP maintenance and support offered by HSS is described in *Schedule A*.

C. HSS is unable to modify, and does not provide support for, the Certified Third Party Software. Provided Customer has paid for all Proprietary Software Maintenance and other fees charged hereunder and satisfied all other obligations under the Agreement, HSS will supply Customer with any standard enhancements, improvements, updates, and/or modifications to the Proprietary Software and PEP ("Updates") generally made available by HSS as options or new releases to its Customers which are not charged for separately by HSS. Such Updates will be HSS's sole and exclusive property and will be deemed part of the Proprietary Software hereunder. Customer agrees that it may be required to purchase some Updates to the Proprietary Software and PEP, which are charged for separately by HSS, as well as additional hardware and/or software in order to utilize certain major upgrades or enhancements.

2.2 Use of Certified Third Party Software Only. In the event Customer uses or installs any third party software other than Certified Software on the Authorized Equipment or uses equipment that is not Authorized Equipment, HSS will have no further obligations to provide any Proprietary Software Maintenance services to Customer.

2.3 Increases/Decreases. HSS reserves the right to increase or decrease the Proprietary Software Maintenance cost on an annual basis to reflect increases or decreases in such costs and the addition or construction of additional guest rooms (or suites) by Customer for Customer's Hotel.

3. Additional Services.

3.1 Additional Services Purchased Under This Ordering Document. HSS will provide the following additional Services (if any are listed) for the fees noted (if any):

A. Guest Messaging Service. HSS will provide the Guest Messaging Service described in *Schedule P – Guest Messaging Service.*

%Misc%

4. Authorized Equipment.

4.1 Authorized Equipment Purchased or Leased. Customer will purchase or lease the Authorized Equipment required for the proper operation of the Hotel IT functionality identified by HSS. As of the Order Effective Date the purchasing and/or leasing fees for the Authorized Equipment described in *Schedule B-1 – Authorized Equipment* are:

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AUTHORIZED EQUIPMENT

NETWORK AUTHORIZED EQUIPMENT:

%NetAuthEquipOne%

STANDARD PLUS EQUIPMENT:

%StdPlusEquipOne%

The purchase fees will be invoiced by either HSS or the relevant Preferred Provider depending on the location of the Hotel and the source of the Authorized Equipment. Customer will be provided the specific information not later than 15 days following the Order Effective Date. Customer will purchase and replace any source, paper, ribbons, printer maintenance kits, toner and such other operating supplies as will be required for the operation of the Authorized Equipment, but Customer will utilize only such brands as are approved by HSS or the Authorized Equipment manufacturer.

4.2. Authorized Equipment Maintenance. Customer must purchase maintenance services as described in *Schedule B-2 – Authorized Equipment Maintenance and Refresh* for all of the Authorized Equipment it purchases or leases, including for all the Network Authorized Equipment when maintenance is not provided under the terms of the applicable Brand IT program. The fee for Authorized Equipment Maintenance includes a fee for Help Desk Services. As of the Order Effective Date Customer is purchasing Authorized Equipment Maintenance for the annual fee(s) shown, payable in monthly installments:

%HardwareMaintTable%

5. Expenses. If HSS or Preferred Provider personnel incur travel, lodging, meal, or any other out of pocket expenses in furnishing services hereunder, Customer will pay for or promptly reimburse HSS for same, subject to reasonable documentation of such expenses.

6. Customer Responsibilities. Customer will maintain on its staff at all times sufficient personnel that have been trained in and are knowledgeable about the use of the Information System in a professional, efficient and competent manner. Customer is responsible for maintaining duplicate or back-up copies of its software, data files and documentation. HSS will have no liability for any damages resulting from Customer's failure to maintain such duplicate or back-up copies nor for any costs or expenses of reconstructing any such data or information that may be destroyed, impaired or lost.

7. Exclusions. HSS's obligations under the Agreement will not apply to any errors, defects or problems caused in whole or in part by (i) any modifications or enhancements made to any Proprietary Software, Certified Third Party Software or Authorized Equipment by Customer or any third person or entity other than HSS; (ii) any software program, hardware, firmware, peripheral or communication device used in connection with the Information System which was not approved in advance in writing by HSS; (iii) the failure of Customer to follow the most current instructions promulgated by HSS or any third party vendor from time to time with respect to the proper use of the Information System; (iv) the failure of Customer to schedule regular preventive maintenance in accordance with standard HSS procedures; (v) forces or supplies external to the Authorized Equipment, including, without limitation, the reasons set forth in the force majeure provisions of the Agreement; and/or (vi) the negligence of Customer or any other third person or entity. Any corrections performed by HSS for any such errors, difficulties, or defects will be fixed, in HSS's sole discretion, at HSS's then current time and material charges. HSS will be under no obligation, however, to fix any such Customer or externally caused errors, defects or problems.

8. Joinder Agreements. *Schedules C-1 and C-2* contain Joinder Agreements under which Customer can obtain products from Microsoft and reseller Insight Direct USA, respectively. Customer is required to sign those agreements if it is obtaining any products from those Preferred Providers in connection with this Order Document.

9. Request for Products or Services. The form to use when requesting products or services is contained in *Schedule D – Form of Request for Products or Services.*

10. Notices. Questions and notices regarding this Order Document should be directed to:

The Attention of:	Scott Greenberg
Address:	Hilton Systems Solutions LLC 755 Crossover Lane Memphis, Tennessee 38117
Telephone Number:	(901) 374-5510
Email Address:	Scott.Greenberg@hilton.com

SCHEDULE A
SOFTWARE MAINTENANCE

1. General. HSS will provide Customer with maintenance and support for Proprietary Software and PEP for a term of one (1) year (with annual renewals at the option of HSS) commencing upon execution hereof, for the Proprietary Software and PEP, specifically excluding any maintenance and support of any Certified Third Party Software.

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

3. Software Maintenance.

(a) Customer acknowledges and understands that HSS is unable to modify the Certified Third Party Software. HSS does not provide support the Certified Third Party Software In the event Customer notifies HSS of any condition which Customer believes constitutes a breach of any warranty provided by a third party vendor or a defect in Certified Third Party Software, HSS will, upon Customer's request, provide reasonable cooperation and assistance in notifying such third party vendor of such condition and in urging such third party vendor to correct such condition.

(b) With respect to the Proprietary Software and PEP, provided Customer has paid all software maintenance and other fees and satisfied all other obligations under this Agreement, HSS will supply Customer with access to any standard enhancements, improvements, updates, and/or modifications to the Proprietary Software and PEP generally made available by HSS as options or new releases to its Customers which are not charged for separately by HSS as options or new releases. Such enhancements, improvements, updates, additions, and/or modifications which are supplied by HSS to Customer, and all Intellectual Property Rights therein, will be HSS's sole and exclusive property and will be deemed part of the Proprietary Software hereunder and will be subject to all of the terms and conditions of the Agreement. Customer acknowledges and agrees that Customer may be required to purchase some enhancements, improvements, updates, and/or modifications to the Proprietary Software and PEP which Customer will be charged for separately by HSS, as well as additional hardware and/or software in order to utilize certain major upgrades or enhancements.

4. Cooperation. Customer will provide HSS with all information, data and other required materials necessary for HSS to reproduce any problem identified by Customer. Customer will maintain for the term of this Agreement a modem and dial-up telephone line and a facsimile machine or other electronic communication capability mutually acceptable to both parties to facilitate HSS's ability to perform its maintenance services remotely.

5. Expenses. Customer will pay for all telephone toll charges incurred in providing maintenance and support hereunder.

6. Proprietary Rights. Any changes, improvements, additions, and/or modifications to any of the Proprietary Software or PEP which are licensed by HSS to Customer, and all proprietary rights therein, including without limitation, all Intellectual Property Rights, will be HSS's sole and exclusive property, and all such software will be subject to the terms and conditions of the Agreement.

7. Hotline. HSS will provide, in accordance with its customary business practices and procedures, telephone customer service support as reflected in this Schedule, for the purposes of receiving reports from Customer regarding software malfunctions subject to maintenance hereunder. HSS may attempt, to the extent practical, to resolve any reported problems by telephone or by accessing Customer's equipment remotely.

8. On-Site Services. In the event HSS is unable to resolve any reported problem by telephone or modem, HSS will dispatch service personnel to Customer's Site for the purpose of providing maintenance services hereunder at HSS's standard rates and charges.

9. Customer Responsibilities. HSS has no obligation to maintain or repair any software other than the Proprietary Software or PEP, nor to repair or replace any expendable or consumable components such as ribbons, paper, toner cartridges, print wheels, drums, batteries, or diskettes.

10. Cost and Payment Terms. Annual Cost of Software Maintenance is $%AnnualSWMaint%. Payments will be calculated from the Start Date, payable in monthly installments of $%MonthlySWMaint%. The monthly payment amount will be due in advance and will be billed by HSS. Interest at the then current highest rate allowed will be charged for any payments made by Customer after the payment due date (thirty (30) days after billing).

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

HSS reserves the right to increase or decrease the Software Maintenance cost on an annual basis to reflect increases or decreases in such cost internally and from the Preferred Providers of such services and to reflect the addition or construction of additional guest rooms

SCHEDULE B-1
AUTHORIZED EQUIPMENT

The term Authorized Equipment includes (i) the equipment needed by Customer at Customer's hotel, as determined solely by HSS, for the Customer's use of the Proprietary Software (the "Network Authorized Equipment") (ii) and any additional equipment authorized by HSS for use at Customer's hotel, over and above the Network Authorized Equipment (the "Standard Plus Equipment").

1. **Authorized Equipment Purchase**. Customer may purchase the Authorized Equipment from the Preferred Provider who may provide a joinder agreement with Customer or from another retailer; however, if such Authorized Equipment is obtained from another retailer, it must conform to HSS's specifications. Furthermore, if Customer elects to purchase such Authorized Equipment from a third party other than the Preferred Provider, the file server and work stations must be shipped to HSS or its designee for certification that these components comply with HSS's specifications and testing procedures. Customer will also be responsible for the shipping and shipping related costs to and from HSS or its designee for such certifications.

2. **Authorized Equipment As Personal Property/Insurance Requirements**. In addition to any other specific purchase terms required by the Preferred Provider, the following purchase terms and conditions will apply to any Authorized Equipment obtained from a Preferred Provider or HSS. The Authorized Equipment will be at all times, personal property which will not, by reason of connection to the Hotel, become a fixture or appurtenance to the Hotel, and until such time as Customer or its designated third party pays to the Preferred Provider the total sum for the Authorized Equipment as required hereunder, the Authorized Equipment will remain the property of the Preferred Provider, and title will remain with the Preferred Provider, free from any claims of Customer or the holder of any lien or encumbrance on the Hotel and/or any other property of Customer. Customer will maintain fire, extended coverage, vandalism, and malicious mischief insurance on the Authorized Equipment in an amount not less than the purchase price of the Authorized Equipment. Said insurance will name HSS as an additional insured. For so long as this obligation remains in effect, Customer will furnish to HSS a certificate of the insurance carrier describing the terms and coverage of the insurance in force, the persons insured, and the fact that the coverage may not be canceled, altered or permitted to lapse or expire without thirty (30) days advance written notice to HSS. Upon payment in full, title to the Authorized Equipment will vest in the Customer and will be free and clear of the above requirements relating to insurance and of all of the Preferred Provider's liens, claims and encumbrances and the Authorized Equipment will become the sole property of Customer. Customer assumes the expense of delivery and in-transit insurance for the Authorized Equipment.

3. Authorized Equipment.

NETWORK AUTHORIZED (PROGRAM FUNDED) EQUIPMENT:

%NetAuthEquipOne%

STANDARD PLUS (HOTEL FUNDED) EQUIPMENT:

%StdPlusEquipOne%

SCHEDULE B-2
AUTHORIZED EQUIPMENT MAINTENANCE AND REFRESH

1. Maintenance for the Authorized Equipment. Customer must take all steps necessary to provide all necessary maintenance services for the Authorized Equipment it purchases or leases so that it will receive such maintenance services for all such Authorized Equipment throughout the term of this Agreement. Customer may elect to use the maintenance company (the Preferred Provider) with whom HSS has arranged to provide maintenance services ("Equipment Maintenance") for the Authorized Equipment provided that such Authorized Equipment, if not purchased from the Preferred Provider, is first certified as being suitable for Equipment Maintenance, at the expense of Customer, by either HSS or the Preferred Provider. For such services, the Customer will pay as set forth in this *Schedule B-2* (the "Maintenance Fees") and according to the terms of any invoice(s) submitted to Customer therefor, including any provision for late charges. If Customer elects to use the Preferred Provider and Equipment Maintenance is necessary, Customer will notify HSS, which in turn will notify the Preferred Provider to dispatch a Preferred Provider representative. Notwithstanding the foregoing, Customer may elect, subject to HSS's approval in advance in writing, to not provide maintenance services through this Agreement for certain pieces of such Authorized Equipment allowed to be used in conjunction with the Information System ("Non-maintained Equipment"). Neither HSS nor the Preferred Provider will be responsible for any maintenance or support of Non-maintained Equipment.

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

%OptOutMaint%

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

3. Refresh of Authorized Equipment. Under HSS's refreshment program, Customer will be responsible for and will pay for all fees and costs for the replacement or refreshment of the Authorized Equipment in HSS's sole discretion ("Refresh") on an approximate three (3) year cycle, starting approximately three (3) years after the initial shipment of such Authorized Equipment and for the provision of maintenance services by the Preferred Provider on such refreshed equipment. The terms and conditions of the Authorized Equipment maintenance services for such equipment (included in such initial Refresh and included in any additional Refresh or Refreshes of Customer's Authorized Equipment) will be the same as the terms and conditions of this *Schedule B-2*, including, but not limited to, the imposition of termination fees as described hereinafter, provided that the Maintenance Company may exclude from its maintenance obligations certain errors, defects or problems caused by Customer. Customer's Refresh will be timed to occur prior to the end of the three (3) year cycle. If Customer fails to meet HSS's timeline for such Refresh, including order dates for equipment and software, Customer will be responsible for all fees and costs incident to such delay, including, but not limited to, any rent extension costs on Network Authorized Equipment and higher fees and costs for equipment maintenance and software maintenance.

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

During second year	$2,600
During third year	$1,300
Thereafter	$1,200

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

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

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

6. Equipment Maintenance. Equipment Maintenance will be provided for Customer's Hotel.

7. Cost and Payment Terms. Annual Cost of Equipment Maintenance for Authorized Equipment is $%AnnualHWMaint% payable in monthly installments of $%MonthlyHWMaint% per month. Payments will be calculated from the Start Date. The monthly payment amount will be due in advance and will be billed by HSS or its designee. The first invoice will be issued upon the Start Date. Interest at the then current highest rate allowed by applicable state law will be charged for any payments made by Customer after the payment due date (thirty (30) days after billing).

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

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

8. Customer Responsibilities as to Equipment Maintenance. Customer will maintain on its staff at all times sufficient personnel that have been trained in and are knowledgeable about the use of the Information System in a professional, efficient and competent manner. Customer is responsible for maintaining duplicate or back-up copies of its software, data files and documentation and Certified Third Party Software. Neither HSS nor Preferred Provider will have any liability for any damages resulting from Customer's failure to maintain such copies nor for any costs or expenses of reconstructing any data or information that may be destroyed, impaired or lost. Neither HSS nor Preferred Provider has any obligation to maintain or repair any equipment other than the Authorized Equipment, nor to repair or replace any cables, cords, expendable or consumable components such as ribbons, paper, toner cartridges, print wheels, drums, batteries, or diskettes, whether or not defined as Authorized Equipment. Customer will not move or perform maintenance services on any of such Authorized Equipment without HSS's or Preferred Provider's prior written consent.

9. Cooperation. Customer will provide HSS or Preferred Provider with all information, data and other required materials necessary to reproduce any problem identified by Customer. Customer will maintain for the term of this Agreement a modem and dial-up telephone line and a facsimile machine or other electronic communication capability mutually acceptable to both parties to facilitate the ability to perform the Equipment Maintenance services remotely.

In some instances, Equipment Maintenance will be provided using a depot program, where Customer ships failed Authorized Equipment to the depot when Customer receives replacement of such Authorized Equipment. If Customer does not ship such failed equipment, Customer will be responsible for any unreturned equipment charges billed by HSS, the Preferred Provider or the depot program provider.

10. Expenses. If Equipment Maintenance personnel incur travel, lodging, meal, or any other out of pocket expenses in furnishing the services hereunder, Customer will pay for or promptly reimburse HSS for same, subject to reasonable documentation of such expenses. Customer will also pay for all telephone toll charges incurred in providing maintenance and support hereunder.

11. Exclusions. The obligation of HSS or the Preferred Provider to provide Equipment Maintenance hereunder will not apply to any Non-maintained Equipment nor to any errors, defects or problems caused in whole or in part by (i) any modifications or enhancements made to any Proprietary Software or Certified Third Party Software by Customer or any third person or entity other than HSS or its designee; (ii) any software program, hardware, cables, cords, firmware, peripheral or communication device used in connection with the Information System which was not approved in advance in writing by HSS; (iii) the failure of Customer to follow the most current instructions promulgated by HSS or any third party vendor from time to time with respect to the proper access to or any use of the Information System; (iv) the failure of Customer to schedule regular preventive maintenance in accordance with standard HSS procedures; (v) any such Authorized Equipment that is non-repairable, taken out of service or for which any such Authorized Equipment or parts for same are no longer manufactured or reasonably available; (vi) forces or supplies external to such Authorized Equipment, including, without limitation, the reasons set forth in the Force Majeure section of the HITS Agreement; and/or (vi) the negligence of Customer or any other third person or entity. Any corrections performed by HSS for any such errors, difficulties, or defects will be fixed, in HSS's or Preferred Provider 's discretion, at the then applicable current time and material charges. Neither HSS nor the Preferred Provider will be under any obligation, however, to fix any such Customer or externally caused errors, defects or problems.

SCHEDULE C-1
MICROSOFT PARTICIPATION AGREEMENT

This Participation Agreement is entered into by the party signing below ("you" or "Customer Affiliate") for the benefit of the Microsoft affiliate ("Microsoft" and "we") and will be enforceable against you by Microsoft in accordance with its terms. You acknowledge that Microsoft and Hilton Worldwide Inc. ("Customer") have entered into *Microsoft Enterprise Enrollment*, No. 68436885 (the "agreement"), under which you desire to sublicense certain Microsoft products. As used in this Participation Agreement, the term to "run" a product means to copy, install, use, access, display, run or otherwise interact with it. You acknowledge that your right to run a copy of any version of any product sublicensed under the agreement is governed by the applicable product use rights for the product and version licensed as of the date you first run that copy. Such product use rights will be made available to you by the customer, or by publication at a designated site on the World Wide Web, or by some other means. Microsoft does not transfer any ownership rights in any licensed product and it reserves all rights not expressly granted.

1. **Acknowledgment and Agreement**. You hereby acknowledge that you have obtained a copy of the product use rights located at http://microsoft.com/licensing/resources/ applicable to the products acquired under the above-referenced agreement; you have read and understood the terms and conditions as they relate to your obligations; and you agree to be bound by such terms and conditions, as well as to the following provisions:

   a. Restrictions on use. You may not:

   (i) Separate the components of a product made up of multiple components by running them on different computers, by upgrading or downgrading them at different times, or by transferring them separately, except as otherwise provided in the product use rights;

   (ii) Rent, lease, lend or host products, except where Microsoft agrees by separate agreement;

   (iii) Reverse engineer, de-compile or disassemble products or fixes, except to the extent expressly permitted by applicable law despite this limitation;

   Products, fixes and service deliverables licensed under this agreement (including any license or services agreement incorporating these terms) are subject to U.S. export jurisdiction. You must comply with all domestic and international export laws and regulations that apply to the products, fixes and service deliverables. Such laws include restrictions on destinations, end-user, and end-use for additional information, see http://www.microsoft.com/exporting/.

   b. Limited product warranty. Microsoft warrants that each version of a commercial product will perform substantially in accordance with its user documentation. This warranty is valid for a period of one year from the date you first run a copy of the version. To the maximum extent permitted by law, any warranties imposed by law concerning the products are limited to the same extent and the same one year period. This warranty does not apply to components of products which you are permitted to redistribute under applicable product use rights, or if failure of the product has resulted from accident, abuse or misapplication. If you notify Microsoft within the warranty period that a product does not meet this warranty, then Microsoft will, at its option, either (1) return the price paid for the product or (2) repair or replace the product. To the maximum extent permitted by law, this is your exclusive remedy for any failure of any commercial product to function as described in this paragraph.

   c. Free and beta products. To the maximum extent permitted by law, free and beta products, if any, are provided "as-is," without any warranties. You acknowledge that the provisions of this paragraph with regard to pre-release and beta products are reasonable having regard to, among other things, the fact that they are provided prior to commercial release so as to give you the opportunity (earlier than you would otherwise have) to assess their suitability for your business, and without full and complete testing by Microsoft.

   d. NO OTHER WARRANTIES. TO THE EXTENT PERMITTED BY APPLICABLE LAW, MICROSOFT DISCLAIMS AND EXCLUDES ALL REPRESENTATIONS, WARRANTIES AND CONDITIONS, WHETHER EXPRESS, IMPLIED OR STATUTORY, OTHER THAN THOSE IDENTIFIED EXPRESSLY IN THIS AGREEMENT, INCLUDING WITHOUT LIMITATION WARRANTIES OR CONDITIONS OF TITLE, NON-INFRINGEMENT, SATISFACTORY QUALITY, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE PRODUCTS AND RELATED MATERIALS. MICROSOFT WILL NOT BE LIABLE FOR ANY PRODUCTS PROVIDED BY THIRD PARTY VENDORS, DEVELOPERS OR CONSULTANTS IDENTIFIED OR REFERRED TO YOU BY MICROSOFT UNLESS SUCH THIRD PARTY PRODUCTS ARE PROVIDED UNDER WRITTEN AGREEMENT BETWEEN YOU AND MICROSOFT, AND THEN ONLY TO THE EXTENT EXPRESSLY PROVIDED IN SUCH AGREEMENT.

   e. Defense of infringement and misappropriation claims. We will defend you against any claims, made by an unaffiliated third party, that any commercial product, fix or service deliverable infringes its patent, copyright or trademark or misappropriates its trade secret, and will pay the amount of any resulting adverse final judgment (or settlement to which we consent):

   You must notify us promptly in writing of the claim and give us sole control over its defense or settlement. You agree to provide us with reasonable assistance in defending the claim, and we will reimburse you for reasonable out of pocket expenses that you incur in providing that assistance. The terms "misappropriation" and "trade secret" are used as defined in the Uniform Trade Secrets Act, except in the case of claims arising under any license agreement governed by the laws of any jurisdiction outside the United States, in which case "misappropriation" will mean intentionally unlawful use and "trade secret" will mean "undisclosed information" as specified in Article 39.2 of the TRIPs agreement.

Our obligations will not apply to the extent that the claim or adverse final judgment is based on (i) your running of the product or fix after we notify you to discontinue running due to such a claim; (ii) your combining the product or fix with a non-Microsoft product, data or business process; (iii) damages attributable to the value of the use of a non-Microsoft product, data or business process; (iv) your altering the product or fix; (v) your distribution of the product or fix, or its use for the benefit of, any third party; (vi) your use of our trademark(s) without express written consent to do so; or (vii) for any trade secret claim, your acquiring a trade secret (a) through improper means; (b) under circumstances giving rise to a duty to maintain its secrecy or limit its use; or (c) from a person (other than us or our affiliates) who owed to the party asserting the claim a duty to maintain the secrecy or limit the use of the trade secret. You will reimburse us for any costs or damages that result from these actions.

If we receive information concerning an infringement claim related to a commercial product or fix, we may, at our expense and without obligation to do so, either (i) procure for you the right to continue to run the allegedly infringing product or fix, or (ii) modify the product or fix or replace it with a functional equivalent, to make it non-infringing, in which case you will stop running the allegedly infringing product or fix immediately. If, as a result of an infringement claim, your use of a commercial product or fix is enjoined by a court of competent jurisdiction, we will, at our option, either procure the right to continue its use, replace it with a functional equivalent, modify it to make it non-infringing, or refund the amount paid and terminate the license for the infringing product or fix.

If any other type of third party claim is brought against you regarding our intellectual property, you must notify us promptly in writing. We may, at our option, choose to treat these claims as being covered by this section. This Section e provides your exclusive remedy for third party infringement and trade secret misappropriation claims.

f. **Limitation of liability**. There may be situations in which you have a right to claim damages or payment from Microsoft. Except as otherwise specifically provided in this paragraph, whatever the legal basis for your claim, Microsoft's liability will be limited, to the maximum extent permitted by applicable law, to direct damages up to the amount you have paid for the product giving rise to the claim. In the case of free product, or code you are authorized to redistribute to third parties without separate payment to Microsoft, Microsoft's total liability to you will not exceed US$5000, or its equivalent in local currency. The limitations contained in this paragraph will not apply with respect to the following in connection with the performance of the agreement:

(i) our obligations to defend third party claims of patent, copyright or trademark infringement or trade secret misappropriation, and to pay damages resulting from any final adjudication (or settlement to which we consent) of such claims;

(ii) our liability for damages for gross negligence or willful misconduct, to the extent caused by us or our agent and awarded by a court of final adjudication; and

g. **No liability for certain damages**. To the maximum extent permitted by applicable law, neither you, your affiliates or suppliers, nor Microsoft, its affiliates or suppliers will be liable for any indirect damages (including, without limitation, consequential, special or incidental damages, damages for loss of profits or revenues, business interruption, or loss of business information) arising in connection with any agreement, product, or fix, even if advised of the possibility of such damages or if such possibility was reasonably foreseeable. This exclusion of liability does not apply to either party's liability to the other for violation of the other party's intellectual property rights.

h. **Application**. The limitations on and exclusions of liability for damages set forth herein apply regardless of whether the liability is based on breach of contract, tort (including negligence), strict liability, breach of warranties, or any other legal theory.

i. **Verifying compliance**. You must keep records relating to the products you run. Microsoft has the right to verify compliance with these terms and any applicable product use rights, at its expense, during the term of the enrollment and for a period of one year thereafter. To do so, Microsoft will engage an independent accountant from a nationally recognized public accounting firm, which will be subject to a confidentiality obligation. Verification will take place upon not fewer than 30 days notice, during normal business hours and in a manner that does not interfere unreasonably with your operations. As an alternative, Microsoft may require you to accurately complete its self-audit questionnaire relating to the products you use. If verification or self-audit reveals unlicensed use of products, you must promptly order sufficient licenses to permit all product usage disclosed. If material unlicensed use is found (license shortage of 5% or more), you must reimburse Microsoft for the costs it has incurred in verification and acquire the necessary additional licenses as single retail licenses within 30 days. If Microsoft undertakes such verification and does not find material unlicensed use of products, it will not undertake another such verification for at least one year. Microsoft and its auditors will use the information obtained in compliance verification only to enforce its rights and to determine whether you are in compliance with these terms and the product use rights. By invoking the rights and procedures described above, Microsoft does not waive its rights to enforce these terms or the product use rights, or to protect its intellectual property by any other means permitted by law.

j. **Dispute Resolution; Applicable Law**. This Participation Agreement will be governed and construed in accordance with the laws of the jurisdiction whose law governs the agreement. You consent to the exclusive jurisdiction and venue of the state and federal courts located in such jurisdiction. This choice of jurisdiction does not prevent either party from seeking injunctive relief with respect to a violation of intellectual property rights in any appropriate jurisdiction. The 1980 United Nations Convention on Contracts for the International Sale of Goods and its related instruments will not apply to this agreement or any license entered into with Microsoft or its affiliates under this agreement.

Your violation of the above-referenced terms and conditions will be deemed to be a breach of this Participation Agreement and will be grounds for immediate termination of all rights granted hereunder.

Dated as of %HotelApprovedDate%.

CUSTOMER:
%LegalEntity%

By: %HotelApproverSignature%

Name: %HotelApproverName%

Title: %HotelApproverTitle%

Date: %HotelApprovedDate%

SCHEDULE C-2
JOINDER TO PREFERRED PROVIDER AGREEMENT

The undersigned HSS Customer is acting as an Eligible Recipient (as defined in the Agreement) to acquire Products (as defined in the Agreement) under the terms of the *Master Professional Products and Services Agreement*, including any amendments and Supplements entered into thereunder (the "Insight Agreement") between Hilton Domestic Operating Company Inc, the successor in interest to HDOC and Insight Direct USA, Inc. ("Preferred Service Provider"). As such Eligible Recipient, the undersigned joins in the Insight Agreement for the limited purpose of acknowledging and agreeing to be bound by and receive the benefits of the terms of the Insight Agreement to the extent of the rights, duties and responsibilities of an Eligible Recipient provided therein. The Eligible Recipient acknowledges and agrees that any dispute arising out of or relating to the Insight Agreement and any Products or Services provided by Preferred Service Provider to the Eligible Recipient will be resolved in accordance with **Article 19** of the Insight Agreement. HDOC will have the right to enforce the Insight Agreement on behalf of the Eligible Recipient, subject to the limitations of liability applicable under the Insight Agreement, and Eligible Recipient will bring no claim directly against HDOC or Preferred Service Provider in connection with the Insight Agreement, except for Eligible Recipient's right to seek indemnity against Preferred Service Provider under the express provisions of **Sections 17.1** and **17.3** of the Insight Agreement. HDOC will be a third party beneficiary of this Joinder and the *Information Technology System Agreement* between Eligible Recipient and Hilton Systems Solutions, LLC. For the avoidance of doubt, except as set forth in the preceding sentence, this Joinder and the *Information Technology System Agreement* are for the sole benefit of the Eligible Recipient and Hilton Systems Solutions, LLC, and will not be deemed to create any third party beneficiary rights for any person other than the Eligible Recipient and Hilton Systems Solutions, LLC.

IN WITNESS WHEREOF, the Eligible Recipient, acting through its duly authorized officer or representative, has executed this Joinder, on %HotelApprovedDate%.

CUSTOMER:
%LegalEntity%

By: %HotelApproverSignature%

Name: %HotelApproverName%

Title: %HotelApproverTitle%

Date: %HotelApprovedDate%

SCHEDULE D
FORM OF REQUEST FOR PRODUCTS OR SERVICES

Date:
INNCODE
Name of Customer:
Address of Customer:

Dear :

This Letter Agreement ("**Letter Agreement**") confirms your request to purchase, lease, use, license or sublicense ("**Acquire**") additional software and/or services in order to add options, features and/or systems ("**Additions**") to the Information System, and will constitute an amendment to the existing Hilton Information Technology System Agreement previously entered into between ("**Customer**") and Hilton Systems Solutions, LLC ("**HSS**") dated (the "**Agreement**").

EXAMPLE

It is agreed that you will Acquire the Additions and that you will be billed by HSS or the applicable vendor for the Additions, as listed below. The effective date of billing on the new items will be the date the equipment is shipped, the date upon which you Acquire the Additions, and/or the date upon which you request the Additions, whichever is earliest.

QTY	ITEM OF /SOFTWARE/EQUIPMENT	FEES/COSTS	MONTHLY MAINT.
TOTAL PRICE			

The prices shown above exclude taxes, travel expenses, *per diem* fees, related costs, insurance and shipping.

Travel Expenses / *Per Diem* Fees/Rescheduling
If the Additions require travel by HSS and/or the applicable vendor, you will pay for or promptly reimburse any travel expenses, *per diem* fees and related costs of HDOC, HSS, any vendor hereunder or their designees, including without limitation: round-trip airfare (due to frequent scheduling changes, HSS is often unable to book airline tickets more than one week in advance of travel); single room accommodations (if the Hotel cannot provide accommodations, comparable accommodations will be utilized); meals; ground transportation (all ground transportation required to get to and from the Hotel as well as transportation used during HSS' representatives' stay at the Hotel); tips; taxes; and miscellaneous expenses (including phone, internet, laundry, etc.)
Promptly following HSS' providing of the services described in this schedule where not previously paid for or reimbursed by hotel, an invoice will be submitted to Customer for HSS' representatives' out-of-pocket expenses, any additional *per diem* charges for its representatives, any re-scheduling fee, and any additional travel expenses as described herein, which invoice will be payable within fifteen days of Customer's receipt of same.

Notes:
If Customer attaches or uses third party equipment and/or interfaces with the Authorized Equipment which have not been certified or approved by HSS as meeting HSS' specifications and/or does not conform to the standards provided by the supplier of any of the Agreement Products and Services or if Customer installs other third party non-HSS proprietary software which has not been certified or approved by HSS as meeting HSS' specifications on the equipment or that does not conform to the standards provided by the supplier of any of the Agreement Products and Services, the software may need to be reconfigured and the entire cost of the reconfiguration will be borne by Customer.

All fees indicated are exclusive of applicable taxes (see Agreement sections on taxes). Unless otherwise specified by HSS in writing, Customer will make all payments in United States dollars to HSS or any other party designated by HSS in its sole discretion.
Customer will pay according to the terms of any invoice(s) submitted to Customer therefore, including any provision for late charges, the fee for the installation of any telephone line(s) or wide area network connection(s) necessary for connection of the Authorized Equipment.

Customer will purchase and replace, from any source, paper, ribbons, printer maintenance kits, toner and such other operating supplies as will be required for the operation of the Authorized Equipment, but Customer will utilize only such brands as are approved by HSS or the Authorized Equipment manufacturer.

Upon HSS' receipt of a copy of this Letter Agreement signed by a duly authorized representative of Customer, the Agreement will be deemed to have been automatically amended to incorporate the items of this Letter Agreement. Customer agrees that Customer's delivery to HSS by facsimile transmission of this Letter Agreement will be deemed to be as effective for all purposes as hand delivery of the manually executed Letter Agreement and that the terms of this Letter Agreement will be binding upon Customer without the necessity of any further action by HSS. This Letter Agreement will be effective as of the date inserted by Customer below.

Customer may be required to sign additional license agreements with the vendors or licensors of Certified Third Party Software.

Certain Other Equipment (for orders of $5,000 or greater) may be leased by Customer. Any such leases will be entered into between Customer and the applicable lessor. Neither HSS nor Hilton will be a party to such leases.
In addition to any other specific purchase terms required by a retailer of the Additions, the following purchase terms and conditions will apply to any Other Equipment obtained from a Preferred Provider (as that term is defined in the Agreement. The Other Equipment will be at all times, personal property which will not, by reason of connection to the Hotel, become a fixture or appurtenance to the Hotel, and until such time as Customer or its designated third party pays to the Preferred Provider the total sum for the Other Equipment as required hereunder, the Other Equipment will remain the property of the Preferred Provider, and title will remain with the Preferred Provider, free from any claims of Customer or the holder of any lien or encumbrance on the Hotel and/or any other property of Customer. Customer will maintain fire, extended coverage, vandalism, and malicious mischief insurance on the Other Equipment. Said insurance will name HSS as an additional insured. For so long as this obligation remains in effect, Customer will furnish to HSS a certificate of the insurance carrier describing the terms and coverage of the insurance in force, the persons insured, and the fact that the coverage may not be canceled, altered or permitted to lapse or expire without thirty (30) days advance written notice to HSS. Upon payment in full, title to the Other Equipment will vest in the Customer and will be free and clear of the above requirements relating to insurance and of all of the Preferred Provider's liens, claims and encumbrances and the Other Equipment will become the sole property of Customer.

NEITHER THE AUTHORIZED EQUIPMENT NOR THE PROPRIETARY SOFTWARE OR CERTIFIED THIRD PARTY SOFTWARE WILL BE SHIPPED, NOR WILL CUSTOMER HAVE USE OF THE PROPRIETARY SOFTWARE MODULE OR ANY EQUIPMENT LISTED IN THIS LETTER AGREEMENT UNTIL HSS RECEIVES A COPY OF THIS LETTER AGREEMENT SIGNED BY CUSTOMER.

To indicate Customer's acceptance of this Letter Agreement, please have it signed by an authorized representative of Customer and return it to me. Upon HSS' receipt of the executed Letter Agreement, you will be advised of the shipment and installation dates.

If you have any questions, please contact me at ____________________.

Sincerely,

HSS **Hilton Systems Solutions, LLC**		**CUSTOMER:**	
By:	______________________	By:	______________________
Name:	______________________	Name:	______________________
Title:	______________________	Title:	______________________
Date:	______________________	Date:	______________________

SCHEDULE K
CURIO OR CANOPY OR TAPESTRY OR SIGNIA OR GRADUATE BY HILTON OR NOMAD OR OUTSET COLLECTION BY HILTON
AUTHORIZED EQUIPMENT REFRESH

In connection with the Information Technology Systems Agreement (the "HITS Agreement") entered into between HSS and Customer for Customer's Hotel (and if applicable, in anticipation of the Hotel's conversion and rebranding as a Curio, Canopy, Tapestry, Signia, Nomad or Outset Collection by Hilton Brand Hotel), Customer provided the Authorized Equipment as defined in the HITS Agreement needed, as determined solely by HSS, for the network operation of PEP licensed by HSS, all as described in the HITS Agreement, for the internal operation of Customer's Hotel.

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

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

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

2. Customer's Additional Obligations. Customer will:

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

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

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

(d) Pay for any and all de-installation, transportation and disposal costs of any Authorized Equipment currently being used by Customer's Hotel at the time of installation by Customer of any new Authorized Equipment. It is also Customer's responsibility to handle the return to Customer's lessor of all such de-installed equipment in accordance with Customer's current lease terms. Customer will be solely responsible for any missing, bad or damaged equipment.

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

(f) Not use any unauthorized backup in connection with the Authorized Equipment.

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

(h) Not allow any other equipment or software to be added to PEP or the Proprietary Software and/or Authorized Equipment without prior specific written permission of HSS.

(i) Allow the removal and future refreshment of Network Authorized Equipment at such time and in such manner as may be determined by HSS in its sole discretion.

3. Customer's Conditions. Any Refresh is conditioned on the following:

(a) Customer's Hotel remains in the Curio, Canopy, Tapestry, Signia, Nomad or Outset Collection by Hilton Brand division of HDOC or its affiliate or subsidiary (after conversion and rebranding if applicable).

(b) Customer remains bound by the HITS Agreement and any amendments in force at the time of a Refresh.

(c) If applicable, Customer must complete the Hotel's conversion and rebranding as a Curio, Canopy, Tapestry, Signia, Nomad or Outset Collection by Hilton Brand Hotel.

4. Additional Equipment/Software. Any and all additional Authorized Equipment ("Standard Plus Equipment") may be purchased by Customer from a Preferred Provider. Any and all additional Certified Third Party Software authorized by HSS but not included in the Brand standard applicable to Customer ("Standard Plus Software"), may be licensed or sublicensed from HSS or a Preferred Provider.

5. Defined Terms. All capitalized terms used herein which are not specially defined will have the meaning ascribed to such terms in the HITS Agreement.

6. Other Important Provisions. This Schedule is a schedule to the HITS Agreement. The Refresh and its performance by the parties are a part of the transactions contemplated by the HITS Agreement. Upon Customer's Refresh of Authorized Equipment, the terms and conditions applicable to any equipment, software or services provided for the Refresh will be the same as the terms and conditions of the HITS Agreement and this Schedule. All terms and provisions hereof will apply as if the provisions of this Refresh were implemented on the Start Date (the shipment date of the Authorized Equipment to Customer's Hotel) for each such Refresh. Customer's participation in a Refresh will constitute acceptance of the terms and conditions of the Refresh. In the event of conflict between the provisions of this Schedule and the provisions of the HITS Agreement, the provisions of this Schedule will prevail.

EXHIBIT H-1

Tapestry - Hotels - Brand Standards - Global

05 January 2026

Hilton FOR THE STAY

Hilton HONORS

TAPESTRY COLLECTION by Hilton

Summary of Changes

100 THE BRAND EXPERIENCE

200 GUEST SERVICES

800 IDENTITY, SALES, AND DISTRIBUTION

2500 DESIGN, CONSTRUCTION & RENOVATION

EXHIBIT H-2

table of contents

EXHIBIT H-3

RESTAURANT BRANDS MANUAL
TABLE OF CONTENTS

Rev. 1 – January 18, 2024

01	**Section 1 – Concept Positioning (16 pages[1])**
	a. Concept Statement b. Concept Inspiration c. Positioning Overview d. Service Program Summary e. Uniform Direction f. Uniform Program Details and Purchasing Guidelines g. Operating Supplies & Equipment (OS&E) Direction h. Restaurant (FOH) OS&E Program Details, Selections, and Order Guide i. Music Programming and Playlists j. Signature Concept-Specific Rituals and Activations
02	**Section 2 – Food and Beverage Program (18 pages)**
	a. Food and Beverage Program Overview. b. Food and Beverage Program Inspiration and Positioning c. Breakfast Meal Period Summary i. Breakfast Mood Board and Reference Imagery ii. Sample Breakfast Menu iii. Operating Breakfast Menu and Supporting Recipe Cards d. All Day (Lunch and Dinner) Meal Period Summary i. Lunch Mood Board and Reference Imagery ii. Dinner Mood Board and Reference Imagery iii. Sample Lunch and Dinner Menus iv. Operating Lunch Menu and Supporting Recipe Cards v. Operating Dinner Menu and Supporting Recipe Cards e. Beverage Program Summary f. Beverage Mood Board and Reference Imagery. i. Operating Beverage (Cocktail, Beer, Wine, Spirits, and Non-Alcoholic Menus and Supporting Recipe Cards
03	**Section 03 – Interior Design (may appear within Section 1, 16 pages)**
	a. Interior Design Concept Overview b. Interior Design References and Reference Imagery c. Sample Restaurant Interior Floor Plans d. Sample Restaurant Renderings e. Sample RCPs, Lighting Plans, and Finish/Material Direction f. Kitchen / BOH Design, Layouts, and Equipment Specifications

[1] Current maximum number of pages by Restaurant Brand.

04	**Section 04 – Brand Identity, Visual Guidelines, and Assets (44 pages)**
	a. Naming Framework b. Color Palate and Textures c. Typefaces d. Iconography e. Rendered Collateral – Menus and other Printed Materials f. Restaurant Signage Guidelines g. Digital, Web, and Website Guidance
05	**Section 05 – Restaurant Food and Beverage Menu Item and Recipe Library**
	Not mandatory, as applicable.

EXHIBIT I

STATE FRANCHISE ADMINISTRATORS
AND AGENTS FOR SERVICE OF PROCESS

State	State Franchise Administrator	Agent for Service of Process
California	Commissioner Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, CA 90013-2344 866-275-2677 One Sansome Street, Suite 600 San Francisco, CA 94104-4428 415-972-8565	Commissioner Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, CA 90013-2344 866-275-2677 2101 Arena Blvd. Sacramento, CA 95834 866-275-2677
Hawaii	Commissioner of Securities Dept. of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch King Kalakaua Building 335 Merchant Street, Room 205 Honolulu, HI 96813 808-586-2722	Commissioner of Securities Dept. of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch King Kalakaua Building 335 Merchant Street, Room 205 Honolulu, HI 96813 808-586-2722
Illinois	Office of the Attorney General Franchise Bureau 500 South Second Street Springfield, IL 62701 217-782-4465	Attorney General 500 South Second Street Springfield, IL 62701 217-782-4465
Indiana	Secretary of State Securities Division, Franchise Section 302 West Washington, Room E-111 Indianapolis, IN 46204 317-232-6681	Secretary of State Securities Division, Franchise Section 302 West Washington, Room E-111 Indianapolis, IN 46204 317-232-6681
Maryland	Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 410-576-6360	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2020 410-576-6360
Michigan	Michigan Office of Attorney General Consumer Protection Division, Franchise Section 525 West Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, MI 48909 517-373-7622	Michigan Office of Attorney General Consumer Protection Division Franchise Section 525 West Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, MI 48909 517-373-7622
Minnesota	Commissioner of Commerce Department of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101 651-539-1500	Commissioner of Commerce Department of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101 651-539-1500

STATE FRANCHISE ADMINISTRATORS
AND AGENTS FOR SERVICE OF PROCESS

State	State Franchise Administrator	Agent for Service of Process
New York	New York State Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, NY 10005 212-416-8285	Attention: New York Secretary of State Department of State Division of Corporations One Commerce Plaza, 6th Floor 99 Washington Avenue Albany, NY 12231-0001 518-473-2492
North Dakota	North Dakota Insurance & Securities Department 600 East Boulevard Avenue, Dept. 401 Bismarck, North Dakota 58505 701-328-2910	Insurance Commissioner 600 East Boulevard Avenue, Dept. 401 Bismarck, North Dakota 58505 701-328-2910
Rhode Island	Department of Business Regulation Securities Division Bldg. 69, 1st Floor, John O. Pastore Center 1511 Pontiac Avenue Cranston, RI 02920 401-462-9527	Director of Dept. of Business Regulation Securities Division Bldg. 69, 1st Floor, John O. Pastore Center 1511 Pontiac Avenue Cranston, RI 02920 401-462-9527
South Dakota	Department of Labor and Regulation Division of Insurance Securities Regulation 124 S. Euclid, 2nd Floor Pierre, SD 57501 605-773-3563	Division of Insurance Director of Securities Regulation 124 S. Euclid Avenue, 2nd Floor Pierre, South Dakota 57501 (605) 773-3563
Virginia	State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, VA 23219 804-371-9051	Clerk of State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219 804-371-9733
Washington	Department of Financial Institutions Securities Division – 3rd Floor 150 Israel Road, S.W. Tumwater, WA 98501 360-902-8760 Mailing Address: Securities Division PO BOX 41200 Olympia, WA 98504-1200	Director of Dept. of Financial Institutions Securities Division – 3rd Floor 150 Israel Road, S.W. Tumwater, WA 98501 360-902-8760
Wisconsin	Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-2139	Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-2139

STATE FRANCHISE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

If a state is not listed, we are not required to appoint an agent for service of process in that state in order to comply with the requirements of franchise laws. There may be states in addition to those listed above in which we have appointed an agent for service of process. There may also be additional agents appointed in some of the states listed.

EXHIBIT J-1

Addendum to Disclosure Document
Pursuant to the California Franchise Investment Law

OUR WEBSITES HAVE NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENTS OF OUR WEBSITES MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT http://www.dbo.ca.gov

See the cover page of the Disclosure Document for our URL address. 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.

1. Item 3 is amended to state that no person named 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 persons from membership in such association or exchange.

2. Items 6, 9, and 17 (d), (e), and (i) are amended to state that the Franchise Agreement provides for liquidated damages. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

3. Items 17 (b), (c), (d), (e), (f), (g), (h), (i) and (w) are amended to state that California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

4. Item 17 (h) is amended to state that the Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq).

5. Item 17 (w) is amended to state that the Franchise Agreement contains a provision requiring application of the laws of New York. This provision may not be enforceable under California law.

6. Item 17 (v) is amended to state that the Franchise Agreement requires venue to be limited to Fairfax County, Virginia unless we sue you where your Hotel is located. This provision may not be enforceable under California law.

7. Items 17 (c) and (m) are amended to state that you must sign a general release of claims if you renew or transfer your franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

8. Item 17 (s) is amended to state that California Corporations Code, Section 31125 requires us to give you a disclosure document, approved by the Department of Corporations before we ask you to consider a material modification of your Franchise Agreement.

Addendum to Disclosure Document
Pursuant to the Hawaii Franchise Investment Law

THE GENERAL RELEASE LANGUAGE CONTAINED IN THE FRANCHISE AGREEMENT SHALL NOT RELIEVE US OR OUR AFFILIATES FROM LIABILITY IMPOSED BY THE LAWS CONCERNING FRANCHISING OF THE STATE OF HAWAII.

THESE FRANCHISES HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED IN THIS DISCLOSURE DOCUMENT IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER "OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST 7 DAYS BEFORE THE EXECUTION BY THE PROSPECTIVE FRANCHISEE, OF ANY BINDING AGREEMENT, OR AT LEAST 7DAYS BEFORE THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

Addendum to Disclosure Document
Pursuant to the Illinois Franchise Disclosure Act

Item 13 is amended to provide that while we do not own the Marks, our affiliate owns the Marks and has licensed us to use the Marks and to sublicense the Marks to you.

1. Notice Required by Law:

   THE TERMS AND CONDITIONS UNDER WHICH YOUR FRANCHISE CAN BE TERMINATED AND YOUR RIGHTS UPON NON-RENEWAL MAY BE AFFECTED BY ILLINOIS LAW, 815 ILCS 705/19 AND 705/20.

2. Items 17 (v) and (w) are amended to state that the provisions of the Franchise Agreement and all other agreements concerning governing law, jurisdiction, venue, choice of law and waiver of jury trials will not constitute a waiver of any right conferred upon you by the Illinois Franchise Disclosure Act. The Illinois Franchise Disclosure Act will govern the Franchise Agreement with respect to Illinois licensees and any other person under the jurisdiction of the Illinois Franchise Disclosure Act.

3. Section 41 of the Illinois Franchise Disclosure Act states that "any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void." This shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under the provisions of the Illinois Franchise Disclosure Act, nor shall it prevent the arbitration of any claims according to the provisions of Title 9 of the United States Code.

Addendum to Disclosure Document
Pursuant to the Maryland Franchise Registration and Disclosure Law

The following provisions will supersede anything to the contrary in the Franchise Disclosure Document and will apply to all franchises offered and sold under the laws of the State of Maryland:

1. Items 17 (b), (c), (d), (e), (f), (g), (h) and (i) are amended to state that the laws of the State of Maryland may supersede the Franchise Agreement, in the areas of termination and renewal of the Franchise.

2. Item 17 (h) is amended to state that the provision of the Franchise Agreement that provides for termination upon your bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).

3. Item 17 (v) is amended to state that you 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 Laws must be brought within 3 years after the grant of the Franchise.

4. Item 17 (w) is amended to state that nothing in the General Release under Section 16.8 of the Franchise Agreement shall operate to release us or our affiliates from any liability under the Maryland Franchise Registration and Disclosure Law.

5. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

MICHIGAN ADDENDUM TO DISCLOSURE DOCUMENT

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.

(a) A prohibition on 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 of 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 the State of Michigan. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside the state of Michigan.

(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 franchise 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 franchise 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 service.

THE FACT THAT 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 SHOULD BE DIRECTED TO:

OFFICE OF THE ATTORNEY GENERAL
CONSUMER PROTECTION DIVISION, FRANCHISE SECTION
525 W. OTTAWA ST.
G. MENNEN WILLIAMS BUILDING, FIRST FLOOR
LANSING, MICHIGAN 48933
517-373-7117

Addendum to Disclosure Document
Pursuant to the Minnesota Franchise Investment Law

THESE FRANCHISES HAVE BEEN REGISTERED OR EXEMPTED FROM REGISTRATION UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE,

WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

1. Minnesota law provides that we must indemnify you against liability to third parties resulting from claims by third parties that your use of our trademarks infringes trademark rights of the third party. We do not indemnify you against the consequences of your use of our trademarks 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 and tender the defense of the claim to us within 10 days after the claim is asserted. 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.

2. Items 17 (b), (c), (d), (e), (f), (g), (h) and (i) are amended to state that Minnesota law provides you with certain termination and non-renewal rights. Minnesota Statutes, Section 80C.14, subdivisions 3, 4, and 5 require, except in certain specified cases, that you be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreement.

3. Items 17 (a) and (m) are amended to state that the general release language contained in the Franchise Agreement shall not relieve us or our affiliates, from liability imposed by the Minnesota Franchise Investment Law.

4. Item 17 (i) is amended to state that Minnesota Rule 2860.4400J prohibits requiring you to consent to liquidated damages.

5. Items 17 (i), (v) and (w) are amended to state that Minnesota Statutes, Sections 80C.21 and Minnesota Rule 2860.4400J prohibits us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes. Nothing in the Franchise Disclosure Document or 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 Minnesota.

Addendum to Disclosure Document Pursuant to the New York Franchise Sales Act

1. Item 3 is amended to add the following:

   Neither we nor any individual listed in Item 2, have pending any administrative, criminal or material civil action (or a significant number of civil actions irrespective of materiality) 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.

   Neither we nor any individual listed in Item 2, have 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, been convicted of a misdemeanor or pleaded nolo contendere to a misdemeanor charge or been the subject of a civil action alleging: violation of a franchise, antitrust or securities law; fraud; embezzlement, fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

Neither we nor any individual listed in Item 2, are subject to any currently effective injunctive or restrictive order or decree relating to franchises or under any 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 are subject to any currently effective order of any 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 are 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.

2. Item 4 is amended to add the following:

During the 10-year period immediately preceding the date of this disclosure document, neither we nor any person identified in Item 2 above, has filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; obtained a discharge of its debts under the bankruptcy code; or 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 the officer or general partner of the franchisor held this position in the company or partnership.

3, Item 17 is amended to add the following:

The franchisee may terminate the agreement upon any grounds available by law.

We will not assign our rights under the Franchise Agreement, except to an assignee who in our good faith and judgment is willing and able to assume our obligations under the Franchise Agreement.

The New York Franchises Law requires that New York law govern any cause of action which arises under the New York Franchises Law.

The New York General Business Law, Article 33, Sections 680 through 695 may supersede any provision of the Franchise Agreement that is inconsistent with that law.

You must sign a general release when you renew the Franchise Agreement and in connection with any transfer under the Franchise Agreement. These provisions may not be enforceable under New York law.

Our right to obtain injunctive relief exists only after proper proofs are made and the appropriate authority has granted such relief.

Addendum to Disclosure Document
Pursuant to the North Dakota Franchise Disclosure Act

1. Item 17 (i) is amended to reflect that all liquidated damages provisions in the Franchise Agreement are deleted in their entirety.

2. Item 17 (w) is amended to state that the laws of the State of North Dakota supersede any provisions of the Franchise Agreement, the other agreements or New York law if such provisions are in conflict with North Dakota law. The Franchise Agreement will be governed by North Dakota law.

3. Item 17 (v) is amended to state that any provision in the Franchise Agreement which designates jurisdiction or venue or requires the Licensee to agree to jurisdiction or venue, in a forum outside of North Dakota, is deleted.

4. Item 17 (w) is amended to state that any provision in the Franchise Agreement which requires you to waive your right to a trial by jury is deleted.

5. Items 17 (c) and (m) are amended to state that no release language set forth in the Franchise Agreement shall relieve us or our affiliates from liability imposed by the North Dakota Franchise Disclosure Act.

Addendum to Disclosure Document
Additional Information Required by the State of Rhode Island

In recognition of the requirements of the State of Rhode Island Franchise Investment Act §19-28.1 *et seq.* (the "Act"), the Franchise Disclosure Document for use in the State of Rhode Island is amended as follows:

Item 17 (h) is amended to state that termination of a franchise agreement as a result of insolvency or bankruptcy may not be enforceable under federal bankruptcy law.

Items 17 (c) and (m) are amended to state that any release signed as a condition of transfer or renewal will not apply to any claims you may have under the Rhode Island Franchise Investment Act.

Items 17 (u), (v) and (w) are amended to state that any provision in the franchise agreement restricting jurisdiction or venue to a forum outside Rhode Island or requiring the application of laws of a state other than Rhode Island is void as to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

Addendum to Disclosure Document
Pursuant to the Virginia Retail Franchise Act

Item 17.h is amended to state that, 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 grounds for default or termination stated in the Franchise Agreement do 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.

Addendum to Disclosure Document
Pursuant to the Washington Franchise Investment Protection Act

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, AND ALL RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the Franchise Agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the Franchise Agreement or related agreements concerning your relationship with the Franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the Franchise Agreement or related agreements concerning your relationship with the Franchisor. Franchise Agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation.** 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. **General Release.** A release or waiver of rights in the Franchise Agreement or related agreements purporting to bind the Franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the Franchise Agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

7. **Termination by Franchisee.** The Franchisee may terminate the Franchise Agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions.** Provisions in Franchise Agreements or related agreements that permit the Franchisor to repurchase the Franchisee's business for any reason during the term of the Franchise Agreement without the Franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing.** Any provision in the Franchise Agreement or related agreements that requires the Franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits Franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the Franchise Agreement or elsewhere requiring Franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement.** Provisions in the Franchise Agreement or related agreements stating that the Franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification.** Any provision in the Franchise Agreement or related agreements requiring the Franchisee to indemnify, reimburse, defend, or hold harmless the Franchisor or other parties is hereby modified such that the Franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the Franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees.** If the Franchise Agreement or related agreements require a Franchisee to reimburse the Franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the Franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants.** 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 provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements.** 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.

16. **Questionnaires and Acknowledgments.** No statement, questionnaire, or acknowledgment signed or agreed to by a Franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any Franchisor, franchise seller, or other person acting on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

17. **Prohibitions on Communicating with Regulators.** Any provision in the Franchise Agreement or related agreements that prohibits the Franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the Franchisor and is paid a fee for referring prospects to the Franchisor and/or selling the franchise. If a Franchisee is working with a franchise broker, Franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

EXHIBIT J-2

Exhibit J-2

RESTAURANT BRANDS

The following disclosure lists our current Restaurant Brands. In addition, the following information supplements Item 13 of this Disclosure Document with respect to the trademarks used in connection with our Restaurant Brands.

If you sign a Restaurant Brand Addendum, we will grant you a limited, nonexclusive right to use a designated Restaurant Brand in the operation of a restaurant at or within your Hotel or Hotel Site, at a specified location.

Our affiliate, HIH, has applied for registration on the principal register of the United States Patent and Trademark Office the following trademarks and service marks for the following Restaurant Brands:

Mark	Application Number	Application Date
Poppy’s (word mark)	98389401	February 2, 2024
Haley & Bear (word mark)	98387507	February 1, 2024
The Comeback (stylized)	98391872	February 5, 2024
Che Vita (word mark)	98573321	May 29, 2024
Junction	98655441	July 18, 2024
Piebird	98222385	October 13, 2023

We do not have federal registration for the Restaurant Brand marks listed above. Therefore, these marks do not have as many legal benefits and rights as federally registered trademarks. If our rights to use these Marks are challenged, you may have to change to alternative trademarks, which may increase your expenses. Alternatively, we may permit you to convert your restaurant to another Restaurant Brand, which would increase your expenses.

We may add, remove, or modify any of our Restaurant Brands at any time. However, we will maintain our right to use and license or sublicense any Restaurant Brand that we license to you under the Restaurant Brand Addendum during the term of your Restaurant Brand Addendum.

EXHIBIT K

Hilton

755 Crossover Lane
Memphis, TN 38117

SAVE AS NEW DOCUMENT
Insert Expected Closing Date

Lender [also insert in 2nd page header]
Attention:
Address
Address

Re: [Name of Hotel (City, State) – Facility No. ______; ALSO INSERT IN 2nd page header]

Ladies and Gentlemen:

HILTON FRANCHISE HOLDING LLC, a Delaware limited liability company [IF NEEDED:, successor by-merger to SELECT DOUBLETREE FRANCHISE LLC, a Delaware limited liability company, EMBASSY SUITES FRANCHISE LLC, a Delaware limited liability company, HILTON FRANCHISE LLC, a Delaware limited liability company, HAMPTON INNS FRANCHISE LLC, a Delaware limited liability company, HILTON GARDEN INNS FRANCHISE LLC, a Delaware limited liability company, HOMEWOOD SUITES FRANCHISE, LLC, a Delaware limited liability company, HLT ESP FRANCHISE LLC, a Delaware limited liability company OR SELECT HLT EXISTING FRANCHISE HOLDING LLC, a Delaware limited liability company, successor in interest to SELECT [DT] Doubletree Hotel Systems, Inc. [ES, HAM, HWS] Promus Hotels, Inc. [HFS, HGI, CON, WA] Hilton Inns, Inc.] SELECT FOR CANADA: HILTON WORLDWIDE FRANCHISING LP, a limited partnership formed under the laws of England and Wales] ("**Franchisor**") and ___________________, a ________________ ("**Franchisee**") are parties to a franchise agreement dated ________________, including all amendments, riders, supplemental agreements and assignments (collectively, "**Franchise Agreement**"). Franchisee operates [will operate] the [INSERT brand] hotel [to be] located at _____________________ ("**Hotel**") under the terms of the Franchise Agreement.

This letter agreement is being entered into in connection with a mortgage loan in the amount of $________________ dated __________________, as such mortgage loan may be periodically amended, modified, supplemented, extended or restated ("**Loan**"), from ________________ [IF LENDER IS NOT A BANK: , a [State] [Type of Entity] ("**Lender**") [IF NEEDED: as administrative agent for itself and other participant lenders (in its capacity as administrative agent, "**Lender**")] to Franchisee [IF NOT FRANCHISEE: _____________, a [State] [Type of Entity] ("**Borrower**")] to be used [*IF MULTIPLE PROPERTIES*:, in part,] for the direct benefit of the Hotel. [*DESCRIBE BORROWER'S RELATIONSHIP TO FRANCHISEE, e.g.* Borrower is the owner of the real property on which the Hotel is located, which Borrower leases to Franchisee, its affiliate.*]*

[*IF MULTIPLE LENDERS, REFERENCE SHORT NAMES ABOVE AND USE CONSISTENTLY:*
FIRST ALTERNATIVE: Franchisor is entitled to presume conclusively that notice to and actions or failures to act by *INSERT NAME OF ONE LENDER* ______________________ ("**Lead Lender**") are sufficient for all purposes under this letter agreement and that rights under this letter agreement may only be exercised by and the obligations under this letter agreement may only run to Lead Lender. Lead Lender may designate in writing a different party to this letter agreement to represent all lenders, provided that one party must be designated to represent all lenders.

SECOND ALTERNATIVE: First Lender [MODIFY AS NEEDED], Second Lender [MODIFY AS NEEDED] and Third Lender [MODIFY AS NEEDED] will be collectively referred to as "**Lender**." First Lender, Second Lender and Third Lender have represented to Franchisor that they have entered into an intercreditor agreement that establishes priorities among the lenders. Franchisor is not a party to the intercreditor agreement and is relying on the representations of First Lender, Second Lender and Third Lender. Franchisor is entitled to presume conclusively that the rights and obligations under this letter agreement will run to the Lender who contacts Franchisor and represents that it is entitled by the terms of the intercreditor agreement to exercise the rights of Lender under this letter agreement. Lender agrees that Franchisor shall have no obligation to resolve inconsistent instructions if it receives instructions from more than one lender and Franchisor shall have no liability to any lender as a result of any action that Franchisor takes in good faith at the direction of another lender, or any failure of Franchisor to act in the face of inconsistent instructions.

[*IF PRIOR LENDER COMFORT LETTER EXISTS*:
Reference is also made to a letter agreement dated ____________, among Franchisor [CONFIRM ENTITY], Franchisee [CONFIRM ENTITY] and Lender [CONFIRM ENTITY] ("**Existing Comfort Letter**"). [IF EXISTING COMFORT LETTER IS WITH SAME LENDER: This letter agreement replaces the Existing Comfort Letter, which is null and void, and of no further force or effect.] [IF MORE THAN ONE EXISTING COMFORT LETTER, MODIFY THIS AND ¶¶ 5 AND 6 AS NEEDED]

1. **Cure Period**.

(a) Notice of Franchisee Default. Franchisor will concurrently provide Lender a copy of any default notice sent to Franchisee under the Franchise Agreement. The notice will be sent to Lender at the address set forth above or such other address designated by Lender in writing, provided that only a single address may be designated and it may not be a P.O. Box.

(b) Lender's Cure Periods. Lender shall have the right, but not the obligation, to cure the default within fifteen (15) calendar days beyond the expiration of any cure period given to Franchisee ("**Lender's Cure Period**"). If the default is for failure to comply with physical standards or other non-monetary default which could only be cured by Lender acquiring possession and/or ownership of the Hotel (each, an "**Acquisition**"), Lender may have an additional period of one hundred eighty (180) calendar days, commencing at the expiration of Lender's Cure Period, for Lender to complete its Acquisition, through foreclosure or other appropriate proceedings ("**Additional Period**"); provided that Lender must: (i) notify Franchisor no later than the date it commences proceedings (or promptly after action is stayed or enjoined) that Lender wants the Additional Period; (ii) commence proceedings and diligently prosecute such proceedings to completion; and (iii) comply with the obligations of Franchisee under the Franchise Agreement not being performed by Franchisee during the Additional Period including payment of all monetary obligations but excluding those obligations which can only be performed by Franchisee or which Lender cannot perform without possession and/or ownership of the Hotel. On request by Lender, the Additional Period may be further extended by Franchisor in its determination, which determination shall take into consideration the period of time required to complete an Acquisition in the applicable jurisdiction, and any period of time in which Lender's action has been stayed or enjoined. If Franchisor has not issued a default notice to Franchisee or Lender has cured Franchisee's default during Lender's Cure Period and Lender commences a foreclosure or other proceeding intended to result in an Acquisition, Lender may exercise the rights under this letter agreement under the terms and timelines outlined in this Subparagraph. If Franchisor has not issued a default notice, Lender's notice to Franchisor of Franchisee's default under the Loan will be deemed to initiate the timeline outlined under the Lender's Cure Period and Additional Period. Franchisor acknowledges and agrees that an Acquisition shall not be deemed a sale or lease of the Hotel under the Franchise Agreement, nor a violation of any control or transfer provisions of the Franchise Agreement, and shall not be subject to any right of first refusal or right of first offer contained in the Franchise Agreement.

(c) Franchisor's Rights to Terminate Franchise Agreement. Notwithstanding any other provision of this letter agreement, Franchisor may terminate the Franchise Agreement if any of the following occur: (i) Franchisee's default or any subsequent default, in the sole opinion of Franchisor, damages the image or reputation of Franchisor or any brand name owned and/or licensed by Hilton Worldwide Holdings Inc., a Delaware corporation, or its subsidiaries or affiliates (collectively, "**Hilton**"); (ii) Franchisor is required to terminate the Franchise Agreement by court order or action of any trustee in bankruptcy or debtor in possession of the Hotel; or (iii) the Additional Period expires without other arrangements, satisfactory to Franchisor in its sole discretion, having been entered into between Franchisor and Lender.

(d) Expiration of Franchise Agreement. Nothing in this letter agreement will extend the Franchise Agreement beyond its stated expiration date.

(e) Receiver Appointment. If a receiver is appointed to operate the Hotel at the request of Lender, Franchisor may require the receiver to enter into Franchisor's then-current form of receiver agreement, with such modifications as mutually agreed between Franchisor, Lender and receiver, or other documentation that Franchisor considers reasonably necessary.

2. **Acquisition and Assumption**.

(a) [DELETE THIS SUBPARAGRAPH 2(a) IF THE HOTEL IS HILTON-MANAGED WITH A FRANCHISE OR FOR PORTFOLIO LOANS IF THE NUMBER OF HOTELS OPERATING UNDER THE SAME BRAND EXCEEDS THE THRESHOLD] Lender's Election to Waive Assumption of Franchise Agreement. Lender may give written notice (a "**Waiver Notice**") to Franchisor of Lender's election to waive Lender's right to assume the Franchise Agreement at any time (i) during Lender's Cure Period, or the Additional Period, as the Additional Period may be extended in accordance with Subparagraph 1(b) of this letter agreement, or (ii) within twenty (20) calendar days after the completion of the Acquisition. If given, the Waiver Notice will be effective twenty (20) calendar days after Franchisor's receipt of the Waiver Notice, and Franchisor may rely on the Waiver Notice to exercise its remedies against Franchisee under the Franchise Agreement, including termination of the Franchise Agreement. Lender shall not be liable for any termination fees or liquidated damages arising from the early termination of the Franchise Agreement; provided, however, if Lender or its designee is or comes into possession of the Hotel before the Waiver Notice is effective, then Lender shall be responsible for post-termination de-identification obligations at the Hotel, and for payment of any fees owed to Franchisor pursuant to the Franchise Agreement that accrued while Lender was in possession of the Hotel before the Waiver Notice is effective, but excluding termination fees or liquidated damages.

(b) Acquisition and Franchise Agreement Assumption. [DELETE FIRST SENTENCE ONLY IF ¶ 2(a) IS DELETED: If Lender does not deliver the Waiver Notice to Franchisor under Subparagraph 2(a), the Franchise Agreement will continue in full force and effect.] If Lender acquires possession and/or ownership of the Hotel as the result of an Acquisition, Lender will be deemed to have assumed the Franchise Agreement as of the date of the Acquisition. Lender will be obligated to perform all of the obligations of Franchisee under the Franchise Agreement existing at or accruing after the Acquisition date, including the payment of fees owed to Franchisor ("**Assumption**"). Any conditions in the transfer provisions of the Franchise Agreement that Franchisor deems relevant shall apply with respect to the Assumption, including but not limited to the obligation for Lender to submit its ownership structure, organizational documents and evidence of insurance. Lender must, within ten (10) business days after receipt of a request from Franchisor, provide to Franchisor all information necessary for Franchisor to determine that Lender is not a Sanctioned Person (as defined below), as well as the other information reasonably requested. If Franchisor confirms that Lender is not a Sanctioned Person, Franchisor will promptly prepare Franchisor's then-current form assumption agreement ("**Assumption Agreement**") to document the Assumption, and deliver the Assumption Agreement to Lender. Lender must execute and return the Assumption Agreement to Franchisor within ten (10) business days after receipt from Franchisor. Lender's failure to timely execute and deliver the Assumption Agreement may be deemed a default under the Franchise Agreement entitling Franchisor to terminate the Franchise Agreement. Any renovation requirements imposed by Franchisor in connection with the Assumption will not exceed those which Franchisor could have imposed had Franchisee remained as the Franchisee under the Franchise Agreement. In lieu of any transfer or application fee for the Assumption, Lender agrees to pay Franchisor a processing fee of Five Thousand Five Hundred Dollars ($5,500). In connection with the Assumption, Lender must diligently cure all defaults which it could not cure before the Acquisition under the terms of Subparagraph 1(b), within the time period determined by Franchisor based on the nature of the default and/or the condition of the Hotel at the time of Lender's Acquisition except for personal and non-curable defaults. "Personal and non-curable defaults" means that the default (i) occurred before the date of Lender's Acquisition; (ii) is a non-curable default; (iii) is purely personal to Franchisee (*e.g.*, failure to provide adequate notice or past failure to maintain Franchisee's company status); and (iv) is unrelated to the operation of the Hotel.

(c) [INCLUDE ONLY IF EQUITY ACQUISITION LANGUAGE IS REQUESTED] Equity Acquisition and Amendment. If Lender acquires ownership of the Franchisee by means of an Equity Acquisition, Lender will be deemed to have assumed the rights and obligations of the Franchisee under the Franchise Agreement as of the date of the Equity Acquisition, and Lender must diligently cure all defaults which Lender could not cure before the Equity Acquisition under the terms of Subparagraph 1(b), within the time period determined by Franchisor based on the nature of the default and/or the condition of the Hotel at the time of Lender's Equity Acquisition. Lender must enter into an amendment to the Franchise Agreement to document the change of control of Franchisee, which will, among other things, contain a new ownership structure for Franchisee ("**Amendment**"). Subject to confirmation that Lender is not a Sanctioned Person, Franchisor will prepare the Amendment promptly after receipt of any information requested under this Subparagraph 2(c). Franchisor will deliver the Amendment to Lender, and Lender will execute and return the Amendment to Franchisor within ten (10) business days after Franchisor delivers it. Lender's failure to timely execute and deliver to Franchisor the Amendment shall be a default under the Franchise Agreement entitling Franchisor to terminate the Franchise Agreement. Any renovation requirements imposed by Franchisor in connection with the Amendment will not exceed those which Franchisor could have imposed had such change of control of Franchisee not occurred. In lieu of any transfer or application fee, Lender agrees to pay Franchisor a processing of Five Thousand Five Hundred Dollars ($5,500). For the avoidance of doubt, an Equity Acquisition is not an Acquisition, and the provisions of Subparagraphs 2(a) and 2(b) shall not apply with respect to any Equity Acquisition; provided, however, that the term "Assumption" as referenced in Subparagraph 2(d) and Paragraph 10 shall also include Lender's assumption of the rights and obligations of the Franchisee under the Franchise Agreement as of the date of the Equity Acquisition.

(d) Lender's Sale to Third Party After Assumption. The transfer provisions of the Franchise Agreement will apply to any sale, assignment or transfer by Lender after an Assumption. If the transfer is to a third party who desires to continue to operate the Hotel, these provisions require a change of ownership application, approval of the third party, and payment of an application fee.

3. **Notice to Franchisor**. Lender agrees to notify Franchisor (a) contemporaneously with commencement of any action that may result in an Acquisition, (b) contemporaneously with the filing of a petition for appointment of a receiver or any other action initiated by Lender that materially impacts possession of the Hotel, (c) promptly after an Acquisition of the date the Acquisition occurred, or (d) promptly after Lender no longer has a security interest in the Hotel or the Loan is paid in full, but Lender's failure to give notice under this Subparagraph 3(d) will not affect the automatic termination of this letter agreement under Paragraph 13 [NO ESTOPPEL] 14 [ESTOPPEL]. Lender further agrees to promptly provide to Franchisor a copy of any order appointing a receiver, or any other judicial or administrative order from an action initiated by Lender that materially impacts possession of the Hotel. All notices to Franchisor should be sent to the following address or such other address periodically designated by Franchisor in writing:

Hilton Worldwide Holdings Inc.
Attention: General Counsel
7930 Jones Branch Drive, Suite 1100
McLean, VA 22102

If Lender wishes to send a notice to Franchisor regarding securitizations, Lender may send the notice by any method described above, or by email (with read receipt confirmation) at Lender.Comfort.Letters@hilton.com or such other email address as Franchisor may periodically designate by notice to Lender.

4. **Confidentiality and Non-Disclosure**. The provisions of this letter agreement shall not be disclosed by Lender or Franchisee to any third party, excepting (a) the respective employees, directors, officers, agents, regulators or legal and financial representatives of each of Franchisee, Lender and Lender's servicers, trustees and certificate holders, on a need-to-know basis; (b) as required by law; (c) as mutually agreed to by the parties; (d) as part of any due diligence performed as a part of a sale, assignment, participation or securitization of the Loan by Lender or a sale of the Hotel after an Acquisition; (e) any investor or potential investor in, or underwriter of, the Loan; and/or (f) any rating agency that rates securities backed by the Loan. Except as provided above, Franchisee and Lender agree not to copy, reproduce or otherwise make available in any form whatsoever to any other person, firm, corporation, or business, the provisions of this letter agreement.

5. **Franchisee Estoppel and Release**. As consideration for this letter agreement relating to the Loan:

(a) Franchisee hereby certifies to Franchisor that the Franchise Agreement is in full force and effect, and no default, claim, breach, offset, defense to full and strict enforcement, waiver, or estoppel (collectively, a "**Claim**"), or condition that could with passage of time, giving notice or otherwise become a Claim, currently exists or has existed against Franchisor under the Franchise Agreement [*IF APPLICABLE*: or the Existing Comfort Letter].

(b) [*IF APPLICABLE*: Franchisee hereby represents that the loan referenced in the Existing Comfort Letter has been paid in full [DELETE FIRST CLAUSE IF LOAN IS BEING ASSUMED] and agrees that the Existing Comfort Letter is null and void and of no further force and effect, and Franchisor has no obligations of any kind under the Existing Comfort Letter.]

(c) Franchisee hereby agrees that this letter agreement will remain in full force and effect in favor of Lender with respect to the Loan, as the Loan may periodically be modified, amended, extended, supplemented, or restated.

(d) Franchisee hereby agrees that this letter agreement was provided to Lender at Franchisee's request.

(e) Franchisee hereby fully and forever releases, discharges, and agrees to indemnify, defend, and hold harmless Franchisor, its predecessors, successors and assigns and each of their respective former and present officers, employees, directors, shareholders, partners, members, parents, subsidiaries, affiliates, alter egos, representatives, agents, and attorneys (collectively, the "**Released Parties**"), from any and all Claims, demands, liens, actions, agreements, suits, causes of action, obligations, controversies, debts, costs, attorney's fees, expenses, damages, judgments, orders, and liabilities of whatever kind or nature in law, equity, or otherwise, whether now known or suspected which have existed, may or do exist ("**Released Claims**"), based on any facts, events, or omissions occurring before the execution of this letter agreement which arise out of, concern, pertain, or relate in any way to the Franchise Agreement [*IF APPLICABLE*: or the Existing Comfort Letter]. Franchisee acknowledges that it may hereafter discover Claims presently unknown or unsuspected, or facts in addition to or different from those which it now knows or believes to be true, with respect to the matters released by this letter agreement. Nevertheless, Franchisee fully and finally settles and releases all such matters, and all Claims relative thereto, which do now exist, may exist or have existed between the Released Parties and Franchisee.

6. **Lender Estoppel and Release**. As consideration for this letter agreement relating to the Loan:

(a) Lender hereby certifies to Franchisor that Lender is not a Sanctioned Person. "**Sanctioned Person**" means any person, entity, or Government, including those with Control over such persons or entities, or acting on behalf of such persons or entity, who is subject to Trade Restrictions that prohibit or restrict the Parties' performance of the Parties' obligations under this agreement. "**Trade Restrictions**" means trade, economic or investment sanctions, export controls, anti-terrorism, non-proliferation, anti-money laundering and similar restrictions in force pursuant to laws, rules and regulations imposed under Laws to which the Parties are subject.

(b) Lender hereby represents and warrants in favor of Franchisor that Lender is not a Competitor of Franchisor.

(c) Lender hereby represents and warrants in favor of Franchisor that [IF LENDER IS A BANK] Lender does not own any Equity Interest in Franchisee [IF LENDER IS NOT A BANK] neither Lender nor any of its officers or directors own any Equity Interest in Franchisee.

(d) Lender hereby agrees that this letter agreement shall remain in full force and effect in favor of Lender with respect to the Loan, as the Loan may periodically be modified, amended, extended, supplemented or restated, without the need for further action by Lender or Franchisor.

(e) [*IF LENDER IS A PARTY TO EXISTING COMFORT LETTER*:] Lender hereby certifies to Franchisor that no Claim, or condition that could with the passage of time, giving notice or otherwise become a Claim by Lender, currently exists or has existed against Franchisor under the Existing Comfort Letter; agrees that the Existing Comfort Letter is null and void and of no further force and effect; and agrees that Franchisor has no obligations of any kind under the Existing Comfort Letter.

(f) [*IF FOR A LOAN ORIGINATED AT AN EARLIER DATE:* Lender hereby represents and warrants as of the date of its signature below that Lender has not issued a notice of default with respect to the Loan and is not aware of any issue that currently constitutes a default under the Loan and that Lender has not taken any action intended to result in Lender acquiring possession and/or ownership of the Hotel.

(g) Lender hereby fully and forever releases, discharges, and agrees to indemnify, defend and hold harmless the Released Parties from any and all Released Claims by Lender based on any facts, events, or omissions occurring before the execution of this letter agreement which arise out of, concern, pertain, or relate in any way to this letter agreement. [*IF LENDER IS A PARTY TO EXISTING COMFORT LETTER, ADD* or the Existing Comfort Letter.] [FOR CANADA ONLY; provided, however that this release will not relieve any of the Released Parties from any liability imposed by the *Ontario Arthur Wishart Act (Franchise Disclosure), 2000,* that may have existed as of the Effective Date of this agreement.]

7. [IF REQUESTED, CHECK ¶ REFERENCES IN ¶¶ 3 / 6: **Franchisor Estoppel**. Subject to the acknowledgement by Lender that Franchisor does not own or operate the Hotel, Franchisor hereby certifies to Lender that, to Franchisor's knowledge as of the date indicated on the first page of this letter agreement, (a) the Franchise Agreement is in full force and effect, and (b) no Default currently exists under the Franchise Agreement. "**Franchisor's knowledge**" means the actual knowledge of applicable

and reasonably obvious Hotel operational matters regularly reviewed by company employees who have given their attention to such matters in the ordinary course of business and does not include any investigation by those employees or others of other matters or beyond their usual and customary reviews of the Hotel, nor does it include constructive notice of matters or information located in public or Hotel records. "**Default**" means matters which have been the subject of an actual notice of default under the Franchise Agreement and does not include matters which are or may be in process, under discussion, or otherwise addressed. [*IF QUALIFIERS:* Notwithstanding the foregoing, Lender is advised that the Hotel failed its most recent Quality Assurance Inspection, but the failure is not a Default.]

8. **Assignment**. This letter agreement may not be assigned by Lender without the written consent of Franchisor; provided, however, Franchisor's consent is not required for any assignment to:

(a) a direct or indirect subsidiary or affiliate of Lender in connection with an Acquisition.

(b) the trustee in a securitization **if** Lender (i) directly transfers the Loan to the trustee **and** (ii) gives notice to Franchisor within thirty (30) days of the transfer, identifying the new "Lender" and the new address for notice. If Lender fully complies with the provisions of this Subparagraph, Franchisor will recognize the trustee as "Lender" under this letter agreement; but Franchisor may, in its discretion, reject any notice that is not sent by Lender or that is not sent in a timely manner in accordance with this Subparagraph.

(c) [*IF LENDER IS ACTING AS AN ADMINISTRATIVE AGENT*:] any successor administrative agent with respect to the Loan if the successor is a national bank, a state-chartered bank, commercial bank, or the U.S. branch of a foreign bank authorized to operate in the U.S., and the administrative agent identified as "Lender" under this letter agreement gives notice to Franchisor, identifying the new "Lender" and the new address for notice, within thirty (30) days of the transfer, but Franchisor may, in its discretion, reject any notice that is not sent by Lender or that is not sent in a timely manner in accordance with this Subparagraph.

(d) any subsequent holder or holders of the Loan ("**Assignee**") **if** (1) the Loan is not in default when notice is given; (2) Lender gives notice to Franchisor, identifying Assignee and the new address for notice, within thirty (30) days of the transfer; and (3) the Assignee (i) is a national bank, state-chartered bank, commercial bank, investment bank, pension fund, finance company, insurance company, or other financial institution engaged in the business of making loans or any fund managed by any of the foregoing, (ii) is not a Competitor of Franchisor, and (iii) does not own directly or indirectly, any equity interest in Franchisee or its constituent owners; provided, however, that Franchisor may, in its discretion, reject a notice if the Loan is in default when notice is given, or if the notice is not sent by Lender, or if notice is not sent in a timely manner in accordance with this Subparagraph. On receipt and acceptance of the notice, Franchisor will promptly prepare its then-current form of Assignment and Assumption Agreement ("**Assignment**") and Lender and Assignee must promptly execute and return the Assignment. Franchisor may charge a nominal fee for processing the Assignment. If there is more than one Assignee, the Assignees must (i) designate a single representative to receive notices, negotiate on behalf of and bind each Assignee in connection with this letter agreement and any assignment thereof, and (ii) acknowledge that Franchisor shall be entitled to rely on such designation and deal solely with such representative without the necessity of notifying, negotiating with, or obtaining the consent of, each Assignee.

9. **Communication with Lender**. Franchisee agrees that Franchisor may discuss with Lender or its designee the status of the Hotel, the Franchise Agreement, or any matter to which Lender is entitled to notice under the terms of this letter agreement. Franchisee agrees that the Released Parties

shall not be liable to Franchisee for taking any action or providing any information required or contemplated by this letter agreement.

10. **Management**. Any change to the management company for the Hotel ("**Management**") made by Lender or a receiver before an Assumption is subject to Franchisor's prior written approval. Franchisor will use its business judgment in determining whether to approve the new Management. After an Assumption, the terms of the Franchise Agreement will govern with respect to Management, provided, however, Lender shall not be bound by any requirements of the Franchise Agreement to manage the Hotel itself.

11. **Subordination**. Franchisor acknowledges and agrees that the Franchise Agreement, to the extent that it creates any interest in the Hotel, is and shall be subordinate to the mortgage or deed of trust of Lender placed or to be placed on the Hotel in accordance with the terms of the Loan.

12. **Collateral Assignment**. If the Franchise Agreement is being pledged by Franchisee to Lender as security for Franchisee's obligations to Lender under the Loan, issuance of this letter agreement evidences Franchisor's consent to the collateral assignment. Lender's rights in connection with the Franchise Agreement are governed by the terms and conditions in this letter agreement.

13. **Execution**. This letter agreement may be signed in counterparts, each of which will be considered an original. The parties agree to conduct the transaction by electronic means which will be initiated by Franchisor. An authorized representative of Franchisor will countersign on behalf of Franchisor when all conditions are fulfilled.

14. **Effectiveness and Termination**. This letter agreement will be effective only when Franchisor receives signatures indicating acceptance by Lender and Franchisee and Franchisor's authorized representative countersigns on the signature page. If Franchisor does not receive signed copies from Lender and Franchisee within thirty (30) days from the date indicated on the first page of this letter agreement, Franchisor's offer to enter into this letter agreement may be withdrawn. Once effective, this letter agreement will automatically terminate if (a) Lender no longer has a security interest in the Hotel or the Loan is paid in full, (b) Lender transfers the Loan to another entity unless this letter agreement is assigned in compliance with its terms, (c) Lender materially breaches this letter agreement, (d) Lender has been taken over in any manner by any state or federal agency, (e) Franchisee transfers the Franchise Agreement and the transfer results in a new franchise agreement being entered, or (f) Franchisor terminates the Franchise Agreement in accordance with the terms of this letter agreement.

15. **General**. No entity may exercise any rights as Lender under this letter agreement if the entity or any affiliate is or becomes the owner of a direct or indirect beneficial interest (except a strictly passive interest) in Franchisee, other than through the exercise of rights under the Loan. The provisions of this letter agreement are applicable only for the Hotel and the parties to this letter agreement. Issuance and execution of this letter agreement or the granting of any conditions provided in this letter agreement does not constitute an obligation on Franchisor's part to provide the same at any future date. This letter agreement sets forth the entire agreement of the parties to this letter agreement in regard to the matters addressed in this letter agreement. Capitalized terms not otherwise defined in this letter agreement shall have the meanings assigned to the term in the Franchise Agreement.

Sincerely,

HILTON FRANCHISE HOLDING LLC
OR SELECT HLT EXISTING FRANCHISE HOLDING LLC
OR IF HOTEL IS IN CANADA HILTON WORLDWIDE FRANCHISING LP

Signature Blocks on Following Page

LENDER:

[NAME]

By: ________________________________

Name: ________________________________

Title: ________________________________

Accepted and agreed to ____________________
DATE

FRANCHISEE:

[NAME]

By: ________________________________

Name: ________________________________

Title: ________________________________

Accepted and agreed to ____________________
DATE

FRANCHISOR:

HILTON FRANCHISE HOLDING LLC
OR SELECT HLT EXISTING FRANCHISE HOLDING LLC

By: ________________________________

Name: ________________________________

Title: Authorized Signatory

Effective Date: ____________________________

FRANCHISOR IF HOTEL IS IN CANADA

HILTON WORLDWIDE FRANCHISING LP,
a limited partnership formed under the laws of England and Wales

By: HILTON WORLDWIDE MANAGE LIMITED,
Its General Partner

By: ________________________________

Name: ________________________________

Title: _______Authorized Signatory_________

Effective Date: __________________________

Hilton

755 Crossover Lane
Memphis, TN 38117

SAVE AS NEW DOCUMENT
Insert Expected Closing Date

Lender [also insert in 2nd page header]
Attention:
Address
Address

Re: [Name of Hotel (City, State) – Facility No. ______; ALSO INSERT IN 2nd page header]
Mezzanine Lender Comfort Letter

Ladies and Gentlemen:

HILTON FRANCHISE HOLDING LLC, a Delaware limited liability company [IF NEEDED:, successor-by-merger to SELECT DOUBLETREE FRANCHISE LLC, a Delaware limited liability company, EMBASSY SUITES FRANCHISE LLC, a Delaware limited liability company, HILTON FRANCHISE LLC, a Delaware limited liability company, HAMPTON INNS FRANCHISE LLC, a Delaware limited liability company, HILTON GARDEN INNS FRANCHISE LLC, a Delaware limited liability company, HOMEWOOD SUITES FRANCHISE, LLC, a Delaware limited liability company, HLT ESP FRANCHISE LLC, a Delaware limited liability company OR SELECT HLT EXISTING FRANCHISE HOLDING LLC, a Delaware limited liability company, successor-in-interest to [DT Doubletree Hotel Systems, Inc. [ES, HAM, HWS Promus Hotels, Inc. [HFS, HGI, CI, WAC Hilton Inns, Inc.] SELECT FOR CANADA: HILTON WORLDWIDE FRANCHISING LP, a limited partnership formed under the laws of England and Wales] ("**Franchisor**") and ____________________, a _________________ ("**Franchisee**") are parties to a franchise agreement dated _________________, including all amendments, riders, supplemental agreements and assignments (collectively, "**Franchise Agreement**"). Franchisee operates [will operate] the [INSERT brand] hotel [to be] located at ______________________ ("**Hotel**") under the terms of the Franchise Agreement.

This letter agreement is being entered into in connection with a mezzanine loan in the amount of $________________, dated __________, as such mezzanine loan may be periodically amended, modified, supplemented, extended or restated ("**Loan**") from _____________ [IF LENDER IS NOT A BANK: , a [State] [Type of Entity] ("**Lender**") [IF NEEDED: as administrative agent for itself and other participant lenders (in its capacity as administrative agent, ("**Lender**"))] to Franchisee [IF NOT FRANCHISEE: _____________, a [State] [Type of Entity] ("**Mezzanine Borrower**")] to be used [*IF MULTIPLE PROPERTIES*:, in part,] for the direct benefit of the Hotel. [*DESCRIBE BORROWER'S RELATIONSHIP TO FRANCHISEE. (e.g.,*Mezzanine Borrower is the owner of the real property on which the Hotel is located, which Borrower leases to Franchisee, its affiliate*.]*

[*IF MULTIPLE LENDERS, REFERENCE SHORT NAMES ABOVE AND USE CONSISTENTLY:*
FIRST ALTERNATIVE: Franchisor is entitled to presume conclusively that notice to and actions or failures to act by *INSERT NAME OF ONE LENDER* ________________________ ("**Lead Lender**") are sufficient for all purposes under this letter agreement and that rights under this letter agreement may only be exercised by and the obligations under this letter agreement may only run to Lead Lender. Lead Lender may designate in writing a different party to this letter agreement to represent all lenders, provided that one party must be designated to represent all lenders.

SECOND ALTERNATIVE: First Lender [MODIFY AS NEEDED], Second Lender [MODIFY AS NEEDED] and Third Lender [MODIFY AS NEEDED] will be collectively referred to as "**Lender**." First Lender, Second Lender and Third Lender have represented to Franchisor that they have entered into an intercreditor agreement that establishes priorities among the lenders. Franchisor is not a party to the intercreditor agreement and is relying on the representations of First Lender, Second Lender and Third Lender. Franchisor is entitled to presume conclusively that the rights and obligations under this letter agreement will run to the Lender who contacts Franchisor and represents that it is entitled by the terms of the intercreditor agreement to exercise the rights of Lender under this letter agreement. Lender agrees that Franchisor shall have no obligation to resolve inconsistent instructions if it receives instructions from more than one lender and Franchisor shall have no liability to any lender as a result of any action that Franchisor takes in good faith at the direction of another lender, or any failure of Franchisor to act in the face of inconsistent instructions.

[IF THERE IS A MORTGAGE LENDER]
Franchisor, Franchisee and ______________ ("**Mortgage Lender**") [SELECT: entered into a letter agreement dated ___________ OR are contemporaneously entering into a letter agreement] containing substantially the same terms as this letter agreement with respect to the mortgage loan ("**Mortgage Letter Agreement**"). Lender agrees that any and all rights under this letter agreement are subordinate to any and all rights of Mortgage Lender under the Mortgage Letter Agreement as long as the Mortgage Letter Agreement is effective. [IF MORTGAGE LENDER IS THE MEZZANINE LENDER If, when a notice of default is issued, the notice address for "Lender" under more than one letter agreement is the same, Franchisor's obligation to provide notice to Lender at the address designated in more than one letter shall be satisfied by sending one notice, and multiple notices shall not be required.]

[*IF PRIOR LENDER COMFORT LETTER EXISTS*:
Reference is also made to a letter agreement dated ___________ among Franchisor [CONFIRM], Franchisee [CONFIRM] and Lender [CONFIRM] ("**Existing Comfort Letter**"). [IF WITH SAME LENDER: This letter agreement replaces the Existing Comfort Letter, which is null and void, and of no further force or effect.] [IF MORE THAN ONE EXISTING COMFORT LETTER, MODIFY THIS AND ¶¶ 5 AND 6 BELOW]

1. **Cure Period**.

(a) Notice of Franchisee Default. Franchisor will concurrently provide Lender a copy of any default notice sent to Franchisee under the Franchise Agreement. The notice will be sent to Lender at the address set forth above or such other address designated by Lender in writing, provided that only a single address may be designated and it may not be a P.O. Box.

(b) Lender's Cure Periods. Lender shall have the right, but not the obligation, to cure the default within fifteen (15) calendar days beyond the expiration of any cure period given to Franchisee ("**Lender's Cure Period**"). If the default is for failure to comply with physical standards or other non-monetary default which could only be cured by Lender acquiring possession of the Hotel and/or ownership of Franchisee (each, an "**Acquisition**"), Lender may have an additional period of one hundred eighty (180) calendar days, commencing at the expiration of Lender's Cure Period, to complete its Acquisition, through UCC sale, foreclosure or other appropriate proceedings ("**Additional Period**"); provided, that Lender must: (i) notify Franchisor no later than the date it commences proceedings (or promptly after action is stayed or enjoined) that Lender wants the Additional Period; (ii) commence proceedings and diligently prosecute such proceedings to completion within the Additional Period; and (iii) comply with the obligations of Franchisee under the Franchise Agreement not being performed by Franchisee during the Additional Period including payment of all monetary obligations but excluding those obligations which can only be performed by Franchisee or which Lender cannot perform without possession of the Hotel and/or ownership of Franchisee. On request by Lender, the Additional Period may be extended by Franchisor in its determination, which determination shall take into consideration the period of time required to complete an Acquisition in the applicable jurisdiction, and any period of time in which Lender's action has been stayed or enjoined. If Franchisor has not issued a default notice to

Franchisee or Lender has cured Franchisee's default during Lender's Cure Period, and Lender commences a UCC sale, foreclosure or other proceeding intended to result in an Acquisition, Lender may exercise the rights under this letter agreement under the terms and timelines outlined in this Subparagraph. If Franchisor has not issued a default notice, Lender's notice to Franchisor of Franchisee's default under the Loan will be deemed to begin Lender's Cure Period and Additional Period. Franchisor acknowledges and agrees that an Acquisition shall not be deemed a sale or lease of the Hotel under the Franchise Agreement, nor a violation of any control or transfer provisions of the Franchise Agreement, and shall not be subject to any right of first refusal or right of first offer contained in the Franchise Agreement.

(c) Franchisor's Rights to Terminate Franchise Agreement. Notwithstanding any other provision of this letter agreement, Franchisor may terminate the Franchise Agreement if any of the following occur: (i) Franchisee's default or any subsequent default, in the sole opinion of Franchisor, damages the image or reputation of Franchisor or any brand name owned and/or licensed by Hilton Worldwide Holdings Inc., a Delaware corporation, or its subsidiaries or affiliates (collectively, "**Hilton**"); (ii) Franchisor is required to terminate the Franchise Agreement by court order or action of any trustee in bankruptcy or debtor in possession of the Hotel; or (iii) the Additional Period expires without other arrangements satisfactory to Franchisor in its sole discretion having been entered into between Franchisor and Lender.

(d) Expiration of Franchise Agreement. Nothing in this letter agreement will extend the Franchise Agreement beyond its stated expiration date.

(e) Receiver Appointment. If a receiver is appointed to operate the Hotel at the request of Lender, Franchisor may require the receiver to enter into Franchisor's then-current form of receiver agreement, with such modifications as mutually agreed between Franchisor, Lender and receiver, or other documentation that Franchisor considers reasonably necessary.

2. **Assumption and Amendment**.

(a) Assumption. Lender will be deemed to have assumed the rights and obligations of Franchisee under the Franchise Agreement as of the date of the Acquisition, and will be obligated to perform all of the obligations of Franchisee under the Franchise Agreement existing at or accruing after the date of the Acquisition, including the payment of fees owed to Franchisor ("**Assumption**"). In connection with the Assumption, Lender must diligently cure all defaults which it could not cure before the Acquisition, within the time period determined by Franchisor based on the nature of the default and/or the condition of the Hotel at the time of Lender's Acquisition.

(b) Amendment. Lender must, within ten (10) business days after Franchisor's request, provide Franchisor all information necessary for Franchisor to determine that Lender is not a Sanctioned Person (as defined below), and deliver any other documents regarding Lender's ownership structure that Franchisor reasonably requests. Franchisor will promptly prepare an amendment to the Franchise Agreement ("**Amendment**") to document the Assumption, and deliver the Amendment to Lender. Lender must execute and return the Amendment to Franchisor within ten (10) business days after receipt from Franchisor. Lender's failure to timely execute and deliver to Franchisor the Amendment shall be a default under the Franchise Agreement entitling Franchisor to terminate the Franchise Agreement. Any renovation requirements imposed by Franchisor in connection with the Assumption will not exceed those which Franchisor could have imposed had Franchisee remained as the Franchisee under the Franchise Agreement. In lieu of any transfer or application fee for the Assumption, Lender agrees to pay Franchisor a processing fee equal to the permitted transfer fee in the Franchise Agreement. If the Franchise Agreement does not reference a permitted transfer fee, then the processing fee will be Five Thousand Five Hundred Dollars ($5,500).

(c) Lender's Sale to Third Party After Assumption. The transfer provisions of the Franchise Agreement will apply to any sale, assignment or transfer by Lender after an Assumption. If the transfer is to a third party who desires to continue to operate the Hotel, these provisions require a change of ownership application, approval of the third party and payment of an application fee.

3. **Notice to Franchisor**. Lender agrees to notify Franchisor (a) contemporaneously with the commencement of any action that may result in an Acquisition; (b) contemporaneously with the filing of a petition for appointment of a receiver or any other action initiated by Lender that materially impacts possession of the Hotel; (c) promptly after an Acquisition of the date the Acquisition occurred, or (d) promptly after Lender no longer has a security interest in the equity ownership of Franchisee or the Loan is paid in full, but Lender's failure to give notice under this Subparagraph 3(d) will not affect the automatic termination of this letter agreement under Paragraph 11 [NO ESTOPPEL] 12 [ESTOPPEL]. Lender further agrees to promptly provide to Franchisor a copy of any order appointing a receiver or any other judicial or administrative order from an action initiated by Lender that materially impacts possession of the Hotel. All notices to Franchisor should be sent to the following address or such other address periodically designated by Franchisor in writing:

Hilton Worldwide Holdings Inc.
Attention: General Counsel
7930 Jones Branch Drive, Suite 1100
McLean, VA 22102

If Lender wishes to send a notice to Franchisor regarding securitizations, Lender may send the notice by any method described above, or by email (with read receipt confirmation) at Lender.Comfort.Letters@hilton.com or such other email address as Franchisor may periodically designate by notice to Lender.

4. **Confidentiality and Non-Disclosure**. The provisions of this letter agreement shall not be disclosed by Lender or Franchisee to any third party, excepting (a) the respective employees, directors, officers, agents, regulators or legal and financial representatives of each of Franchisee, Lender and Lender's servicers, trustees and certificate holders, on a need-to-know basis; (b) as required by law; (c) as mutually agreed to by the parties; (d) as part of any due diligence performed as a part of a sale, assignment, participation or securitization of the Loan by Lender, or a sale of the Hotel after an Acquisition; (e) any investor or potential investor in, or underwriter of, the Loan; and/or (f) any rating agency that rates securities backed by the Loan. Except as provided above, Franchisee and Lender agree not to copy, reproduce or otherwise make available in any form whatsoever to any other person, firm, corporation, or business the provisions of this letter agreement.

5. **Franchisee Estoppel and Release**. As consideration for this letter agreement relating to the Loan, Franchisee hereby:

(a) certifies to Franchisor that the Franchise Agreement is in full force and effect, and no default, claim, breach, offset, defense to full and strict enforcement, waiver, or estoppel (collectively, "**Claim**"), or condition that could with passage of time, giving notice or otherwise become a Claim, currently exists or has existed against Franchisor under the Franchise Agreement [IF APPLICABLE: or the Existing Comfort Letter].

(b) [IF APPLICABLE: represents that the loan referenced in the Existing Comfort Letter has been paid in full [DELETE FIRST CLAUSE IF LOAN IS BEING ASSUMED] and agrees that the Existing Comfort Letter is null and void and of no further force and effect, and Franchisor has no obligations of any kind under the Existing Comfort Letter.]

(c) agrees that this letter agreement will remain in full force and effect in favor of Lender with respect to the Loan, as the Loan may periodically be modified, amended, extended, supplemented, or restated.

(d) agrees that this letter agreement was provided to Lender at Franchisee's request.

(e) fully and forever releases, discharges, and agrees to indemnify, defend, and hold harmless Franchisor, its predecessors, successors and assigns and each of their respective former and present officers, employees, directors, shareholders, partners, members, parents, subsidiaries, affiliates, alter egos, representatives, agents, and attorneys (collectively, the "**Released Parties**"), from any and all Claims, demands, liens, actions, agreements, suits, causes of action, obligations, controversies, debts, costs, attorney's fees, expenses, damages, judgments, orders, and liabilities of whatever kind or nature in law, equity, or otherwise, whether now known or suspected which have existed, may or do exist ("**Released Claims**"), based on any facts, events, or omissions occurring before the execution of this letter agreement which arise out of, concern, pertain, or relate in any way to the Franchise Agreement [IF APPLICABLE: or the Existing Comfort Letter]. Franchisee acknowledges that it may hereafter discover Claims presently unknown or unsuspected, or facts in addition to or different from those which it now knows or believes to be true, with respect to the matters released by this letter agreement. Nevertheless, Franchisee fully and finally settles and releases all such matters, and all Claims relative thereto, which do now exist, may exist or have existed between the Released Parties and Franchisee.

6. **<u>Lender Estoppel and Release</u>**. As consideration for this letter agreement relating to the Loan:

(a) Lender hereby certifies to Franchisor that Lender is not a Sanctioned Person. "**Sanctioned Person**" means any person, entity, or Government, including those with Control over such persons or entities, or acting on behalf of such persons or entity, who is subject to Trade Restrictions that prohibit or restrict the Parties' performance of the Parties' obligations under this Agreement. "**Trade Restrictions**" means trade, economic or investment sanctions, export controls, anti-terrorism, non-proliferation, anti-money laundering and similar restrictions in force pursuant to laws, rules and regulations imposed under Laws to which the Parties are subject.

(b) Lender hereby represents and warrants in favor of Franchisor that Lender is not a Competitor of Franchisor.

(c) Lender hereby represents and warrants in favor of Franchisor that [IF LENDER IS A BANK] Lender does not own any Equity Interest in Franchisee [IF LENDER IS NOT A BANK] neither Lender nor any of its officers or directors own any Equity Interest in Franchisee.

(d) Lender hereby agrees that this letter agreement shall remain in full force and effect in favor of Lender with respect to the Loan, as the Loan may periodically be modified, amended, extended, supplemented or restated without the need for further action by Lender or Franchisor.

(e) [*IF LENDER IS A PARTY TO EXISTING COMFORT LETTER*:] Lender hereby certifies to Franchisor that no Claim, or condition that could with the passage of time, giving notice or otherwise become a Claim by Lender, currently exists or has existed against Franchisor under the Existing Comfort Letter; agrees that the Existing Comfort Letter is null and void and of no further force and effect; and agrees that Franchisor has no obligations of any kind under the Existing Comfort Letter.

(f) [*IF FOR A LOAN ORIGINATED AT AN EARLIER DATE:* Lender hereby represents and warrants as of the date of its signature below that Lender has not issued a notice of default with respect to the Loan and is not aware of any issue that currently constitutes a default under the Loan and that Lender has not taken any action intended to result in Lender acquiring possession of the Hotel and/or ownership of Franchisee.

(g) Lender hereby fully and forever releases, discharges, and agrees to indemnify, defend and hold harmless the Released Parties from any and all Released Claims by Lender based on any facts, events, or omissions occurring before the execution of this letter agreement which arise out of, concern, pertain, or relate in any way to this letter agreement. [*IF LENDER IS A PARTY TO EXISTING COMFORT LETTER*:, ADD or the Existing Comfort Letter.] [FOR CANADA ONLY ; provided, however that this release will not relieve any of the Released Parties from any liability imposed by the *Ontario Arthur Wishart Act (Franchise Disclosure), 2000, that may have existed as of the Effective Date of this Assignment*.]

7. [*IF REQUESTED, CHECK REFERENCES in* ¶¶ *3 / 6* **Franchisor Estoppel**. Subject to the acknowledgement by Lender that Franchisor does not own or operate the Hotel, Franchisor hereby certifies to Lender that, to Franchisor's knowledge as of the date indicated on the first page of this letter agreement, (a) the Franchise Agreement is in full force and effect, and (b) no Default currently exists under the Franchise Agreement. "**Franchisor's knowledge**" means the actual knowledge of applicable and reasonably obvious Hotel operational matters regularly reviewed by company employees who have given their attention to such matters in the ordinary course of business and does not include any investigation by those employees or others of other matters or beyond their usual and customary reviews of the Hotel, nor does it include constructive notice of matters or information located in public or Hotel records. "**Default**" means matters which have been the subject of an actual notice of default under the Franchise Agreement and does not include matters which are or may be in process, under discussion, or otherwise addressed. [*IF QUALIFIERS:* Notwithstanding the foregoing, Lender is advised that the Hotel failed its most recent Quality Assurance Inspection, but the failure is not a Default].

8. **Assignment**. This letter agreement may not be assigned by Lender without the written consent of Franchisor; provided, however, Franchisor's consent is not required for any assignment to:

(a) a direct or indirect subsidiary or affiliate of Lender in connection with an Acquisition.

(b) the trustee in a securitization **if** Lender (i) directly transfers the Loan to the trustee **and** (ii) gives notice to Franchisor within thirty (30) days of the transfer, identifying the new "Lender" and the new address for notice. If Lender fully complies with the provisions of this Subparagraph, Franchisor will recognize the trustee as "Lender" under this letter agreement but Franchisor may, in its discretion, reject any notice that is not sent by Lender or that is not sent in a timely manner in accordance with this Subparagraph.

(c) [*IF LENDER IS ACTING AS AN ADMINISTRATIVE AGENT*:] any successor administrative agent with respect to the Loan if the successor is a national bank, state-chartered bank, commercial bank, or the U.S. branch of a foreign bank authorized to operate in the U.S., and the administrative agent identified as "Lender" under this letter agreement gives notice to Franchisor, identifying the new "Lender" and the new address for notice, within thirty (30) days of the transfer, but Franchisor may, in its discretion, reject any notice that is not sent by Lender or that is not sent in a timely manner in accordance with this Subparagraph.

(d) any subsequent holder or holders of the Loan ("**Assignee**") **if** (1) the Loan is not in default when notice is given; (2) Lender gives notice to Franchisor, identifying Assignee and the new address for notice, within thirty (30) days of the transfer; and (3) the Assignee (i) is a national bank, state-chartered bank, commercial bank, investment bank, pension fund, finance company, insurance company, or other financial institution engaged in the business of making loans or any fund managed by any of the foregoing, (ii) is not a Competitor of Franchisor, and (iii) does not own directly or indirectly, any equity interest in Franchisee or its constituent owners; provided, however, that Franchisor may, in its discretion, reject a notice if the Loan is in default when notice is given, or if the notice is not sent by Lender, or if notice is not sent in a timely manner in accordance with this Subparagraph. On receipt and acceptance of the notice, Franchisor will promptly prepare its then-current form of Assignment and Assumption Agreement ("**Assignment**") and Lender and Assignee must promptly execute and return the Assignment. Franchisor may charge a nominal fee for processing the Assignment. If there is more than one Assignee, the Assignees must (i) designate a single representative to receive notices, negotiate on behalf of and bind each Assignee in connection with this letter agreement and any assignment thereof, and (ii) acknowledge that Franchisor shall be entitled to rely on such designation and deal solely with such representative without the necessity of notifying, negotiating with, or obtaining the consent of, each Assignee.

9. **Communication with Lender**. Franchisee agrees that Franchisor may discuss with Lender or its designee the status of the Hotel, the Franchise Agreement, or any matter to which Lender is entitled to notice under the terms of this letter agreement. Franchisee agrees that the Released Parties shall not be liable to Franchisee for taking any action or providing any information required or contemplated by this letter agreement.

10. **Management**. Any change to the management company for the Hotel ("**Management**") made by Lender or a receiver before an Assumption is subject to Franchisor's prior written approval. Franchisor will use its business judgment in determining whether to approve the new Management. After an Assumption, the terms of the Franchise Agreement will govern with respect to Management, provided, however, Lender shall not be bound by any requirements of the Franchise Agreement to manage the Hotel itself.

11. **Execution**. This letter agreement may be signed in counterparts, each of which will be considered an original. The parties agree to conduct the transaction by electronic means which will be initiated by Franchisor. An authorized representative of Franchisor will countersign on behalf of Franchisor when all conditions are fulfilled.

12. **Effectiveness and Termination**. This letter agreement will be effective only when Franchisor receives signatures indicating acceptance by Lender and Franchisee and Franchisor's authorized representative countersigns on the signature page. If Franchisor does not receive signed copies from Lender and Franchisee within thirty (30) days from the date indicated on the first page of this letter agreement, Franchisor's offer to enter into this letter agreement may be withdrawn. Once effective, this letter agreement will automatically terminate if (a) Lender no longer has a security interest in Franchisee or the Loan is paid in full, (b) Lender transfers the Loan to another entity unless this letter agreement is assigned in compliance with its terms, (c) Lender materially breaches this letter agreement, (d) Lender has been taken over in any manner by any state or federal agency, (e) Franchisee transfers the Franchise Agreement and the transfer results in a new franchise agreement being entered, or (f) Franchisor terminates the Franchise Agreement in accordance with this letter agreement.

13. **General**. No entity may exercise any rights as Lender under this letter agreement if the entity or any affiliate is or becomes the owner of a direct or indirect beneficial interest (except a strictly passive interest) in Franchisee, other than through the exercise of rights under the Loan. The provisions of this letter agreement are applicable only for the Hotel and the parties to this letter agreement. Issuance and execution of this letter agreement or the granting of any conditions provided in this letter agreement does not constitute an obligation on Franchisor's part to provide the same at any future date. This letter agreement sets forth the entire agreement of the parties to this letter agreement in regard to the matters

addressed in this letter agreement. Capitalized terms not otherwise defined in this letter agreement shall have the meanings assigned to the term in the Franchise Agreement.

Sincerely,

HILTON FRANCHISE HOLDING LLC
OR SELECT HLT EXISTING FRANCHISE HOLDING LLC
OR IF HOTEL IS IN CANADA HILTON WORLDWIDE FRANCHISING LP

Signature Blocks on Following Page

LENDER:

[NAME]

By: ________________________________

Name: ________________________________

Title: ________________________________

Accepted and agreed to ____________________
DATE

FRANCHISEE:

[NAME]

By: ________________________________

Name: ________________________________

Title: ________________________________

Accepted and agreed to ____________________
DATE

FRANCHISOR:

HILTON FRANCHISE HOLDING LLC
OR SELECT HLT EXISTING FRANCHISE HOLDING LLC

By: ________________________________

Name: ________________________________

Title: Authorized Signatory

Effective Date: ___________________________

FRANCHISOR IF HOTEL IS IN CANADA

HILTON WORLDWIDE FRANCHISING LP,
a limited partnership formed under the laws of England and Wales

By: HILTON WORLDWIDE MANAGE LIMITED,
Its General Partner

By: ________________________________

Name: ________________________________

Title: Authorized Signatory

Effective Date: __________________________

EXHIBIT L

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

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	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

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.

EXHIBIT M

RECEIPT

Hilton Franchise Holding LLC
TAPESTRY

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 Hilton Franchise Holding LLC 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, the franchisor or an affiliate in connection with the proposed franchise sale.

Connecticut and Michigan require that we 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.

Iowa and Maine require that we give you the disclosure document at the earlier of the first personal meeting or 14 days before you sign a binding agreement with, or make a payment to, us in connection with the proposed franchise sale.

If Hilton Franchise Holding 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 law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580 and the state agency listed on Exhibit I.

The franchisor is Hilton Franchise Holding LLC, located at 7930 Jones Branch Drive, Suite 1100, McLean, VA 22102. Its telephone number is 703-883-1000.

Issuance date: March 30, 2026

The franchise seller for this offering is [name] ____, [title] ____________________, [address], ____, [telephone number] ________________________.

Hilton Franchise Holding LLC authorizes the respective state agencies identified on Exhibit I to receive service of process for it in the particular state.

I received a disclosure document dated March 30, 2026, that included the following Exhibits:

Exhibit A	List of Franchised Hotels as of December 31, 2025
Exhibit B	List of Franchised Hotels Terminated, Canceled, Not Renewed or with Changes in Controlling Interest During 2025
Exhibit C	Financial Statements
Exhibit D	Franchise Agreement and Addendum
Exhibit D-1	State Addenda to Franchise Agreement
Exhibit D-2	Development Incentive Promissory Note
Exhibit D-3	Eforea Spa Amendment
Exhibit D-4	Restaurant Brand Amendment
Exhibit E	Guaranty of Franchise Agreement
Exhibit F	Franchise Application
Exhibit G	Information Technology System Agreement (HITS Agreement)
Exhibit H-1	Manual Table of Contents – Brand Standards
Exhibit H-2	Manual Table of Contents – Eforea Spa Operating Standards
Exhibit H-3	Manual Table of Contents – Restaurant Brands
Exhibit I	State Administrators and Agents for Service of Process
Exhibit J-1	State Addenda to Disclosure Document
Exhibit J-2	Restaurant Brands Addendum to Disclosure Document
Exhibit K	Lender Comfort Letter Forms
Exhibit L	State Effective Dates
Exhibit M	Receipts

PROSPECTIVE FRANCHISEE:

If a corporation or other business entity:

____
(Name of Entity)

By: ______________________________
(Signature)

Printed Name: ______________________

Title: ______________________________

Date: ______________________________

If an individual:

____
(Signature)

____
(Printed Name)

Date: ______________________________

CITY/STATE OF PROPOSED HOTEL(S): ______________________________

PLEASE SIGN THIS RECEIPT IN DUPLICATE, RETAIN ONE FOR YOUR RECORDS, AND RETURN ONE SIGNED COPY (FRONT AND BACK) TO:

RECEIPT

Hilton Franchise Holding LLC
TAPESTRY

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PROSPECTIVE FRANCHISEE:

If a corporation or other business entity:

____
(Name of Entity)

By: ______________________________
(Signature)

Printed Name: ______________________

Title: ______________________________

Date: ______________________________

If an individual:

____
(Signature)

____
(Printed Name)

Date: ______________________________

CITY/STATE OF PROPOSED HOTEL(S): ______________________________

PLEASE SIGN THIS RECEIPT IN DUPLICATE, RETAIN ONE FOR YOUR RECORDS, AND RETURN ONE SIGNED COPY (FRONT AND BACK) TO: